

REPORT OF PROCEEDINGS BEFORE

GENERAL PURPOSE STANDING COMMITTEE No. 2

INQUIRY INTO POST SCHOOL DISABILITY PROGRAMS

At Sydney on Friday 17 June 2005

The Committee met at 10.00 a.m.

PRESENT

The Hon. P Forsythe (Chair)

The Hon. A. Catanzariti
The Hon. Dr A. Chesterfield-Evans
The Hon. J. Donnelly
The Hon. J Jenkins
The Hon. C. M. Robertson
The Hon. J. F. Ryan

BRENDAN O'REILLY, Director-General, Department of Ageing, Disability and Home Care,

CAROL MILLS, Deputy Director-general, Department of Ageing, Disability and Home Care, and

ALISON WANNAN, Director, Community Access, Department of Ageing, Disability and Home Care on former oath:

CHAIR: Welcome to the fourth public hearing of our inquiry into changes to post school programs for young adults with a disability. In addition to the four hearings, we have visited a dozen service providers across the State in Tamworth, Armidale, Wagga Wagga, Wollongong and Newcastle. We have held parent forums in Armidale and Wagga Wagga, and we have held a meeting with teachers and school principals in Newcastle. We have also held three consultations with young adults with a disability who use post school programs in Sydney, Wollongong and Newcastle. In the coming months the Committee will deliver a report containing our recommendations for post school programs. As always, I remind all people present to turn off mobile phones and to leave them turned off for the duration of the hearing. Welcome to our first witnesses and all members of the Committee. Today's witnesses from the Department of Ageing, Disability and Home Care [DADHC] appeared before the Committee at our second hearing. Thank you Mr O'Reilly, Ms Mills and Ms Wannan for making the time to provide further evidence. As you were sworn in at the previous hearing you may give your evidence under former oath. Do wish to make an opening statement?

Mr O'REILLY: Only that we received some questions last Friday, and we have those responses here.

CHAIR: We have heard from some of the teachers that there was concern about the process of teacher training for them to undertake the assessment, and that last year they had very little notice and very little training. We are now in June of this year. Could you outline what is the process and the timetable for the process?

Ms MILLS: The process each year is that Wollongong University, which analyses the data collected and is responsible for the formatting and content of the assessment form, provides information in a guideline/training-type module to teachers for their assistance in developing the knowledge to conduct surveys. In April 2004 Wollongong University put the regular training module on their web site for access by teachers. There are also sessions run at various times. I do not have the details of the precise operation of the timetable last year, but I would be happy to provide it if required. In terms of this year, we met just last week with the Department of Education and Training to discuss the process and timetable, and have agreed on a way forward. We are currently formalising the timing, getting advice from the Department of Education and Training about the most appropriate time that does not clash with other commitments for teachers, and expect to have the timetable agreed within the next couple of weeks.

Ms WANNAN: Following on from that, we will then negotiate the analysis of the data with Wollongong University. We have had preliminary discussions with Wollongong University about our wish to engage them in the contract for this year.

The Hon. JOHN RYAN: Could I ask some questions about the announcement that has been made since this Committee last met with regard to the \$6 million provided to assist, in particular, is that \$6 million meant to be built into the program for good or is it a one-off supplement to assist in the transition of the program from now until the program is affected by competitive tendering?

Mr O'REILLY: It is a one-off supplement.

The Hon. JOHN RYAN: Over what period of time was that supplement meant to be spent? We are half way through this year and, as I understand it, the competitive tendering program starts at the beginning of next year. There seems to be only six or seven months in which it might expended.

Ms MILLS: The funding has been made available for the 2005-06 financial year for the department to calculate the most appropriate way of distribution over that period. The notion of the tender is that we will go to tender later this year, and the work that is being done at the moment is to

ensure that payments are made on a regular basis at least until December this year with the supplementation.

The Hon. JOHN RYAN: That would mean there is less than six months for those funds to be expended, is that correct?

Ms MILLS: The date of the Minister's announcement was 23 May, and at that point he made a commitment that the funds would be available for services that were adjusted hours from that time onward. We are presently negotiating exactly what size would be required for each service provider based on individual hours of being received by people to bring them to the 18. As part of the supplementation we are also looking at what, if any, transition requirements might be needed to assist people to move to the post tender period.

The Hon. JOHN RYAN: It would be the Committee's experience that many of the people who receive fewer than three days are receiving fewer than three days because they were only beginning to find out about those funds, which means that there is unlikely to be any need for funds to be spent up until this point. There seems to be a great deal of confusion about how that money would be allocated, as to who would qualify and who would not. It seems to be a matter that anyone who is on two days simply puts up their hand and get supplementation. Do they? I do not think there is a clear understanding, at least in the groups we met, as to when and how that money would be paid and who are and who are not eligible.

Mr O'REILLY: If I could just add there, since the Minister's announcement on 23 May we have had a series of meetings with working groups involving the Council of Social Service of NSW, the Australian Council for Rehabilitation of the Disabled and People with Disabilities. The first one was on 27 May where we briefed the stakeholder working group. On 1 June we circulated to the stakeholder working group the first group on the approach to make sure that we had buy-in. On 2 June we discussed that draft with stakeholder working groups. The second draft was then produced on 9 June. On 14 June we discussed the second draft at another meeting, and on 15 June we drafted the third and circulated that to the stakeholder working group. I take your point that the time is of the essence.

The one thing we have learned from the changes that were implemented earlier on is that we have to sit down with all the stakeholders to get an agreed approach on the way we are going to hand over the supplementation of the funding. The process we are going to adopt in broad terms is that we are getting information from service providers now by client identification as to how many hours per week they are receiving and at what cost. We are then going to work through that. For anyone who receives fewer than the 18 hours a week, they will receive supplementation at a cost to build it up to 18 hours a week and for those where there is the high-needs pool as well, those 500 applications that were lodged for high needs, they are treated as a separate exercise. All those applications have now been assessed and the high-needs funding will go out next week.

The Hon. JOHN RYAN: Is any portion of the \$6 million intended to assist in the provision of high-needs funding as well?

Mr O'REILLY: We received \$1.4 million for the high-needs pool, and that is the money we will use for the high-needs supplementation.

The Hon. JOHN RYAN: And that is all?

Mr O'REILLY: Yes. Sorry, on top of that we will also build up those hours as well so that they equate to 18.

The Hon. JOHN RYAN: Any high-needs person who is receiving fewer than 18 hours will be supplemented from the \$6 million, but there will be other supplementation generally as well?

Mr O'REILLY: Yes.

The Hon. JOHN RYAN: One of the other concerns raised with us is that this particular supplementation, and now the program, appears to relate only to guaranteeing clients three days a

week. A compelling case can be made that in the case of a person who has very high support needs the program should last for five days a week, given that there is little their families can do to provide activities for those people. Providing activities for those types of people is an enormous grind. Is there any proposal to extend it to at least five days a week for high-needs clients given the incredible burden it places on their families?

Mr O'REILLY: I understand your point. At this stage the announcement was only three days per week.

The Hon. JOHN RYAN: I will put the case of a couple of people the Committee met in Newcastle, for whom there will be anomalies created by the manner in which the \$6 million has been allocated. Some agencies have chosen to spread the funds further by making the programs less intense. Others are keeping the programs as intense and, therefore, people receive fewer hours. One imagines that the \$6 million will be skewed towards quality and service providers who have extended the funds to provide 18 hours or more will not be in a position to receive supplementation. Had they decided to do things differently they may well have ended up being eligible for some supplementation. Is that not true?

Mr O'REILLY: That has been raised in our discussions with these groups. We have the way forward on broad consensus on the approach we are going to take, but that is an issue that will be outstanding.

The Hon. JOHN RYAN: Some of the people we met put a compelling case to us as to why they should not participate in some of activities they have done for five or four days a week. For example, we met a couple who were doing a cleaners course at TAFE and they were participating in some work experience at Target. Previously they received four days a week, but now they have been reduced to three days a week and they have also lost a couple of those activities because they no longer have the capacity for one-to-one supervision when they go out and do work experience. These are people who will never transition to work, but they are given work experience by providing them with some supervision. Do you intend to continue those sorts of activities? It seems to me that those sorts of activities will disappear from the program if it is funded only at its current level and for three days a week.

Mr O'REILLY: As we go down the track for the temporary arrangement obviously we want to be able to identify what an hour costs and what it consists of and then relate that back to the level of need and activity that is going to be provided for the participants. You may have, and I will pick a figure, say \$20 an hour and that may meet the needs of a person with a level one need, but a person with a higher need will be a different fund arrangement altogether. We may even move to four or five levels of need to be able to address those issues you are raising. The Commonwealth has done some work on the five levels of need, and we are talking to the Commonwealth now to see whether we can transfer that understanding and those assessments across to our system as we go to tender.

The Hon. JOHN RYAN: In terms of the transition to work, one of the issues raised by one of the service providers is that there still seems to be a relationship between success and losing the funding, that is if the client successfully makes a transition to work the intention of the department is that, at the moment, the client commences work and the transition to work funding will cease for that agency even though, quite sensibly, they pointed out that often it is useful to continue supporting that person in that employment because sometimes they need support when they start. Additionally, sometimes those things fail and the last thing they need to do is lose staff in the interim because if a person comes back to the service the staff have gone. It also addresses the issue that if they successfully make the transition to work they are in the position of sometimes losing one-quarter of the staff from one particular program if one or two clients wind up working before 12 months or two years. Is there any attempt to address that, or do you recognise that could be a problem?

Ms WANNAN: What we recognise at the moment is that the block funding would remain for the full year. Some providers have raised with us—I think this is what you are referring to—whether the one-year length of time is correct or whether a longer period, in terms of giving people the opportunity to come back in, is more appropriate. So we have agreed with the number of transition to work providers to take their ideas and cost them, and to work out how it is possible, within our existing amount of money, to create the flexibility that they are raising with us.

The Hon. JOHN RYAN: Some providers have coined the new expression "capacity funding". They understood block funding to operate on the fact that they would be funded for a number of places and that those places would continue for at least a 12-month period and they would have some stability in terms of the staff there. They are now raising the fact that the department's version of block funding does not include what they call capacity funding, which means that if for some reason or other they start losing clients because they have transferred, dropped out, or made a transition to work, they lose the funding from the moment the client disappears. They are somewhat disappointed that they have none of the benefits of individualised funding and, apparently, none of the benefits of what they understood block funding to give them.

Ms WANNAN: I think we had quite a useful discussion a few weeks ago in which they identified the benefits of one-year funding and two-year funding. What we have identified as being out for discussion is a 120-day safety net, whereby when a person moves to work they could come back into the program with a 120-day safety net. The providers have raised with us that 120 days might not be long enough in terms of recognising that people might travel well for the first few months and things might happen after that period that render that placement unworkable into the future.

The Hon. JOHN RYAN: Sometimes another person loses work and you have to say we are dealing with a group of people who, more likely than not because of economic trauma, will lose their jobs first.

Ms WANNAN: Absolutely. That is why we have said to the number of providers who have raised those issues that we will work up a model where we look at what it would cost to do the options they are proposing to us, and then we will have a focus around that discussion at our next meeting with them. So we will explore how it is possible to get greater flexibility. I think part of the issue relates to the 120 days and at what point there is then a vacancy declared, that another person would move into it. So they do not lose the funding. On my understanding of the issue, if we say that the safety net period is 120 days and that after that point in time that becomes a vacant position and somebody else can move into the program, that is where they are saying they no longer have the flexibilities to support that person should the arrangements change.

The Hon. JOHN RYAN: Very compelling evidence has been given to us by people who use their ATLAS funding, or previously used their ATLAS funding, to participate in tertiary studies such as university. Apparently, for some reason or other that escapes my understanding, the new scheme is no longer able to be used for that purpose, and yet it seemed to have very good chances of success where people were participating in university studies. Is there any reason why university students are treated with such bureaucratic regulation and are excluded from the scheme altogether?

