

**Submission
No 139**

INQUIRY INTO POST SCHOOL DISABILITY PROGRAMS

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Subject:

Summary

GPSC2 GPSC2 - FRANS Submission to Upper House Inquiry

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Subject: FRANS Submission to Upper House Inquiry

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3 March 2005

NSW Legislative Council
Parliament House
Macquarie St
Sydney NSW 2000

Legislative Council
GENERAL PURPOSE
STANDING COMMITTEES

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Inquiry into Changes to Post School Programs for Young Adults with a Disability

Please find attached a submission from Family Resource and Network Support Inc. (FRANS) to the Legislative Council Inquiry into Changes to Post School Programs. The submission contains three attachments, the main submission and two supporting documents. Attached are:

- 1) FRANS Submission to Upper House Inquiry
- 2) Transition to Work Letter of Appeal
- 3) Letter to Minister Tebbutt

FRANS has many concerns with the consequences of the ATLAS reforms and the process by which these reforms were conducted. These are outlined in the submission and supporting documentation. We would be very interested in assisting with any Inquiry hearings should you need further information.

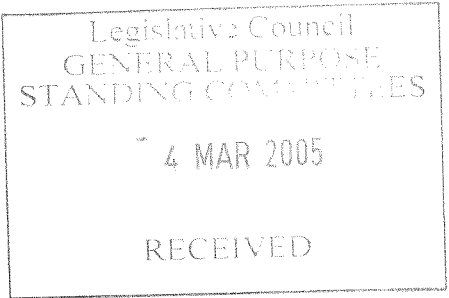
We thank the Council for looking into this vital issue. I may be contacted directly on 9797 5397 or should you require additional information or clarification.

Yours sincerely,

Jerry McNamara
General Manager

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Legislative Council

Inquiry into Changes to Post School Programs for Young Adults with a Disability

Submitted by: Family Resource and Network Support (FRANS) Inc.

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Family Resource and Network Support (FRANS) Inc. wishes to bring to the Inquiry's attention what it perceives to be deficiencies in the eligibility determination for the Transition to Work Program as a component of the ATLAS reform process.

A Brief Description of FRANS ATLAS

Prior to the ATLAS reform process, FRANS had conducted an ATLAS program that had achieved a remarkable level of success in Transition to Work for young people with a disability. Unlike many ATLAS services, FRANS ATLAS was not a centre-based agency. Rather, community based working sites were carefully selected in which each participant was supported by a FRANS trainer using a one-to-one approach. It is well recognised globally that an individualised approach is advantageous and is a direction that is increasingly adopted by the disability care and support sector. This approach has the advantage of providing directly relevant training that more easily transfers effectively

to the work place. This teaching method also applied to related daily living skills training, such as the ability to use public transit from one's home, to handle one's own money etc. All skills were taught in the context they would later be used independently. The consequence of providing completely one-on-one training compared to less effective group activities, however, meant that FRANS ATLAS provided fewer hours of training per week with the ATLAS funding provided. This meant that the Service Unit Cost per hour on the FRANS application was higher than group-based services that work with a lower trainer-to-participant ratio. However, that lower figure had achieved superior results, something that DADHC may have overlooked in its determination of service eligibility for Transition to Work.

1. Eligibility Criteria for Transition to Work

When Minister Tebbutt announced the ATLAS reform, she cited the poor rate of transition to work (3%) in New South Wales as being unacceptably low. FRANS, as an agency with a vastly higher rate of success in Transition to Work, fully expected to qualify to continue to provide Transition to Work services and was supported in that belief by many regional DADHC representatives with whom it has worked very closely over the years. It was thus astonishing to FRANS when our application was unsuccessful and we were very concerned by that decision.

In the initial DADHC letter of rejection forwarded by Mr. Brendan O'Reilly, Director General of DADHC, there was only one line of explanation in which the specific criterion for the rejection of the tender application was cited as: "Cost efficiency and effectiveness." We would have liked a more comprehensive response on such a vital issue. As FRANS, though running a small program, had one of the highest rates of success amongst ATLAS services in NSW, it took the opportunity to appeal the decision through the process required. (See attached Letter of Appeal) We wish to bring the attention of this Inquiry to that letter as it contains succinctly the essential case and corroborating data to support FRANS in its bid last year to continue providing Transition to Work.

The appeal was also rejected with very little explanation. FRANS believes the application should have been reassessed because vital components identified above were overlooked. We fail to understand how in the process of improving the success rate of Transition to Work, a service with a superior Transition to Work success rate could have been terminated.

FRANS received only a limited and unsatisfactory explanation for the rejection of the appeal. In early December, Jerry McNamara, General Manager of FRANS (see attached Letter to Minister Tebbutt) wrote to both Minister Tebbutt and Mr Brendan O'Reilly, the Director General of DADHC requesting a written and more comprehensive explanation of the reasons for this decision. We have not received a direct reply from Minister Tebbutt in this regard. However, in a letter to Linda Burney MP, who had also written to

Minister Tebbutt on this matter, Minister Tebbutt wrote, "I acknowledge FRANS' successful school to employment history, however, their tender did not meet the criteria requirements."

