

Submission
No 61

**INQUIRY INTO SERVICES PROVIDED OR FUNDED BY
THE DEPARTMENT OF AGEING, DISABILITY AND
HOME CARE**

Organisation: The Lorna Hodginson Sunshine Home
Name: Mr Martin Laverly
Position: Chairman of the Board
Date received: 5/08/2010



6 West Street
PO Box 847
Pymble NSW 2073
T: (02) 9496 8700
F: (02) 9499 5304

The Director
Social Issues Committee
Legislative Council
Parliament House
Macquarie St
Sydney NSW 2000

Dear Director

Inquiry into services provided or funded by the Department of Ageing, Disability and Home Care (ADHC)

By way of summary of our recommendations to the Inquiry, the Board of Sunshine proposes the Inquiry adopt the following:

Recommendation 1 – Strengthen the partnership approach to service design and delivery

Recommendation 2 – ADHC be funded to conduct ‘cost of care’ reviews

Recommendation 3 – ADHC establish a needs assessment advisory group

Recommendation 4 – Create an innovation fund to bring new initiatives to NSW

Recommendation 5 – ADHC establish a research and development advisory group

As an organisation with a long history of service to people with disabilities in NSW (since 1924), and being in receipt of a substantial proportion of our total funding from ADHC, the Lorna Hodgkinson Sunshine Home (Sunshine) is well placed to both observe and comment on the way in which ADHC conducts its work and, in particular, the critical way that it supports non-government organisations in the community to provide vital community services. We are also in a good position to respond to the Inquiry's terms of reference that focus on flexibility in client services and unmet need. We are however somewhat unique in being long established and independently well resourced. As such, our experiences do not necessarily reflect that of all other disability service providers.

Our relationship with ADHC is long standing. Historically ADHC and its predecessors provided a substantial proportion of funding for Sunshine's Accommodation and Day Program services. This recurrent funding allowed Sunshine to provide institutional support to 145 clients. In the late 1980s, Sunshine (along with other disability services providers and governments) recognised the need to change its approach to service provision for people with intellectual disabilities by moving away from institutional care. To this end, Sunshine negotiated an arrangement with ADHC that allowed us to develop a new service model for Sunshine - our Hornsby Lifestyles program. For the first time 12 of our clients were enabled to move into their own homes in the community where we continue to support them today, allowing Sunshine to commence the process of moving away from and eventually closing and selling its institutional care facility.

ADHC was instrumental in enabling Sunshine to develop new services and service models such as Hornsby Lifestyles. Support for innovation and flexibility was critical as part of the move away from institutional care, especially at a time when the call for institutional living to be disbanded created a huge backlog of additional funding demands for ADHC to manage.

Since that time, Sunshine and many other disability service providers have grown from strength to strength. All of our 140 clients who once lived in our institutional care now live in the community in some form. We have also significantly expanded our services. Whilst not wanting to assess the scale of our service purely in dollar terms, Sunshine's turn over has grown from \$10 million per annum in 2004 to \$20 million per annum in 2010.

We now proudly support: 145 people in Accommodation Services; 149 in Community Access Services (a growth of 250% since our devolution); and 135 families in our Respite services.

Sunshine's experience working with ADHC over many years has taught us is how critical it is to have a dedicated, committed, responsive and flexible government agency. Without ADHC and its partnership approach with service providers, Sunshine would not be able to do the work that we do. This partnership approach to service design and management can be strengthened, and this is the first of our specific recommendations to the Inquiry. We propose that ADHC, recognising that those best able to provide for the needs of people with disabilities are those with the closest connection to such people, and non-government providers develop a 'partnership charter' in which ADHC and non-government providers build on existing practices to improve the manner in which each contributes to the design and quality assurance of services and their delivery by articulating an industry agreement containing principles of how programs are to be managed.

If there exists a risk to the quality of lives of people in NSW with a disability, it is uncertainty about future financing of ADHC as an agency that in turn funds non-government providers to deliver accommodation and care to people with disabilities.

It is our view that Treasury has not kept pace with the changing demands of providing care to people with disabilities, seen by constraints placed on the level of funding provided to ADHC to in turn fund agencies to deliver services at their true cost. Sunshine, as an example, has been funding a portion of the cost of service delivery required by ADHC service contracts from its own reserves. That is, Sunshine is providing a service on behalf of ADHC for which it is not paid sufficient funds to meet the cost of that service's delivery. In Sunshine's case, with careful management we have been able to absorb that cost. Other providers may not be in such a position, and in any case, a non-government provider should not be expected to meet costs that should rightly be funded by Government. Our second specific recommendation is therefore that ADHC be funded to conduct regular 'cost of care' reviews to ensure that funding agreements are providing at least sufficient resources to non-government organisations to cover the real and regularly increasing cost of care provision.

Finally, assessing unmet need of people with disabilities and fostering innovation in service design is not as well supported across NSW (and Australia) as it could be. There has not been an innovation in response to needs nearing the scale of institutional devolution. An innovation of such scale is likely not warranted, but nor is there a culture of transparent needs assessment and the flexibility in service design that encourages new developments in response to needs.

To assist a commitment to regular needs assessment, and to fostering a culture of innovation, our third, fourth, and fifth recommendations to the Inquiry are that:

- A needs assessment advisory group be established to be chaired by the ADHC Director General and comprising equal numbers of ADHC staff, service provider representatives, and independent community members with terms of reference to assess on a rolling basis unmet need within every region at least once every four years with the purpose of making recommendations on how current and future unmet need can best be addressed.
- An innovation fund of non less than \$5 million per annum be established for non-government providers to seek grant funding for projects that will bring to NSW new initiatives in the design and delivery of service programs.
- That a research and development advisory group be established by ADHC comprising equal numbers of ADHC staff, service provider representatives, and independent community members with terms of reference to assess and commission research and policy creation that will lead to innovation and improvements in the quality of services provided to people with disabilities.

Sunshine would welcome the opportunity to give evidence to the Inquiry during public hearings. We also give our thanks for the opportunity to express our opinion and relate our experience to the members of the Inquiry.

Kind regards



Martin Laverty
Chairman of the Board
The Lorna Hodgkinson Sunshine Home