Mr O'REILLY: The decision to exclude people attending university from the ATLAS program was made in 2003. The Commonwealth provides support for people with a disability attending university and TAFE. The department is aware that there are gaps in supporting people with a disability in higher education, for example, personal care and transport costs. We will be attempting to negotiate with the Commonwealth to improve the pathways between the post school programs and higher education.

CHAIR: What if you are not successful in the negotiation?

Mr O'REILLY: If we are not successful in the negotiation, it will be a matter for government to make a decision on whether or not we are going to support those who want to continue with the university studies.

CHAIR: The written answer you have provided to the Committee says the Commonwealth is responsible for higher education. I do not think anyone disagrees with that. What is very clear when we have talked to some of the young adults who are accessing university is that using the post school options funding as they have had it before, it has been for issues like attendant care and transport, which are not education per se but are life-supporting issues, and that for many of them no funding means no ongoing education. I am concerned that there is a very rigid approach. You have said the

Commonwealth is responsible for higher education, but do you agree that issues like attendant care and transport are not higher education issues but support issues?

Mr O'REILLY: Yes. I think there is some confusion about the scheme names. The attendant care program is not affected. So if you have a person who is having an attendant care program, that program remains.

The Hon. JOHN RYAN: I think my colleague is referring to people who do not have attendant care but are using these funds for personal care whilst they are at university.

Mr O'REILLY: All I can say is that we would have to make representations to government about that change in policy.

The Hon. JON JENKINS: We have received feedback from some of the people we spoke to initially. You do not need to make a comment; you may simply acknowledge them. One of the interesting pieces of feedback we received is that some centres were not included on the department's list and, in fact, have closed down subsequently because they had no clients. Have you heard this?

Mr O'REILLY: The only one we are aware of is Wesley. When we sent the checklist out, we asked them to identify the contact addresses. Wesley only nominated one contact address. That is what appeared in the booklet and the promotional material. When Wesley advised us that they also wanted to include a number of other avenues in which they provided the services, we adjusted that.

The Hon. JON JENKINS: There should be a check to make sure that that does not happen again.

Mr O'REILLY: Absolutely.

The Hon. JON JENKINS: Perhaps it could be done on the web site, where it is able to be updated.

Mr O'REILLY: Point taken.

The Hon. JON JENKINS: Another piece of feedback we received is that there seems to be a lack of communication between the school education system and the post school program. For example, we were told by several parents that files that had been kept by the school—which ideally should have been transferred to the Department of Ageing Disability and Home Care [DADHC] as the students moved through the system—had simply disappeared. Is there any way you can have closer communication with the school system, to ensure that the very important information that is in those files gets across to you?

Mr O'REILLY: Absolutely; we will do that. I am not aware of that being an issue that has been raised with us. Nevertheless, if that is happening, we will be making contact with the education department to ensure it does not happen again.

The Hon. JON JENKINS: In the same vein, several people raised the issue of the closing of files. They said that if you do not interact with the DADHC within a certain period, the files are closed. Then when you go to re-interact with DADHC, you have to go through a lengthy and strenuous process of reopening DADHC's files. Presumably, most of these students would have continuing interaction with DADHC for most of their lives. Is there any reason to close the files, resulting in parents being put through the difficult process of having the files reopened? Is there some way you can extend the period of files been kept open?

Mr O'REILLY: That makes a lot of sense to me. If that is the problem, we will address that problem.

The Hon. JON JENKINS: Many parents spoke about a lack of co-operation between State and Federal governments. I understand how that can happen: there is always a lot of blame shifting and buck-passing. However, every person we spoke to or took evidence from spoke about a lack of

communication between State and Federal governments. I realise that is an ongoing problem with every feature of government, but every person we spoke to had that same complaint.

Mr O'REILLY: I agree with them. After the COAG meeting last week a short comment was made that the Commonwealth and States have agreed to set up a working group to look at the issue of aged caring being taken over completely by the Commonwealth and disabilities being taken over completely by the States. It is obviously very complex, but nevertheless I think that might be a glimmer of hope that we can work through those issues.

The Hon. JON JENKINS: With regard to the research at Wollongong university, we have heard evidence from several people that the group at Wollongong is not a health research group but that, rather, their expertise is in statistics and survey gathering. Is that your belief or knowledge?

Ms WANNAN: I think it is probably best if I provide a qualified understanding there. The Centre for Health Service Development does an extensive amount of work with Commonwealth and State governments across Australia that covers the disability field, the health field and the community care field. So they do a lot of statistical work. As an illustration, the Commonwealth Government has recently engaged them to undertake some quite complex work regarding community care. NSW Health has engaged them, and works have been engaged in Tasmania. So they work across most of the Commonwealth and State governments.

The Hon. JON JENKINS: I am looking forward to the future where perhaps we will have an education system in which teachers receive in-service courses and their trainee and vocational training is maintained throughout their lives. There does not seem to be a similar system for this area of care, is that a reasonable statement?

Mr O'REILLY: I think that question might be better addressed to Professor Kathy Eagar.

The Hon. JON JENKINS: There is no formal DADHC system of ongoing vocational education for carers?

Mr O'REILLY: No.

The Hon. JON JENKINS: Do you think it would be a worthwhile thing to have? Perhaps the University of Wollongong, or some other centre of excellence, could be funded to create the programs, conduct the vocational education and monitor the outcomes. In that way you have constant feedback about what is happening with the programs and you have constant updating of the education programs. I do not know how much it would cost. Most programs need some objective, outside, ongoing thing, and we have it for our education systems and for our health systems. I think it would be perhaps something you could consider at some point.

I am not quite sure whether this is true, but one of the parents raised the issue—again, this is communication with the school system—that the school needs to be in contact with DADHC prior to the student leaving school, in other words, from their early years in the school. I know because my wife is a school teacher. There appears to be no connection with DADHC and the school system before the students actually leave school. Is that true?

Mr O'REILLY: We are currently working with the education department to identify why it is that some schools have enormous success with people who have a disability being able to take up a whole range of options other than just moving straight into a community participation or a transition to work program and what we are working with the education department on is to identify why that is happening in the school system when there are other schools that do not seem to have that same outcome.

The Hon. JON JENKINS: So you are in reasonably good communication with the education system?

Mr O'REILLY: That is right. I think what has happened is this was even more exposed as a result of the reforms and once we realised that there was such a movement from particular schools into our system whilst other schools were very small—

The Hon. JON JENKINS: This is part of the feedback?

Mr O'REILLY: Yes.

The Hon. JON JENKINS: So you are addressing this problem across the school system?

Mr O'REILLY: That is right.

The Hon. JON JENKINS: Again this was evidence that was given, and it may be slightly exaggerated for effect, but 70 to 80 percent—there is a very large percentage of people who are hanging on to their full-time work; they have their children in care for two or three days a week; they are paying for the extra days of care out of their own pockets and they are hanging on for that all being funded by the centres themselves. A lot of the centres are funding these extra hours out of their own budgets. For instance, Wesley is paying a lot of money out of its own budget to maintain its care for these people. We have heard of one centre, I think in Tamworth, who said their centre is going to lose \$1 million this year; I think that was the figure I heard.

The almost overwhelming evidence we heard from the centres was that this will stop in about six months time. Most of them said in about six to 12 months—and four months ago was the beginning of this year—they will have to stop this, effectively, donating or charity to the parents because they just cannot afford to keep it up. We also heard that of that 70 to 80 per cent who are hanging on with this two to three day care costs plus some extra care from themselves or from the organisation, approximately one-third of those said they will quit; they will just walk out of the system altogether.

We talked to many parents and I asked them, "If this happens will you look after your child or will you give your child up for full-time care to the State?" The answer I got back from about one-third of that 70 to 80 per cent was that they will offer their children for State care. Do you understand the numbers I am talking about and the cost that your department will cop?

Mr O'REILLY: Yes.

The Hon. JON JENKINS: So you understand that a few extra million dollars funding here might save you an enormous amount of funding down the line. Some of those are on the record and some of them are not. The amount of funding and the amount of children who you might have to look after in full-time care could increase dramatically at the end of this year, and it will happen very quickly. Obviously you are reading all the transcripts that come from here. You guys need to look very carefully and go back and interview some of these parents and find out because you need to know what is about to happen unless the funding model changes a little bit.

Mr O'REILLY: We have done a lot of work in the past 12 months on where the funding goes from the \$1.5 billion, and basically what is happening is 48 per cent of the funding goes towards 3 per cent of our client numbers, which means that the 24/7 care is obviously the highest cost and what we have to do is change that so that we actually put more money into the intervention side, which is exactly what your point is. You will not always prevent people going into 24/7 care but you will actually delay it, and that is better for the client, it is better for the parents, and it also makes a lot of economic sense. So that is the work we are doing with Treasury now, explaining that whole system of needing to turn it around.

The Hon. JON JENKINS: Again one of the universal comments we had from people was that the classification system has significant problems. I presume you would acknowledge there are some issues around classification. I do not know where the suggestion came from but I thought about it when I spoke to a number of people: is it possible to have a variable classification system instead of having this stepwise funding? Is it possible, for instance, to rank—I do not like calling them "clients", I always try to find a better word than "clients", but people who have disabilities—is it possible to rank them in some sort of full-time care equivalent? In other words, this person requires full-time care equivalent: is it possible to have that assessment scheme based on some agreed model which is flexible and varies over time and each person is based on this flexible model?

For instance, a person with cerebral palsy might need a 0.5 equivalent person care per day. Is it doable? It would require an assessment process, probably a more complex assessment process and an ongoing monitoring process—we probably should have it anyway. Is it a doable thing or is it just not doable?

Mr O'REILLY: What we want to do with the tender process is actually identify various levels of need, and that will then relate back, of course, to the number of dollars provided in those 18 hours minimum per week. So it is the assessment side to identify what is the level of need. For example, a person who has low needs, may be a level 1; a person who might need tube feeding, a lot of assistance with toiletry, maybe bound in a wheelchair, they may be a level 4 or 5 person, and they may need two carers to adjust the lifting and that sort of thing as well. So that is what we want to do with the tender process.

The Hon. JON JENKINS: So you are looking at a more flexible model?

Mr O'REILLY: Yes.

The Hon. JON JENKINS: Some of the things that were suggested to us that should be in the assessment are things like basic hygiene, basic dressing. And obviously this is a technical thing that Wollongong, or whoever is doing the assessment model, should be looking at. There is a list of things that I will pass on to you which were suggested by the parents themselves. You see, nobody has asked them what should be in the assessment model. That was the other bit of feedback that we got, "Nobody asked us what should be in the assessment model. We can tell you exactly what things we think should be in the assessment model, but nobody has really asked us. They have asked us some questions about what our children need and that sort of thing, but nobody has asked us what sorts of things should be in the assessment model".

CHAIR: The last question for now.

The Hon. JON JENKINS: I have got lots. Just out of interest, there was another bit of feedback that came back to us: 70 per cent of parents in this program are single parents. Obviously, having a child with a severe disability puts a lot of stress on a marriage, and probably there is a 40 to 50 per cent normal disassociation in marriage anyway, but with the extra things we are looking at 70 per cent single parents. They obviously have some special needs. If you are a single parent you do not have a backup to come and pick children up and drop them off, and all those other things. You need to be a bit more flexible in your programs about single parents, because the majority of your clients, carers of children, students, are single parents. So the system has to be biased towards looking after them.

Another comment that came back, and this is particularly relevant to single-parent families, is that many people have to move or change jobs and they do not have three or four months to do this, it will often happen quite quickly. So the system needs to allow for people who have changed jobs, moved houses, or whatever. That is just some feedback for you.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: We have had a lot of evidence about the assessment program, and you yourself said that you basically acceded to every appeal that had been made. Is it planned to revisit that and have a formal appeals mechanism, and if so, what progress has been made in that area? You flagged that at your last appearance here.