This certainly raises the question of the appropriateness of the criteria used. FRANS considers that successfully assisting people with disabilities into suitable employment at a particularly high rate is in itself a sufficient criterion. More importantly, FRANS is concerned that its participants have been a casualty of an inadequate assessment process. We acknowledge that FRANS' Service Unit Cost is higher because all its specific training is on a one-on-one basis. However, it would appear that DADHC's benchmark has not taken into account the outcomes accomplished. Specific one-to-one vocational training as offered by FRANS is based on high quality service and best practice. The assessment system, that we presume is being used, is placing disproportionate weight on how many hours a week a participant is kept busy without examining adequately the quality and effectiveness of the training they receive. This would more accurately be classified as a respite approach to ATLAS rather than a vocational training one. A more productive approach would have been to look at outcomes accomplished such as which ATLAS services were actually helping young people with disabilities obtain permanent jobs. With its success rate (outlined in the appeal letter -see attachment), we believe that FRANS ATLAS is clearly a highly cost-efficient service provided it is being judged on appropriate criteria.

DADHC Director General, Mr. Brendan O'Reilly, did forward a response to our December request, but did not provide the expected detailed explanation of the rejection of our appeal. He indicated that Ms Sue Findlay, Senior Manager, ATLAS Reforms, had spoken to FRANS in relation to this matter. Ms Findlay did speak to Ken Saunders, Manager FRANS Inclusion Program in December, 2004. In that discussion however, Ms Findlay did not offer an explanation for the rejection of the appeal and said a written explanation was being prepared. We have not received such an explanation to date.

The ATLAS Reform process, from FRANS' perspective, will have serious consequences for many families in NSW as well as service providers. Because our vocational training success appears to have been overlooked this has had unfortunate ramifications, most particularly for young people with disabilities and their families who already face limited support. More significantly, on a wider level, it means DADHC may have bound itself to a benchmark-driven model of service delivery where one-on-one training can only be afforded sparingly. This reduces the ability of services to deliver the individualised training that leads to vocational success. As a long time partner of DADHC and as an organisation with a reputation for service excellence, we find it very difficult to understand the decisions made to date.

2. The adequacy and appropriateness of funding arrangements for the new programs.

Difficulties persisted through the application process for Community Participation particularly during the time that the proposed funding was to be reduced to \$9000. This was a reduction that in some cases was over 50%. The DADHC ATLAS reform staff in contact with FRANS throughout that period required that three full days of service should be provided at that reduced level of funding. There was pressure to meet that benchmark level. The DADHC position as we understood it, that the reduction of funding should not mean a reduction in hours, was alarming as it could therefore only come at a reduction in quality of service.

FRANS is indeed appreciative of being able continue in Community Participation to provide some level of service to families in this regard. However, the revised level of funding of \$13,500 for Community Participation represents less funding for the individuals using the programs. Consequently, a reduction of service hours is necessary. In the end we have been able to adjust to the new Community Participation funding levels. This contrasts to the termination of a FRANS Transition to Work service where the assessment process provided no such flexibility and diversity in service delivery models.

4. The impact of the exclusion of students enrolled or proposing to enrol in post secondary or higher education from eligibility under the new programs

We believe this to have unfortunate outcomes. For example, it requires families to make a very risky choice just as the student has finished high school. Success in higher education is often difficult to predict. A more appropriate system, FRANS believes, would be to offer deferred Transition to Work to eligible students going on to post secondary education. This could assist in two ways.

- It could mean that a student who is not successful in secondary education does not slip through the gaps in service and end up with nothing a few months after finishing high school.
- Deferred Transition to Work could play a very important role to help the student who has completed his or her post secondary education to make the difficult transition to work afterward.

The current either/or system serves as a disincentive for participants and parents to “take the risk” of enrolling in post secondary education, thus creating needless barriers to future employment. Higher Education and Transition to Work should be complementary services, not exclusive of each other.

7. Whether appropriate and sustainable further education and vocational training and employment outcomes for people with a disability are likely to be achieved as a result of these changes.

In this section we would like to bring to the attention of the Inquiry the consequences of the change from Individual funding to Block funding in the post school programs for young adults with a disability. This is a needless change which contradicts reform. Individual funding brought numerous advantages to families, most particularly with the ease of transferring to other services. When families moved from a region, they were able to approach ATLAS providers in their new area with portable funding. With block funding, families will be facing waiting lists with agencies unable to take on extra staff to include additional young adults with disabilities because of the constraints of their block funding. Most importantly, portable funding allowed families to shift to the ATLAS service best suited to the changing needs of their children and in FRANS' experience this helped achieve positive outcomes.

FRANS is concerned about a change that greatly removes choice from families and is more likely to "lock in" a participant to a service. Our concern is that it may have been brought about because of difficulties DADHC Contracts Management Unit had in tracking funding changes in their system. It is agreed that there were great frustrations in processing individual funding alterations through DADHC with delays often in excess of one year. This internal processing problem however, should not be the justification to abandon the very important policy of individual funding. We believe a more streamlined and effective process within DADHC is needed and not the abandonment of an individualised system that well suited families and best met the changing needs of people with disabilities.