Ms WANNAN: I think the advice we have is the tool works particularly well for about eight out of 10 individuals, and the implication of that is we need to have a very good appeals system. What we were speaking about at our last appearance was that we needed to make sure the appeals process for school leavers this year was improved on from what we had for the school leavers last year. So that is the work that we are putting in place here. I think with the experience in the type of work we do, it would be very unusual for us ever to find a tool that had 100 per cent reliability. That just does not come with this type of work. We have got a tool at the moment that we understand has a high level of reliability, but what we need to do is to complement that, for the people where it does not pick up their needs, with a more effective appeals process.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: So you are saying that for the moment you are actually sticking with this tool because other tools have been suggested which were designed for disability, and I gather this one is adapted from a geronto-dependency tool, is that not right?

Ms WANNAN: Yes. We can talk broadly about the adaptation of the tool because we certainly understand that, but the precise technical assumptions that were based around what is included in it would be more appropriate for the university to answer. We understand, in terms of what the tool does measure, it measures the number of what are seen to be functional areas and it looks at people's abilities in daily living and it looks at behavioural issues. What it then does, based on that, is make an assessment of people's future capacity to work, and that is the advice we then take.

Within a disability field there are a lot of debates around different assessment tools, and if we look across the country we find some jurisdictions using what people would call Snap or Vermont. The different tools have underpinning them rather different assumptions, but there are a whole lot of commonalities between the tools. I think we can say that none of the tools you would ever assume you would just take them as a blunt instrument and to say here is the outcome of the measure that that tool says and we do not come and talk about it.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Is there any prospective study to get the accuracy of the tool in relation to any outcomes? Is it within a framework, or should I ask Kathy Eagar this?

Ms WANNAN: What we will be doing as a department will be formally convening a group to have a debate around people involved in the assessment of people with a disability, to look at the underlying assumptions.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: This is based on anecdotal experience? You do not have a prospective study in place?

Mr O'REILLY: There was an evaluation of the 2004 assessment tool by the University of Wollongong and it was found the technical performance of both the screening tool and the three assessment tools is satisfactory. But I think, as Alison is pointing out, right across the country there are different tools being applied. This has not been found to be any better or any worse than any other tool because of the nature of the clients and the changing needs. We do have that formal appeals process where people can appeal because needs change, but the evaluation showed that the tool was reasonable. We have also undertaken that we want to look at the tool and have a review of all of that, but it will probably be around 2007 by the time that review is conducted.

The Hon. JOHN RYAN: The comment made to us when we were up in Newcastle from the people who work with the Department of Education was that this tool was very good when it was used to decide who should be in the ATLAS Program or the Post School Options Program and who should not. What they did not think it was very good for was determining who should be in transition to work versus community participation. They felt that the tool was used quite successfully to screen who you were going to capture in both of those programs—it was absolutely ideal for that—but it really did not make that distinction with transition to work. One imagines one of the issues that would be relevant to transition to work would be whether the person wants to work. That would make a whole deal of difference, and I do not think that is even assessed at all.

Ms WANNAN: That is why we say in the Transition to Work Program that it is really important that the person wants to work, because if the person does not want to work as well, a tool that says yes, this person has got the capacity to work, if that is not what that person is interested in we know that is not going to be an okay outcome. So that is where we have got to put together what the tool says with also what the young person wishes to do, and equally to have the flexibility of where the tool might say a person is best suited to community participation but that person really wants to give work a go; we should have the flexibility of being able to assist that person for that to be an option.

The Hon. CHRISTINE ROBERTSON: Does that cross over the Commonwealth guidelines relating to work benefits or otherwise? I am referring to the new Commonwealth guidelines

that state if you are capable of working you have to do this and this, and that if you do not you will not receive your benefits?

Mr O'REILLY: The issue has been raised with us that the change from 30 hours to 15 hours of work per week before the disability pension is impacted on may cause some people to say, "Well, I am really not interested in going into the Transition to Work Program because in the longer term it will affect my disability pension arrangements." But it is very early to tell whether that is the case. We are hearing from a number of providers that some of their participants are saying, "Wait a moment. I am not too sure whether I want to be in this program, because if my needs change it will affect me economically."

The Hon. CHRISTINE ROBERTSON: What will happen if those administering the assessment tool have classified a person as ready to work but the person says that he or she does not want to work? Is that going to affect their disability pension?

Mr O'REILLY: Well, it will. Hopefully that will have been worked through the before a person is moved into a Transition to Work Program. We gain information from the parents and from the person that, yes, they do want to be in that program. But, people change; they change their views and that sort of thing.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: You have answered my question about the assessment tool. You said the performance was satisfactory and that there would be a re-evaluation in 2007.

Mr O'REILLY: There has been an evaluation, which was done in 2004. We are saying that we will be reviewing the tool—what is happening elsewhere in other States and where is the Commonwealth coming from with regard to assessment levels—and that will probably be in around 2007. I would like it to be 2006 but I just do not think we can get it done in time.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Is there any ongoing prospective study of the people who go into the program as to the outcomes for them? Or is that too difficult? When you say there is going to be debate and discussion that sounds like you will set aside a weekend—or a day, or an hour, or whatever—to sit around a table and you will say, "What do you reckon, team? Give me your combined and total wisdom." And then you put that on the whiteboard or on butcher's paper. Is there any scientific data, such as: These were the people who went into the program, these were their evaluations, these were their outcomes, and this many got jobs? I suppose the scientist in me that says that if you know anything about it you can measure it and can get a result. You would say it is satisfactory because 20 per cent of people achieved their aims, 60 per cent might one day and 20 per cent may but are unlikely to. Is any of this quantified?

Ms WANNAN: We are, at the moment, having discussions around what we are calling, "performance indicators" for both of the programs and we are looking at introducing—because we historically have not had performance indicators when we have collected the results. What we're doing at the moment, or wanting to do in the first stage is determine what are the outcomes for individuals. The providers tell us how many goals were achieved, who moved work and how many hours of assistance were provided to people. We have identified a number of areas that we would like to see as a foundation block for performance reporting. We then want to work, over the next couple of months, with a cross-section of people in the sector to identify what we are calling, "more comprehensive performance indicators".

What we have to do is pull together at two levels, one is the qualitative data and the other is people's actual experience. At the same time as we are doing that we are also going back to collate, in a very methodically rigorous way—and we absolutely recognise that we are doing this in retrospect, but we will be doing it—the experience of the pilot groups that were involved in the transition process: Who did you begin with in 2002? What then happened in 2003? What happened in 2004? What happened in 2005? What we can then start to do is build, as you have suggested, some understanding of what is possible.

We have also begun some debates about what we see as targets for the program, so that it is very clear and so that we are not ever talking about: We think that service providers need to be

achieving 100 per cent of a goal, because we know that that just does not happen in the human services field. We are having a discussion about what is reasonable. What should we be aiming for now and what might we want to be aiming for longer term. They are the discussions we are having now.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: When you say you are having discussions about building targets and developing key performance indicators, and acknowledging that it is retrospective, you are saying really that no prospective study is taking place. That is the bottom line, is it not? You do not have a data set that allows you to capture this, so that in 2007 it will be the old sitting around in a circle, saying, "What do you reckon, Tony?"

Ms WANNAN: Absolutely not. We are working very hard at the moment to introduce, from this year, rigorous data and we have taken the data that has come from the last few years through the data collection process that the providers have completed. We will be looking towards capturing that at a much higher level than we have done in historically; capturing that as part of our funding agreement with providers, that we need to get that information back. We then need to analyse it and we will be channelling that information back to providers. It will not be information that we will be holding within the department. We will be sharing that so that we can understand—across the board, both in the department and with our colleagues in the non-government sector—what works, what does not work and where we have to put our effort in terms of improving, so that we do learn from the experiences of many people and do not just respond to anecdotes. That is something we have to build in to this program.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: So, you have a relational database that is across all your clients?

Ms WANNAN: What we are establishing is a database around the young people involved in post school programs, yes.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: That was not "yes" or "no"; that was very qualified. You have a database for people in the Post School Options Program, if they are young, and that may eventually become a cohort. Is that the answer?

Ms WANNAN: Yes.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: The others are not in the database and you have not got that information for them?

Ms MILLS: Different programs have differing recording mechanisms. We have data on all of our programs—some of that is internal and some is part of our funding requirements from the Commonwealth Government. We already publish a great deal of that data through COAG returns and other forums, but, in the case of this particular program, what we are speaking about is the program-specific performance indicators that we presently have at what I call "phase one level," which is what you would have as core data regarding this particular post school type program. As Allison said, we are in the process of developing much stronger targets about what is a reasonable level of outcome, and what that outcome might look like; and we are using consultation with service providers and other stakeholder groups, consumer representatives and so on, to assist us in setting a fair and reasonable target so that we can not only measure individual outcomes, but we can also use that material to measure the effectiveness of the program as a whole.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: What is the core data you have at the moment—name, date of birth and what else?

Ms MILLS: We actually have quite a large data set. We will be happy to provide you with a copy of the indicators that we presently collect.

CHAIR: Yes, please.

Mr O'REILLY: Could I just add to that? We have two stages. The first is the preliminary indicators and that is being used for the first two quarters of the programs, with combined returns due

in July 2005. The preliminary data includes individual client characteristics, averaging the cost, and client, family, carer or advocate satisfaction. We then move, by 1 August 2005, to the comprehensive indicators. They will include targets and tools to evaluate client satisfaction and service quality. The process to develop the indicators will obviously involve consultation with the peak consumer, service provider organisations and parents. So, we have moved that way. I think we started off initially on the assessment tool and then we have moved to the program performance. That relates to the program performance of our current groups going through the programs and we have two stages there. As I mentioned earlier, I think the assessment tool review will probably be around 2007, by the time we do a formal evaluation.

CHAIR: May I ask on what bases you set the 2004-05 budget for the post school programs? I mean, you seem to be awfully light on data.

Mr O'REILLY: We knew how much we were spending. We then looked at the numbers coming into the system and at what the individual costs were, going around the country, with regard to the other States. Hence those figures were the ones used to initially start the reform process for the post school programs. Obviously, in respect of some of those costs, the sector said, "We just can't do it for that sort of money." There were three stages where that funding was changed, based on the data they were providing us.

CHAIR: Earlier you referred to the funding agreement with providers. Is it possible for that to be made available to the Committee?

Mr O'REILLY: Yes.

CHAIR: Thank you. Will you take that question on notice?

Mr O'REILLY: Yes.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: You were talking about the development of this database. Is anything like the KIDS database from the Department of Community Services [DOCS]? You were the same department for a while. Were they a development at the same time or is this a completely separate database development? Where is it up to? The Committee heard about KIDS being rolled out over a period of about a millennium and that eventually it might produce some data. How are you going? Is it the same system?

Ms MILLS: There are a number of different elements that we are talking about here. There is program-specific data around the performance of the program: Should we continue to fund that program? Its overall objectives relevant? Is the format of that program appropriate? That is the sort of data that we have been speaking about. The KIDS-type database is more of a client information system and the department has been developing that. It is very similar in its purpose and style to the KIDS Program. The assessment that was done from an information technology [IT] perspective was that although many of our data requirements around individual clients are similar to DOCS there are some differences. Therefore, it is a modified program; it is not exactly the same as KIDS. It is presently in its final phase of IT development and will roll out at the end of this year. That will be the first comprehensive client information system that pulls together information about individual clients, but that should be seen as part of, but not our whole, system, because the other part of our system is around the program performance.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: that when you say "rolled out" to you mean that people will start entering the data, or the data will merge, all the data loads will start at the end of the year?

Ms MILLS: The data loads will start. We have been clearing and purging any errors from the existing data sources say that that can be easily transferred across to the new system, but there will be the capacity to provide additional information and additional cells in the new package, which will allow us to continue to build quality system on top of the data we already hold.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: When will you be starting to give us data from that system? When can we ask questions relating to that?

Ms MILLS: It depends on what type of information you are seeking. It is going to be partly a system for us to actually be able to track and assist in the history of clients. So it is partly about the privacy issue to do with general client information. Part of it will give us an indication of people's use of services and that is the more general information that would be helpful to all of us in planning disability systems.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Certainly, but we are looking for aggregated data; we are not looking to pry into privacy considerations of individuals—except on a confidential question basis. When will this aggregated data be available, which might throw some light on the success or failure of programs?

Ms MILLS: If we are talking about post school programs specifically, it has to be the combined effort of the new client information system and the data returns that we have been speaking about in terms of performance information coming back from service providers. We are going to be collecting that information quarterly and annually, depending on the type of data. The first amounts of serious data are out of the new community participation and Transition to Work Program will be the July returns that will coming from providers, remembering that the program started earlier this calendar year. The value of the data, in terms of actual planning and, perhaps, providing information to participants and service providers about comparative performance, effectiveness of the program and so on, we'll really only be true value on a 12-month cycle.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Of the data you are going to get is going to be limited. You have not defined your key performance indicators yet. Clearly, you are not going to be getting them out of your database in the middle of next year, are you? If you have not defined them yet, obviously they are not going to be showing results.

Ms MILLS: By the middle of next year, we will have just over 12 months of the program having operated and we will have 12 months of data for a significant number of indicators and we will have probably six months of data for the more refined sets. Some of that data will be snapshot. So the fact that it has not yet been collected, that will not affect its quality or relevance.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: It is a cross-section?

Ms MILLS: And some of it will be less snapshot and more quarterly, and we will have a combination of those things. So by next year we will have a comprehensive picture of the first year of performance of the new program.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Is there a centre of excellence? I notice Kathy Eagar is present and she will obviously give us evidence on that. I gather that Health has a centre of excellence funded separately from the department that gives it advice, if you like, independently of the department in terms of how its programs are going and what it should be doing. Do you have that in your department? If so, how much is it funded, and how well is it going?

Mr O'REILLY: We do not have a centre of excellence as such. We fund a number of peak bodies and what are called expert advisory groups who we meet regularly with the department and the staff who raise issues and hopefully find some solutions to some of the challenges we are facing. So we have a physical disability expert advisory committee.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: These are providers, are they not? These are not academic people who stand back and look at things independently?

Mr O'REILLY: Well, both. It is not just limited to providers. We also have people who actually use our services on these groups. We have the council for disability as well.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: But you do not have an academic body standing back, doing prospective studies and looking at what you are doing and looking at what the rest of the world is doing and publishing papers in an independent manner.

Mr O'REILLY: No.

Ms MILLS: We have a significant budget each year. We fund quite a large range of research projects. Part of those are done at a national level as part of our Commonwealth-State-Territories disability agreement requirement and part of that is commissioned separately by the department. We do those around either specific topics that we have identified as particularly relevant for our planning or areas for which, as you have just suggested, international work has been done that we feel we need to better understand. That is part of an ongoing cycle. We have an annual and strategic research program and again we would be prepared or quite happy to provide that to the Committee, if required. That outlines the major areas in which we undertake research. So I believe we have a wide range of information sources ranging from the individual client's perspective through to peak bodies representatives through to a number of academics and their academic institutions who provide us with regular sources of information.

Mr O'REILLY: We also fund the centre for development disabilities to provide services to us through their research and understandings.

The Hon. CHRISTINE ROBERTSON: As we have gone around, it would appear in some cases to be a geographic issue. There are differences of opinion about knowledge of the appeals process for the assessment. Do people have advisers? I mean, some areas are fantastic—every single provider knew them—but, with some, it was quite distorted information among the people. Have you had a look at why that happened?

Ms MILLS: In a general sense, we have. A lot of feedback we have had is collected in the way that you have, through local forums, where we conduct regular stakeholder forums and regular meetings with the wide range of disability service providers and service users across the State through our regional staff. We have found exactly what you are saying—anecdotal evidence of various ranges of familiarity with our various processes. We certainly are addressing that in making sure that we have in our future assessment process a more consistent way of circulating the information. We also want to work with some of the service providers because you are right: service providers are actually a key link between ourselves and service users and the applicants for services. So we are also working with peak bodies and service providers to ensure that they also play a role in assisting us to circulate information.

The Hon. CHRISTINE ROBERTSON: You actually have a plan regarding that in the future?

Ms MILLS: Yes.

The Hon. CHRISTINE ROBERTSON: In some cases it actually appeared to be misinformation. I do not know how you can ever address that.

Ms MILLS: One can but try.

The Hon. CHRISTINE ROBERTSON: Another thing that we have found as we have gone around is that the Federal Government—I am not totally conversant with the program—actually has a supported skills program that some of the business units tap into. It would appear that there are 500 places that were previously tendered but not been taken up that are now in limbo somewhere. Are you people aware of any negotiations to get those places released?

Ms MILLS: We have been working with the Commonwealth, again under our bilateral agreement with the Commonwealth for the Commonwealth-State-Territories Disability Agreement, to try to identify ways of providing a smoother transition and easier access for people between State funded and Commonwealth programs. The major reforms that have happened in the Commonwealth in the last six to eight months around employment programs have had an impact in terms of the negotiations we have been undertaking. We have been working at our local level, at the State office level, to try to identify some of those places that could be more appropriately placed—in other words, the geographic location of the place has not been the most suitable—so there has not been the take-up, not from lack of demand across the State, but perhaps in that particular location. We are still working on that.

One of the issues that has happened for us is that the responsibility for those programs has moved during the last few months from the Department of Family and Community Services, which is our primary partner in this negotiation, to the Department of Employment and Workplace Relations. We therefore have had to now introduce new players and introduce a new process for our negotiations. We certainly see ourselves as only one of the players in this. While we can exert as much influence as possible, we can certainly provide advice about where our programs are operating and try and encourage, through better mutual planning, consistency of those places. But I suppose what I would say is that it is still at an early phase and we have been slightly overtaken by what were, at the beginning of our process, unexpected changes in the Commonwealth arrangement.

The Hon. CHRISTINE ROBERTSON: On a totally different tack, recognising that every man and his dog, including us, has an opinion on what should be a performance indicator for these programs, we did hear of evidence about some group work done last year or the year before by individual groups of service providers and parents and other people in relation to developing performance indicators, and recognising it is impossible to get everyone's opinion, can you tell us how that works to be integrated into your current work with peak bodies?

Ms WANNAN: I think we are probably talking about the transition pilots. This is what I am assuming. Is it?

The Hon. CHRISTINE ROBERTSON: No. We had a service provider come and speak with us in the early days who said that they had been involved in your organisation and groups of service providers to sit down and nut out performance indicators on specific issues. They were divided into little groups so that work is out there.

Ms WANNAN: What we have certainly had, and what I was referring to earlier, were the discussions with the service providers that were involved in the transition partners, and that was a number of service providers who worked with the department about trying new ways. That is why I had indicated we are going back now to systematically collect that information and to make sure we have got that information so that, in going forward particularly around the transition to work programs, we can look at what people actually did in the period 2002-05 and what can we learn from that experience that should influence what we collect from 2005 onwards.

The Hon. CHRISTINE ROBERTSON: I think that is very important because we did come across quite a few people who wanted these procedural workshops.

Ms MILLS: I think they may be referring to a number of working groups established by the Department of Ageing, Disability and Home Care [DADHC] in 2003 and they ran until early 2004. They do cover a wide range of different issues concerning not just post-school programs but other areas of performance for disability services. Certainly some of that information will help to inform us, but I guess one of the things that we have focused on is the timing of those discussions and the now clearer format and objectives of this program. We have to make sure that they are aligned.

The Hon. CHRISTINE ROBERTSON: I do not think that is in question, but the feedback to those particular individuals who were very active in the working group process would be very important because, recognising the peak body is responsible in some ways for that, there seemed to be a gap. Do you have plans with feedback to individual service providers?

Ms MILLS: Certainly for those that we are aware of who have actively participated, yes. One of the things that we are keen to do is to improve our communication across the sector as a whole. I think that is an issue that was certainly raised with us on a number of occasions and that we take very seriously as a way of both being informed about good practice and good directions but also so that we can be open and transparent about what we do and the outcomes of the programs that we are achieving.

The Hon. CHRISTINE ROBERTSON: And there have been other investigatory programs in relation to specific disabilities and the load they take and the work they take. Has that information been collected anywhere? Was some work done on autism, for example?

Ms MILLS: Yes. We have done research in a number of different areas. Autism is an area in which a significant project was done in, I think, late 2003 or early 2004—a very major literature review to look at current good practice in assisting young people with autism in particular—but we are also perhaps referring to work that has been done as part of the Wollongong study that was referred to earlier where service providers worked closely with and were assisted by following individuals and their services for a period of time so that we could basically get some time and motion type of information. That type of work, and understanding what actually happens in the service and what that means in terms of the capacity of the service provider to assist people with different levels of needs, is really an important part of the work as we move forward.

CHAIR: One of the issues that has emerged seems to have been the issue of a lack of flexibility within the program as it is structured. It has come forward by way of witnesses and in a number of different ways. For example, we heard from a mother in Wagga Wagga who talked about the potential for her family perhaps not being able to make some decisions to relocate to another area, indeed if they were transferred through employment, because they may not therefore be able to shift the funding. That was one issue. We have heard from a parent who talked about when there has been a divorce or separation, you have parents who are both willing to provide care, but geographically they are in different areas. They wondered how the capacity to access services in different places in perhaps different weeks would work. The third example that we were given was the example of a young person, and I think this also emerged in Wagga Wagga, who for their needs and their interests and to meet their absolute requirements as a young person with needs and interests, wanted to access a service on one day which offered a different range of programs to that which they might be able to access on other days. That comes down to a brokerage issue between where the funding has gone and how they work with others, but there was clearly a lack of flexibility in this block funding and the way it has been administered. Would you comment on that, please?

Mr O'REILLY: Yes. In the examples of the first two examples that you gave, provided a service has a vacancy, a person can move across under the block funding arrangements. The difficulty will be that, as you have pointed out, if you have got mum with weeks one and two and dad with weeks two and three or something like that, that is a difficulty with block funding. I think as we move down this tender arrangement we have two sides at the moment: There is one strong view that block funding is wonderful; there is another view that block funding is not wonderful. What we actually need to do, I think as part of our tendering arrangement also, is look at whether there is a possibility of some sort of hybrid arrangement where the organisation needs to be funded for the issues that they are confronting about certainty of infrastructure and that sort of thing. But the client also needs to have mobility arrangements through individual funding. We will have to work through that. I mean it will be a difficulty for the providers because they are not united in their approach to this, but we will just have to negotiate our way through it.

CHAIR: And the third example?

Mr O'REILLY: The third example was, I am sorry?

Ms WANNAN: It is possible within the program, if service providers between themselves can sort that type of arrangement out. That is absolutely possible when you have got an agreement between service providers that they would see that as an okay way to operate.

CHAIR: Other than that there is no flexibility, in essence?

Mr O'REILLY: Yes.

The Hon. TONY CATANZARITI: With block funding and other funding there does not seem to be flexibility. Why cannot some parents in the same area have either block funding or flexible funding? What is the problem with that?

Mr O'REILLY: We had such strong representations from the providers themselves that they needed block funding and that would sort out the majority of the problems, because it gave them flexibility and the opportunity to plan. We found that by doing that there is also a big issue, not in every case but in some instances as pointed out by the Chair, that the individual funding side may well

be the way to satisfy the specific needs of a person with a disability. That is one thing we will have to work through with the tender arrangements. We have learned quite a bit from this exercise.

To be honest, as I said at the first hearing, we did not have the data with regards to what each provider provides within their service and how they did it, what days they were providing the service, and that sort of thing. As this data is coming through now we will be in a stronger position to say which model will solve 90 per cent of the problem, but will still have 10 per cent of an issue for people who have particular issues. Somehow I will have to work through that over the next few months.

The Hon. TONY CATANZARITI: One family thought that a mix would be more appropriate for them. Therefore, the individual funding would have solved their problem yet block funding would have suited other people. It leaves flexibility. I can understand the situation you would be in to try to work that out. Obviously as you go through trial and error, a good mix might come up in which you can have that flexibility.

Mr O'REILLY: That is right. As we are doing the assessment side for a client, we identify those issues so that a client who has that need for flexibility is identified earlier and we can try to come up with a model to suit that person.

The Hon. JOHN RYAN: I will ask some questions that arise from a letter from the Minister to the family members. I presume they are the families involved in community participation. A couple of things do not make sense.

The Hon. CHRISTINE ROBERTSON: Do we have a copy of that letter?

The Hon. JOHN RYAN: You might not have it but I am sure that the department can provide you with a copy of it.

The Hon. CHRISTINE ROBERTSON: You are discussing a letter that is part of our inquiry?

The Hon. JOHN RYAN: Absolutely.

The Hon. CHRISTINE ROBERTSON: Will you table the letter, please?

The Hon. JOHN RYAN: I could table a version of it after I have finished asking questions about it. A copy was given to me by a provider. It states that in the past, providers have sometimes chosen to offer a higher level of support that is provided through funding from the Government using other sources of funds. What sort of things are you referring to when you said additional services through a "higher level of support"? What is meant by that?

Mr O'REILLY: I am assuming it relates to when a person has been funded for, let us say, 15 hours and the service provider has taken that decision to increase those hours using funds within the organisation.

The Hon. JOHN RYAN: The letter states further that it has always been the choice of the individual service provider that the Government expects that providers will stand by arrangements of this type that they have with families to provide additional powers. I do not presume that that refers to hours, it seems to refer to other things. I am not sure what it means.

Ms MILLS: It refers to the issue someone asked about this morning, how certain services have provided a supplementary assistance or used other sources of funds as part of the package of funding available for an individual. We are suggesting that that has been part of the history of these programs from the beginning. Programs have not always relied 100 per cent on Government funding for the output. This funding was not intended to replace those other sources of funding, but was very clearly about supplementing the Government source.

The Hon. JOHN RYAN: The letter further stated that the Government needs to provide purchase services in a tighter way, some providers have responded positively offering increased

services. At the other end of the spectrum some providers have made price increases that are not justifiable, fair or sustainable. What is meant by the term "provide purchase services in a tighter way"?

Mr O'REILLY: Predominantly the tender arrangement. We make it very clear exactly what we want to purchase for the dollars given.

The Hon. JOHN RYAN: Can you give a single example of any providers who have been able to provide increased services on reduced funding? The Committee certainly never met any.

Ms WANNAN: From the information that providers gave to us, there would be a number of instances in which they provide more hours of services this year than they provided under ATLAS.

The Hon. JOHN RYAN: Could you give some examples? As I said, the Committee has not encountered any providers who are providing more services on the reduced level of funding. Almost every one reported that their clients are receiving fewer hours. A couple have made me a compromise offer; to reduce the quality of service in order to maintain them. No-one has said, "Whacko, we have actually been able to provide more."

Ms WANNAN: I am responding to the information that people provided at the end of last year, which showed that this year a number were going to increase what they would be providing compared to what they provided last year.

Mr O'REILLY: We can supply that.

CHAIR: That can be taken on notice.

The Hon. JOHN RYAN: I talked through with a service provider some of the basic arithmetic of providing these services. Frankly, one does not need a massive level of competitive tendering or a university study to understand some basics of the scheme. If you were to employ four staff, one being a co-ordinator and the other three direct care workers who provide the service, you would incur in the order of \$170,000 in salaries and on-costs, given that those people earn a fairly modest income in the order of about \$16 an hour, or \$28,000 a year, and one imagines a co-ordinator would be paid marginally more.

If you distributed the three direct care staff on a basis of 1:3 to the clients, with a few extra hours provided by casuals during the rest of the week, you could probably stretch them to provide services to about 20 clients. So, 20 clients on \$13,500 would generate about \$270,000 worth of revenue. That leaves the service, after deducting wages and on-costs about \$100,000 to provide transport, usually in the form of a van, and its maintenance—which is obviously more expensive than the average family car—to find somewhere to rent, probably in the order of \$1,500 a week—which is fairly modest for a commercial premises—to provide equipment, public liability insurance, office administration expenses such as communicating with the clients and their parents and so on, to provide occupational health and safety facilities plus staff training and so on.

One really gets the impression that the service, as the Government has designed it, cannot possibly provide a level of staffing more than 1:3 for clients. If that is the case there will be very few opportunities for 1:1 activities and that means that clients are not going to be engaged in centre-based activities or congregate activities. It certainly will not allow services to provide more challenging form of community activities such as swimming, where you certainly provide 1:1. Many of the services visited by the Committee need 1:1 staffing at various times of the day for feeding clients and so on. Sometimes that activity can extend up to two hours. It seems to me that it is pretty obvious, without wanting 12 months of consultation, the \$13,500 is a very meagre form of funding. Clearly it will not in any way maintain the level of quality services that we currently have.

The Hon. CHRISTINE ROBERTSON: That is a nice statement, for a question.

The Hon. JOHN RYAN: Do my mathematics make sense?

Mr O'REILLY: Yes. On hearing the maths side of this for the first time, that is one of the issues that came through loud and clear. Hence, the additional \$6 million funding into the system.

The Hon. JOHN RYAN: A one off?

Mr O'REILLY: Yes, a one off but as we go down the tender arrangement, if we know that the \$13,500 was not enough, the tender will reflect that.

The Hon. JOHN RYAN: No, some people believe that they have to tender according to the \$13,500. None of the service providers will realistically believe that they will win a tender if they seriously price the service at anything greater than \$13,500.

Mr O'REILLY: We want to be able to tender on a dollar value. I do not know the figure, because we have not worked through the tender arrangement yet. Let us assume it was \$15,000 and we say what we want for \$15,000 per client is a program that looks like such and such: we list it based on level 1, 2, 3, and 4 needs. That is the arrangement that we want moved into the tender process. As you pointed out in your quick maths, on \$13,500 people are obviously struggling and hence that is the information we gathered that we informed the Minister, who gave the \$6 million supplementation.

The Hon. JOHN RYAN: You are saying that additional funding for next year's services is highly likely?

Mr O'REILLY: I cannot commit the Government to that. I am saying that the information we have to date demonstrated pretty clearly that \$13,500 was not enough.

The Hon. JOHN RYAN: Surely that information was available to you long before this? I am no scientist, but we all know what those people earn and we know about the 1:3 ratio and what it costs to hire four staff. It did not appear to be something which could not have been worked out very much at the beginning. We were talking about a staffing ratio that we all understand, of one staff to three clients. That was going to be very scarce in providing any intensity of activity.

Mr O'REILLY: Because we have such a diverse system, some providers are 1:1, and they believe in 1:1 in all instances, others believe 5:1 in some instances and 2:1 in others, that sort of thing. That is our problem. We did not know which providers were doing what, with regards to the program because it was a grant of money, that is all it was. The tender arrangement will provide that specification as to what we want to buy for the dollars available.

The Hon. JOHN RYAN: Will you be able to give the Committee some idea of what you want to buy? Obviously some work would be under way now. Can you provide the details, if not the costs, of what you expect would be a reasonable minimum and the sorts of activities you would expect in these programs?

Mr O'REILLY: Yes. We are working with the providers on that issue now. One thing that is pretty clearly is that if the department simply comes up with what it believes constitutes a program, it will not be accepted by all providers. So we have started work with the providers to identify the elements of a good program. Some programs will run music classes, cooking classes and swimming activities. Some clients will not want to be engaged in a swimming program. We are getting those elements down so that we will ask the providers about that in the tender. For a certain amount of money we expect the providers to offer a program that consists of certain elements, not all of them but a choice for the clients to be able to attend particular activities.

The Hon. JOHN RYAN: Is a fair to say that if the Committee were to conclude that that sort of planning ought to have gone before all the activity we have just heard about, that there is a bit of cart before the horse situation; if you were going to redesign the program there should have been that level of consultation and discussion before the entire system was thrown into chaos through the current arrangements for funding?

Mr O'REILLY: I can only comment that I accept that the Committee will make its own conclusions.

The Hon. JOHN RYAN: Can you clarify whether participating in TAFE courses is possible or not possible in community participation or the Transition to Work Program? We have heard some

say that if they do one day a week at TAFE in a Transition to Work Program, that is four days of Transition to Work and spend another day at TAFE to fill in the week, they will wind up not qualifying for Transition to Work Program funding. Is that true?

Ms WANNAN: No, that is still under discussion at the moment with the service providers that we are doing the work on. It is clear that if somebody is at TAFE time full time doing a course they cannot also be involved in one of these programs. The discussions we have had over the last couple of months have been to identify a number of areas and ask, "What happens if a person is going to a community participation program and they would like to go to a 10-week TAFE course one day a week? Is that possible?" So we have said, yes, we need to work out how to make that flexible. What we have been doing through this process of drafting the program guidelines is saying to people, "What are the scenarios that you have had operating out there now for a number of years? What is it that has been working for young people? How do we make that happen within the framework that we have? What is possible in terms of flexibility and what isn't?" That is what we are negotiating at the moment.

The Hon. JOHN RYAN: But it would be fair to say that if a young person is going to TAFE the arguments about them going to TAFE are pretty much the same as for them going to university. If they were using this funding to participate in TAFE courses—and, frankly, there is probably a stronger case for the New South Wales Government to be providing all of those services somehow or other since it is not a fight between State and Commonwealth; this time it is a turf war between two government departments—is it not reasonable to say, regardless of how it is funded, there would be capacity for a person to attend TAFE after school with personal care and transport provided to them somehow or other and if the Department of Education was not going to pick it up it would be fair that DADHC should pick it up through these programs?

Ms MILLS: We are having discussions with the Department of Education and Training about roles and responsibilities around these issues. It is still in an early phase because the guidelines for us are quite clear. As Allison describes, if you are a full-time TAFE enrolment then you are not eligible for a post-school program. I think we have to keep differentiating between the responsibility for DADHC to provide the sorts of personal care services that we provide through Home Care and through the Attendant Care Program as opposed to these particular training, skills development, vocational courses that we run through the post-school programs. We need to clarify the appropriate role and responsibility of the two agencies.

The Hon. JOHN RYAN: I need to take a couple of minutes to examine your culturally and linguistically diverse plan. Was the joint action plan prepared just for this Committee or was it circulated within the department prior to that? Is this your answer to the question or have you appended this document to your question because it exists already?

Ms WANNAN: My understanding is that the plan was developed in 2004 and we have provided you with a copy of the plan that was developed at that time.

The Hon. JOHN RYAN: The one critical thing that seems to be missing from the plan is any sort of survey or information that indicates how much people from culturally and linguistically diverse [CALD] backgrounds participate in disability services. It is my observation—and I am sure that other Committee members might make the same observation—that a great deal less than 10 per cent of the clients of ATLAS programs, or in fact any DADHC program, are likely to come from a CALD background. Certainly we know that the incidence of disability is quite high in Aboriginal communities and I have barely seen a black face in any of the places we have visited. Surely the first thing the department needs to do is provide some information as to the degree to which people from these backgrounds participate. Secondly, the critical factor that was explained to the Committee is that many people from these backgrounds simply do not understand the value of these services nor the value of asking for them. For example, people from an Islamic background may have a strong view that people should be cared for within the family. While that is admirable, it means that individuals are missing out on services that are their right as Australian citizens.

Ms WANNAN: In our submission we identified the under-representation of people from culturally and linguistically diverse backgrounds and we also identified the under-representation of Aboriginal people. One of the things we need to work on is how our programs need to change so that

they become more culturally appropriate. That is one of the things we are working on now: we are developing a new cold action plan—

The Hon. JOHN RYAN: I hesitate to interrupt you, but the problem is not with the scope of your services; it is that people just do not know about them or understand them. For example, the one thing in your plan that might address that is the appointment of more local area co-ordinators. You know and I know that most of those co-ordinators have been appointed to places where they did not exist before, so they are not extending an existing service that is already stretched. Most of those people will be providing generalist services and they will suffer from exactly the same critical flaw in extending to people from a non-English speaking background as our current services do.

The Hon. CHRISTINE ROBERTSON: Mr Ryan, I think you are distorting the picture. We visited several centres where there are people with diverse cultural backgrounds. In my mind, they reflected the community they were in. I am thinking particularly of Wollongong. We have also heard evidence from an organisation in Western Sydney that said that almost all of their clients were non-English speaking. I am not saying it is not a problem in some places—sure, it is a problem somewhere—but there is a distortion going on here.

CHAIR: I will ask Dr Jenkins to ask some questions.

The Hon. JOHN RYAN: I think someone was going to respond to the last thing I said.

Ms WANNAN: The point about information?

The Hon. JOHN RYAN: It is getting that information to the community, not the actual design of your services.

Ms WANNAN: There are two things there. What we need to do—which is what we will be working on for parents for this year—is get out information sheets in community languages that explain the purpose of the program. That is something we will be working on. We have also received feedback on the design of the programs for some communities. We have to look at how we actually improve that. We will be looking also to work with a range of community organisations from a range of the major ethnic communities to say, "How can they partner with some of our providers to improve their services?" They are three things we will be doing this year to make sure that what we are doing improves things for people from culturally and linguistically diverse communities.

The Hon. TONY CATANZARITI: To follow up, I know that some local councils have community workers. Do you work through them to try to get your message across?

Ms WANNAN: In terms of councils that have information in local libraries, that would be an area that we would distribute information through as well. We know in terms of this program that most information will come via the schools. So the teachers and advocacy groups would be some of the most important ways of making sure that families hear about information to do with the program.

The Hon. JON JENKINS: To follow up, is not the best way to capture these children through the schools. They are at school and schools have on-the-ground programs to address culturally and linguistically diverse issues in particular areas. To me, it seems natural to do it through the schools. I will change tack for a moment and return to another issue. There has been an almost surreptitious suggestion. Do you believe there is any wide-ranging abuse or misuse of this funding scheme—to put it on the record, once and for all?

Mr O'REILLY: I think there is not abuse of the scheme. I think the biggest problem has been that it has been a grant-based model through which we did not have clear indicators of what we wanted to buy.

The Hon. JON JENKINS: Coming back to that, because that is the point I want to lead into, when we talk about assessment models—this is a technical area that the experts in this care are probably better able to answer—it seems to me that you have two performance indicators. One of those is an objective measure, where you can measure, for instance, somebody's ability to dress themselves, feed themselves, a person's communication skills or social skills. These things can be

measured objectively. There is also an objective measure. It might be a person's quality of life or the carer's perception of how their child is going. There are two measures of what we perceive to be success or failure in these programs. It seems to me—I am coming back to the cart-before-the-horse model—and I really do believe that the research and the background for that have not been done. Without having that proper assessment tool—which will be an evolving thing; it will be evolving continually—you cannot possibly have proper performance indicators. Having databases and all these sorts of things is all very nice but without the proper assessment tool to assess an individual's performance against what you expect them to do and therefore whether that program has succeeded—it might be how to dress yourself, brush your teeth; it might be a very basic skill or how to use a computer—without having that assessment tool in place the database is almost useless. Is that reasonable?

Ms MILLS: Each of the individuals within a program has what is called an individual plan that is negotiated with the service provider, the service user and their carer. That is required to set quite clear tasks or goals in a set period of time for that individual. So we can, in a sense, assume that measurement against the achievement of that plan is a reasonable tool for measuring the effectiveness of the program for both an individual, and in a group session what percentage of people achieves their overall planning goals. That gives us also an indication of the program's success.

The Hon. JON JENKINS: That is very hard to quantify, though, without having a formalised system of assessment. How do you assess whether somebody has done something and achieved a goal without having a formalised assessment? For subjective ones you can have a scale—people tick "Do you agree", "Strongly agree", and all those sorts of standard assessment tools—but you could certainly set the objective measures. I do not think that is there yet, is it?

Ms MILLS: Coming back to the way assessments have been done in the past, the primary focus of the school screening or assessment process is to allocate to a program. There has been for a number of participants in the program additional assessments done over time. So that has been done again so that we can actually see if there has been a change in the skill base or a change in other circumstances for that individual. That is something that we need to build in rather than on a periodic basis. We need to build, as you said, that quantitative and objective assessment as part of the program on a cyclical basis too.

The Hon. JON JENKINS: A test before and afterwards. That comes back to one of the core questions as to why the funding changes happen in this review. As I understand it, initially there was a 3 per cent to 5 per cent success rate. Is that the success rate of the program?

Mr O'REILLY: For Transition to Work?

The Hon. JON JENKINS: Yes. The question arose as to why it was so. Everybody said that the program had failed. First, without a proper assessment tool you cannot assess people's entry into the program. The failure could have been entry into the program and it could have been the program itself. A lot of people said it was the failure of the follow-up programs—no Commonwealth follow-up for jobs and things. The reason the program failed and the reason you had to redo the whole funding model probably does not stand up to a fairly rigorous examination. Without having that review and assessment, I think you will probably fall over on that issue, using it as a reason to review the funding. I want to clarify with you block versus individual funding. You mentioned something that made me think, "Wow, they're actually starting to look at a flexible model of funding". Do you believe it is possible—I would like a yes-or-no answer—for a mix of block and individual funding to occur?

Mr O'REILLY: I do. I think there is a way through that.

The Hon. JON JENKINS: Is it possible to do it on some sort of appeal mechanism where you were allocated a block fund, either at the assessment stage—where, as you mentioned, 70 per cent of your clients will be single parents who may want to move children or have different climates—or to do it on an appeal basis and have a structure for an appeal basis, where a client can say, "I need to have some degree of flexible funding"? Is that reasonable?

Ms MILLS: There are a number of ways it could be done. It could be done in that way—which would probably be administratively complex and reactive. It could also be done the way we

build the system. There are two core issues around the funding that have always been foremost. One has been how we ensure a certain level of certainty for service providers that they are able to maintain staff, the service user, et cetera, and how we allow flexibility for individuals to move either location or choice of service provider for service quality reasons or anything else. I think we have to build certainty for both of those players. The move to block funding was an attempt to move towards one element of that. Certainly issues have arisen about whether the trade-offs are too great, and that is certainly what we are reviewing at the moment.

The Hon. JON JENKINS: I do not envy you the task. I admit the task is great. One of the things that came across to us in evidence was that, if you cut funding, because the infrastructure costs remain constant it comes straight off the staffing. If you cut \$3,000, that is a staff member gone. I understand the difficulty and I do not envy you the task. It is very difficult. That is all my questions, thank you.

Mr O'REILLY: I was just wondering if, with your permission, I could pass over the types of questions the assessment tool consists of. It may be of some assistance to Mr Jenkins.

The Hon. JON JENKINS: I would be very interested, thank you.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Is there a life plan for every client you have? You put people into these TTWs or community participation schemes. They come from school, and school teachers seem to have assessment in their head of what the potential of each student is. In other words, they are looking at their lifetime of work. Does the department, in that liaison with schools, get a life plan concept and, if so, is it recorded anywhere and does it in any way involve what programs they might do?

Mr O'REILLY: I think the short answer is no as far as a life plan goes. It tends to be more based on a shorter-term plan. As Ms Mills pointed out, the assessment is done and they are screened into a particular program then you have the individual plan for the person that has developed between the person, the provider, and sometimes a parent or advocate, about what other components of that individual plan the individual wants to improve the quality of life.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: As they are at the moment, they are planned for the next two years. It is not any longer term?

Mr O'REILLY: Yes, it is short term.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Sometime ago we did an inquiry into early intervention for children at risk of learning disabilities. Does DADHC get involved at that stage and have support services through schools?

Mr O'REILLY: It could be through our therapy services that we provide where we were with schools for particularly young people who may need a speech therapist or whatever. We have a whole range of therapy services we provide.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Do they feed into this? Will they, when you have your data base going?

Mr O'REILLY: No. The early part of it is when Mary or Freddie requires some sort of therapy services DADHC is contacted and therapy services are provided while they are at school. That then forms part of this file that Mr Jenkins was talking about, having to transfer the file across from Education to us, and that is the one we are going to follow up to see if that is proper. But as far as a lifelong plan, no, we do not have one.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Some of the school teachers have given us evidence that they would have thought that people were ready from school to go into some form of work, but they go into the TTW program for a couple of years and if they are not placed within a couple of years the provider has an incentive not to place them in the two years because they are in the program and they are getting funded. They can then go into an employment funding position so that they can get funded to find them a position later. If they found them a position within two

years they would lose their funding and they would not have a second bite at the cherry. What do you say about that? There is reverse incentive.

Ms MILLS: The introduction of block funding with a 12-month guarantee of funding, which we spoke about early this morning, was part of our aim to redress some of the lack of incentives for people to move through the program. You picked up two issues, one was if somebody at the end of school is ready to go to work straightaway do they need to go into another program? That is where we want to continue working with schools to ensure that young people and their carers have a range of options available to them and they fully understand what is possible. The screening tool that we use at the end of school marks out people who are considered ready to go to employment without further assistance, so the transition to work focus is on training for those who have been identified with some additional support who would be in a position to be considered were ready. In terms of people moving through the system, we have talked about the service provider model in terms of the performance indicators that we are developing, in terms of setting targets for the report, in terms of trying to balance the incentive for service providers to encourage and assist people into employment, but also, again, give them some certainty that they do not automatically lose all their funding because they have had a success in placing somebody, that is the balancing of the reforms that we are trying to achieve.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Would this not be achieved just as well if you had a life plan so that the person was going to get funding for either a TTW program or to have an advocate to go to work with them for a bedding-in period, a phasing-in period or training? You would get more a bang for your buck in the sense that you would not have block funding for 12 months that was not needed or reverse incentives with regard to employment.

Ms MILLS: Certainly, in terms of assisting people when they move into employment part of the transition to work and the ATLAS program was available for that kind of phasing-in period and additional support for people in their first period of trying out a job. Often people get work placements or work experience opportunities that are for a few hours a week and they may have to work with them to assist them in that sort of early phase of move into a new role. Those elements are part of the current program style. The issue about the long-term planning is something that we certainly recognise and talking with Education, for people with a disability there are several key transition periods of their lives that are very critical, that is beginning school, leaving school and, if they have been in employment, leading employment. We have been working very much with the Department of Education and Training probably over the last 12 months to look at ways we can achieve greater joint planning to make the transition periods easier.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Obviously, someone with a disability may be at greater danger of losing their job than a person of normal ability, but there is plenty of unemployment in people of normal ability. If they are going into employment and being vulnerable coming out is it then a huge bureaucratic system to get them back on because the disability pension is withdrawn if they get a job and then they have to reapply? I gather that the bar has just been raised federally. If you had a life plan and said that this person was able to work, there may be statistical probability that the person could work with that type of disability. If you drop out of the program, you keep it open for 100 days. Someone else is excluded for 100 days if they last 100 days. If they do not last 100 days they drop back in. Someone has to be excluded for 100 days if they succeed or if they go for 101 days the program is gone. It is pretty cumbersome to do the block funding in this sense?

Ms MILLS: We are looking at the way in which we can get the right balance between certainty for service providers and their ability to deliver a service, and have quality staff and a quality environment in which to do that. In a sense our individual plans are on an ongoing basis. Although they are basically having goals for 12-months, those goals are built around an understanding of the skills and aspirations of each individual in the program. The concept behind the individual plan is not let us just have it as a 12-month, it ends and then we start from scratch. In fact, you could see it as a rolling plan that fulfils many of the things you are speaking about. The issue is also around the fact that people have individual capacities and, yes, somebody may not have the 100-day cooling off

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: The money does not turn on and off like a tap if they find employment and lose it again, does it? It is far less fixable than that.

Ms MILLS: To a certain degree that is true, but also remember the transition to work about which we are speaking is intended as a prevocational training program. It is not intended to be a substitute for employment. It is not intended to be a substitute for Commonwealth assistance through the disability pension or unemployment benefits. It is a very targeted, specific program with specific goals, and what we are saying is that within those goals for them to be achieved we know there needs to be flexibility and some individuals will reach that goal more easily and more quickly than others and that needs to be built in. But at the end of the day the program has a purpose and set of objectives, and it is not there simply as a fallback for anyone in any particular situation. There are a whole range of different programs, State funded and Commonwealth funded, that pick people up as different parts of their lives according to their particular situation at that time. This is only one of those many programs.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: We had a difference between some of the providers. Many were not scared of the market model, in other words if the client had the funding they reckoned that they would hold all the clients and any variations were fairly easy to predict depending on the age of the people. Others were really terrified and told us all about the budgeting problems and said they had to lock in a certain number of clients. It seemed to me the market mechanism was not a bad way of working out what the people were delivering. Why are you still hanging on to block funding? Is it because it is cheaper?

Ms MILLS: Block funding was introduced as part of this introduction of these two new programs. As we said, we are reviewing outcomes because it has not taken long to see the number of the outcomes prior to going to tender for the community participation program.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Are there any independent assessors of programs and independent advisers if someone had a package? The providers had been doing marketing, to put it in crude terms. Some of the school teachers who had their students graduating from school and felt that some of them were being marketed to be put into inappropriate post school programs. What is the Government doing to get independent advisers out there who could look at individuals and advise carers in a mutual sense?

Ms MILLS: I guess there are two components to that. The first is the school teachers. We see the Department of Education and Training as an important source of information because they have ongoing relationships and, often, long-term relationships with families and caregivers and we need to use the system effectively. But in terms of people making an informed choice, and that is probably the most critical component of the market advantage, I suppose, if people are able to move around we wanted to be able to make the choice in an informed way. We see a very important role for us in being able to provide information on a clear and transparent way for potential service users about the performance of services. When we spoke earlier about the performance indicators and information that we would be collecting we also mentioned that we would want to make that information available to people so that it can help them make wise choices.

A number of people also have advocates. The department spent more than \$6 many funding advocacy and information services for people with disability across the State. They provide a wide range of advocacy services to people, including helping them to assess information and helping them to access services both disability and mainstream, and to secure information from a range of sources so they can make good choices. We do have that. We also have case managers across the system who will work with families and people with disability to assist them in getting a package of services that they require. There are already a number of frameworks for providing either independent from the department but certainly also professionally qualified advice about options and the way in which those options might be accessed.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Does every person on your books have a personal advocate?

Ms MILLS: Not all people require a personal advocate. All people who wish to access an advocate are given information about how to do that, but part of the role of the advocacy organisations is also helping people to build the skills to self-advocate. We are not looking at the system where every person with a disability needs or acquires on an ongoing basis to have an advocate to go to, but we do have a strong system that means that advocates are available when needed.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: But you might have some roving independent expert to decide that, perhaps, the carer is not the best person to advocate for people at certain times of their life, or their individual capacities are not sufficient to say, "I need an advocate" in the sense that that requires them to know what an advocate is and how they could ask for it and what the advocate might do for them. It all assumes certain levels of function and certain levels of interest.

Ms MILLS: There are so many different ways in which people with a disability come in contact with the service system that all players in the service system are generally there to assist people to get access to information, or the other. You will find many service providers who are concerned about the wellbeing of their clients. They will ensure that they have contact with advocates or other ways of seeking assistance. You will find people in the schools through the counselling system and other mechanisms will ensure that those linkages are made. The thing about our system is that people with a disability are hugely varied in need. We have a patchwork quilt of different ways of having the right models available and there is no one right model. The skill is in having the right mix for the right people.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: But one thing that became clear was that the provider, the carer and the client have at times quite different needs and they may clash. For example, the carer may want a long program with lots of television, as long as they get to work, whereas the provider may want to provide something cheap in order to keep their costs down, and the client may want to develop themselves. So surely there is a need for each individual, and someone ought to take an independent look at the relationships between providers, carers, clients, and possibly individual advocates' needs.

Ms MILLS: Again, I think there are situations where people need individual advocates and there are situations where they are able to either self-advocate or access other information that will help them make decisions. As we said earlier, if there is a difference of view about the nature of a program, we both want to be clear about what an effective program should look like, so that there is still flexibility at a local level to match it to a person's need but there is less variation. It means that there is at least a minimum level of quality and a minimum level of characteristics in a program, which are consistent across the State. But we will also be providing information about outcomes and performance. And again, as you said, many service providers would themselves market their successes, so that there will be a range of potential information sources for people in making their choice.

CHAIR: Why do service providers have to retender when they have been assessed as approved providers?

Ms MILLS: The decision to tender was to overcome some of the inequities that have emerged from the program. One of the key components of the Minister's recent announcement was to shift the program from funding a place at a certain level of money, and the scale of that place, that is the number of hours, is then left to a decision between the service provider and the individual or their carer. This is to ensure that all people in the program receive the same level of service. That is a fundamental shift from the way in which the grant-based program operated previously.

We have also found in the analysis we did a wide variety in terms of the types of services and the hourly unit costs that have been offered. The level of inconsistency in that was such that we believe it would be a more equitable program, particularly for people with high-support needs, to be able to be guaranteed a minimum number of hours.

The Hon. CHRISTINE ROBERTSON: With regard to the transition to work program lasting two years, is an assessment process to be developed following that period to assess whether or not there is still a possibility of transition to work and perhaps they should stay in the program?

Ms WANNAN: What we have been discussing recently is what should be happening 18 months after the person has been in the program. Obviously, we are looking at where people are at six months and 12 months, but a current thinking is that 18 months is probably an important time in terms of looking at what might be seen as a good exit plan. We are also looking at whether an extra three

months or six months makes a difference for an individual in achieving an outcome that would not be achieved if we simply set a calendar date and that was it.

The Hon. JON JENKINS: When you finally come up with an assessment tool, or when you review the assessment tool, I see the need to assess three different groups of people. The first group is the service provider, because they will provide probably the most objective assessment in terms of life skills and employment skills. You also need to assess the client, and you also need to assess the carer, because they have important input into the assessment tool. Do agree that that is a reasonable basis on which the assessment tool should be constructive?

Mr O'REILLY: Yes. And I think you have summarised the three elements of the program correctly. The way to assess the carer is a little difficult, but nevertheless it is an important component of any assessment. Part of it is obviously what the client's expectations are, his capacity, and all the rest of it, but it is also where the parent or primary carer sees where the client may be able to benefit most. There has also been the provider, of course; once they are in the program, how the person is progressing and that sort of thing.

The Hon. JOHN RYAN: It is a little unconventional that we seek questions from the gallery. But some people who have participated in these programs are in the gallery today, and one of them has suggested a question that they would like to be asked. Notwithstanding the fact that it probably reflects an idealistic relationship between the State and the Commonwealth, I will nevertheless ask it. It would also be helpful to know whether there is anything in the COAG arrangements, agreed to a week or so ago, that would affect these programs, because if so the Committee needs to know.

The suggested question is: Why cannot people participate part-time in work funded by the Commonwealth and then part-time in transition to work, as a means of getting around inadequate funding from the Commonwealth, so that the Commonwealth only needs to pay for two days of supported employment and we might be able to extend the funds and therefore get more people into work?

Mr O'REILLY: Regarding the announcement at COAG, the information we have at the moment is very scant, other than that they do want to create a high-level working party between Commonwealth and State to look at whether there is the opportunity—and it is a sensible arrangement—to move all aspects of disabilities to the State whilst all age-related arrangements go to the Commonwealth. Obviously, it is a pretty complex issue. When you look at young people in nursing homes, what is the age of the person who is disabled, if they have early ageing arrangements? There is a lot of complexity with this.

The Hon. JOHN RYAN: Does it impact on anything that we are looking at?

Mr O'REILLY: Personally, I think that if you are a person wanting to access disability services and move to transition to work, the current arrangements that the person experiences in trying to work through the maze of what is Commonwealth and what is State—if I do this, does it hit my social pension, and that sort of stuff—it is extremely difficult. The person who has asked the question obviously has experienced exactly that. That is the system at the moment, and we need to work through those issues with the Commonwealth as well.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Does the department accept about 25 students with physical disabilities will attempt to go to universities or TAFE colleges, and is the department responsible for supporting them with regard to their physical disabilities while the Commonwealth pays for their academic education?

Mr O'REILLY: I cannot say for sure whether it is 25 or 35. But, obviously, we are talking with the Department of Education and Training regarding the numbers of people who want to move into the TAFE or university arrangements. We still need to resolve the issue about support for people wanting university education. We are working with the Department of Education and Training, particularly the TAFE component, with regard to the disability co-ordinators they employ—from memory, I think that there are about 95 co-ordinators across the State—to see whether we can have a better relationship there regarding support as well.

(The witnesses withdrew)

KATHLEEN MARGARET EAGAR, Director, Centre for Health Service Development, University of Wollongong, Building 29, University of Wollongong, affirmed and examined:

CHAIR: Are you conversant with the terms of reference for this inquiry?

Professor EAGAR: I am.

CHAIR: If you should consider at any stage that certain evidence you wish to give or documents you may wish to tender should be heard or seen only by the Committee, please indicate the fact and the Committee will consider your request. Do you wish to make a short opening statement?

Professor EAGAR: I do. Thank you for an inviting me today. I understand that I have been asked to attend in order to clarify matters both in relation to the assessment process and the classification and costing study. I will refer to both of those in my opening comments. Prior to making statements to those matters I thought it might be helpful to provide the Committee with some background information on the centre because I think that is one of the issues that has been raised.

I am the Director of the Centre for Health Service Development [CHSD], and I have been in that position since 1993. The goal of our centre is to undertake multidisciplinary research into how to improve the management and provision of health and community services in Australia. Each year we undertake between 15 and 20 research and development projects across the country, in all jurisdictions. We have undertaken numerous studies in the design and classification of assessment systems, and also in costing and classification. The centre is recognised, and is financially supported, by NSW Health as a centre of excellence in health services research, and we are one of the 12 research strengths of the university.

While many staff in our centre come from traditional academic backgrounds, many do not. They have come from the health system having come from health, community services and disability services, and having worked as clinicians, planners and managers. We have 19 disciplines in the centre, so we are truly multidisciplinary, including many that are directly relevant to the work we have been doing in this program. For example, we have psychologists, statisticians, and people with qualifications in education, occupational therapy and medicine.

Our work on post school options began in 2002. Since then that work has been in three phases. I thought it might be helpful to describe each of those phases. The 2002 work was called ATLAS Consumers and Their Prospects, and there is a report by that name which I am happy to make available to the Committee. In 2002 DADHC trialled a new assessment system for the program. DADHC commissioned the Commonwealth Rehabilitation Service [CRS] to assess post school leavers who were already in the program or applying to join it. The outcome of that was that data was collected from 1,556 ATLAS consumers in four cohorts who left school between 1999 and 2002. That included assessment items that we had developed in previous assessment projects and that had been tested not only with older people but with young people with disabilities. In addition, special transition teachers in schools were asked to complete the nine-item functional screen that had also been previously tested with young people with disabilities receiving services through the HACC program.

Our role is to design the assessment tools, provide training to the assessors and undertake analysis of those four consumer cohorts. The CRS assessment consisted of over 80 items on each person. They fell into two broad groups. The first was information about each person. So samples of those items were things like age, sex, disabilities, the person's strengths, behaviour and their ability to manage ordinary activities of daily living, and those tasks ranged from the ability to transfer from a bed to a chair through to the ability to manage money, manage medicines and to get to places out of walking distance.

The second set of items was assessments that the CRS assessor made in relation to the type of program that each person required, the type of assistance they required and their current and future work capacity. Our analysis focused on the relationship between those two datasets; specifically, the research question we were asking was this: Which measures of the person best predict their capacity for work and the type of assistance that they need? A related question was how are the results

achieved with the screen undertaken by the teachers? How well are they correlated with the results of the more detailed assessment undertaken by the CRS? If the results were highly correlated a more detailed and expensive assessment might not be necessary.

That report is quite detailed, but the findings, I think, are of particular relevance to this inquiry. First, of all the measures captured, the best predictors of the type of assistance required in the ATLAS Program were, in order, domestic functioning, self-care functioning and behaviour. All of those variables were better predictors of the type and level of assistance required than any of the variables typically assumed to determine need for young people with disabilities, such as age, sex, the type of disability or the number of disabilities.

The second key finding was that the correlation between the nine-item screen undertaken by the teachers and the full functional assessment undertaken by the CRS was very high—0.83—suggesting that a more detailed assessment may be unnecessary. That was the first phase of our audit. The second phase was in 2003, with the adoption and implementation of the new assessment model. The outcome was that the DADHC adopted the tools for the 2003 school leavers; in 2003 the transition teachers completed both the functional screen and the five item behavioural assessment. In 2004 this was expanded to also include the eight item domestic functioning assessment, and I understand that was what was handed around earlier today to members.

The assessment instruments that we developed form sections three to five of the six-part application forms. So there are three other parts, and I have two of those; the other part I do not have with me is the consent section. Questions on whether the applicant had applied to go to a tertiary institution were added to section 6 in 2004. That is, they were not part of our assessment. Implementation involved, for us, training teachers in how to use the tool. That was by face-to-face training and a resource manual; about 660 applicants being assessed by transition teachers in 2003, going to over 800 in 2004, trialling electronic registration and referral through the human services network, developing and applying a statistical model to rank applicants so that they could be placed in two programs, and that was our role; after that DADHC took over, which involved notifying applicants of the outcome and reviewing appeals against the decision.

Of particular interest to this inquiry is the statistical model, obviously, that we developed to rank applicants. It was built using the data from the CRS, the Commonwealth Rehabilitation Service, assessments in the 2002 study. The aim of the model was to match the CRS allocation as closely as possible. Using the data on the 2002 school leavers, the statistical regression model combines both screening and assessment scores with the aim of allocating applicants to the same program that the CRS would have allocated them to. In other words, it is not a statistician who decides which program an applicant is appropriate for, the statistician is treating the CRS assessor as the gold standard and looking to replicate their decision as closely as possible. In adopting the model, all parties understood that while the correlation was very high it was not perfect and as such it should only be used in conjunction with an appropriate appeals mechanism. The other option available to DADHC would have been to engage expert assessors to undertake the assessments each year. That concludes our second phase of work.

Our third is the post school options classification and cost study. A key recommendation of our first report was that funding should be distributed between regions and consumers in proportion to need. We had suggested that there were four essential prerequisites to the development and implementation of a needs-based funding model. The first was to agree on what constitutes a need for this population group. The second was to adopt an assessment model that measured those needs. The third is to understand what drives costs in ATLAS service provision, and the forces to measure those costs in a consistent way across regions, services and consumers.

The classification and cost study was commissioned to address the last two of those issues. The study commenced in June 2004. It involved a representative sample of 836 consumers in 18 agencies, and they had 27 outlets between them. The study design involved three datasets. Two of these three datasets were our responsibility; DADHC was responsible for the third. The first dataset, the service utilisation dataset, required the detailed collection of activity data by all staff working in each agency. The purpose was to capture, in minutes, the total time each staff member spent with each person each day. The study sites were trained in how to collect the information in June 2004 and they collected these data over July 2004. The paper forms were sent each week to us where we entered

them into a central database. We used the second dataset, the financial dataset, to cost the services that each person received each day. These financial datasets were assembled in August and September 2004.

The third dataset was the consumer datasets. The goal of the study was not to calculate raw costs. Rather, it was to analyse the relationship between the needs of each person and the services that they received. That required us to have assessment data set of each person. The study design proposed the standard disability agreement minimum dataset would be used as well as the functional screen and assessments. In addition, DADHC would provide us with a list of all other services being used by each consumer, for example, if they were in receipt of HACC services as well. This consumer dataset was required for each consumer in each agency and needed to be collected as close as possible to the period for which we had service utilisation data so that we could match their needs at that time with the services they received at that time.

DADHC advised us in August 2004 that the assessments had been completed at one small site—a total of 33 of the more than 800 clients in our study. We were then advised in September that the assessments had been delayed and would take another five to six weeks to complete. For reasons that I do not fully understand, this full set of assessments did not eventuate. We contacted DADHC numerous times in the last half of 2004 chasing up progress on the assessments. However, it became progressively more difficult to find out what was happening due to continual staff turnover in the agency. By late 2004, there was no-one involved in the program who had been there at the beginning. I have been contacted by DADHC in the last two weeks to discuss the problem and, as I understand it, DADHC is now developing a range of options. I am expected to meet with them in the near future to progress where we go from here. That concludes my opening statement.

The Hon. CHRISTINE ROBERTSON: Can you explain why the assessment tool is appropriate for people with a disability and what it actually tells us?

Professor EAGAR: It might help if people actually have a look at the tool. The tool proved to be helpful with people with disabilities because it captures what a person can do in ordinary activities of daily living. Young people acquire functional skills in that particular order and we call those milestones in young children—children walk when they are one and so on—and young people continue to acquire skills in a fairly predictable order as they grow into adulthood. We would describe that as a hierarchy of functional acquisition.

The CRS assessors rated people who have not mastered ordinary activities of daily living as having low capacity for work and poor future capacity; that if by the time of leaving school a young person had not mastered some basic skills it was a predictor of the outcome and also the program. And they were the correlations we calculated in our first study. It is not the only factor. I mentioned before the three top predictors of the CRS assessment outcome were domestic functioning—or more formerly known as instrumental functioning—self-care functioning and behaviour, and they were much more strongly correlated to the CRS assessment outcome than any of the items that are traditionally identified with disabilities, including, for example, the nature of the disability.

The Hon. CHRISTINE ROBERTSON: Can you let us know exactly what it is within the assessment process that indicates the appropriate workplace program or the community program?

Professor EAGAR: In the CRS assessment, CRS assessors rated both the person's current capacity to work, which program they should go to—and there were seven specified—and the distinction was made with the ATLAS program, and their capacity to work having gone through the program.

The Hon. CHRISTINE ROBERTSON: With the two new different programs—

Professor EAGAR: And they mapped to those.

The Hon. CHRISTINE ROBERTSON: What exactly did you look at in the 2004 evaluation and can you tell us now exactly why, to you, that evaluation was satisfactory?

Professor EAGAR: In 2003 and 2004 we took the score that we had from the transition teachers from those same assessment instruments that the CRS had used and we then developed the model where we could take those scores and go back and say for people in 2002 who had the same scores, this is what the CRS assessor had recommended that they go to. So we were able to use that combination of scores to find the recommendation that the CRS would have made. We did have a large dataset, of course, of CRS data: 1,556 applicants. We knew that we could match about 80 per cent, but we always knew we could never find a 100 per cent match.

The Hon. JOHN RYAN: Can I move on to the costs and assessment study?

Professor EAGAR: The classification and cost study.

The Hon. JOHN RYAN: You said it commenced in 2004. Is that when you intended it to commence? When did DADHC first commission the university to do the study?

Professor EAGAR: In 2004.

The Hon. JOHN RYAN: Can you tell us how much that study was to cost?

Professor EAGAR: I do not have the figure at hand, but I think it was around \$170,000.

The Hon. JOHN RYAN: How important is it to collect the third dataset that DADHC was responsible for and to match it with the other data you collected?

Professor EAGAR: If you want to understand the relationship between cost and need you have to have measures of need. We do not have any information on the people in the study at all. We do not even know their age. We do not know anything about them.

The Hon. JOHN RYAN: Is it fair to say that not having that third data set is somewhat catastrophic for the outcome of the study?

Professor EAGAR: We cannot complete that study.

The Hon. JOHN RYAN: It is not complete-able?

Professor EAGAR: No.

The Hon. JOHN RYAN: So the entire funding has been wasted.

Professor EAGAR: No. We have been talking to the Department of Ageing, Disability and Home Care at [DADHC] about at least getting information on the young people that would not have changed—that is, their age, their sex, their primary disability, secondary and subsequent disabilities and so on—so that we can at least link those items to their cost. But, the attributes of the young person that may have changed in the last year—that is, their ability to manage activities of daily living—we will not be able to link those costs to their functional status or behaviour, for example.

The Hon. JOHN RYAN: When you started that study in the middle of 2004 when was it anticipated that it would be completed?

Professor EAGAR: At the end of 2004

The Hon. JOHN RYAN: Had it been completed in the way it was originally designed, would it have given any indication to DADHC what a reasonable cost for their services would have been?

Professor EAGAR: Yes.

The Hon. JOHN RYAN: Are you aware of what DADHC is now offering for the services?

Professor EAGAR: Yes.

The Hon. JOHN RYAN: From information you have gathered so far, are you able to make any sort of comment as to whether there might be some match between what DADHC is funding and what you might have anticipated?

Professor EAGAR: No, we have not completed the study because we do not have the data set.

The Hon. JOHN RYAN: You said that the third part of the data set related to assessment of need. In terms of the actual raw costs that an agency might encounter, are you able to give some information as to what would have been a cost per hour?

Professor EAGAR: We have not calculated the final raw costs because we wanted to link them into the third data set. That is how the programs were written. We could go back and do so, and we are still hoping to be able to do so—and these are the discussions we have been having with DADHC in the last two weeks—if we are able to get those data items that would not have changed, those attributes of consumers that would not have changed. Once we got those, it would literally be a matter of a week or two.

The Hon. JOHN RYAN: If you did not have the third data set could you provide any information that would be at all useful?

Professor EAGAR: We could provide raw cost data that says, "Here are 800 consumers and "X" person cost "Y" dollars and someone else cost "Z", but it would not have any meaning.

The Hon. JOHN RYAN: What about the amount of time spent with each client? Would that be useful information? One of the discussions about these issues and about this particular program is how many hours each client receives. Would you be able to give the department some sort of assessment as to how many hours the average client has, given that you have collected at least that date?

Professor EAGAR: The data is certainly sitting there, but of course one of the things that we would expect to see in that data are significant variations and there will be no possible way to explain the variations in costs or minutes unless you know something about the people receiving the services.

The Hon. JOHN RYAN: You indicated an earlier report—I have forgotten the exact report. There was an earlier report and I think you've dealt with the issue of needs.

Professor EAGAR: Yes. That was, "Consumers and their Prospects."

The Hon. JOHN RYAN: Has that report been made publicly available?

Professor EAGAR: I do not know if it has been made available to this inquiry by DADHC. It certainly has been very freely available. I have given papers on the outcomes of that at least five conferences. There is a very detailed power point presentation outlining the results that is on our web site. I checked couple of weeks ago and there have been more than 500 down loads of the presentation. So, it certainly has been very available for anyone who wanted it.

The Hon. JOHN RYAN: That would not be the study we would know otherwise as the "Elton Study" would it?

Professor EAGAR: No.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: You have been testing, as I understand it, the relevance of the variables, if you will, in the assessment tool. You have given the Committee information on that, in terms of what the most important variables are, but you have said that those variables are limited by the fact that you do not know much about the people. You have the surveys but you haven't got any information about the people exactly?

Professor EAGAR: No. In relation to the CRS study, we have a lot of items. We have 80 items on each person.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: You have correlated those with the assessment tool, which is simpler.

Professor EAGAR: Yes, that is what we did. So that we have an independent variable—that is, which attributes of people—and we have a dependent or a response variable which best predict the type of program that they should go to. We are saying: Which of those items? Is disability and good predictor? No, it is a very poor predictor. Is their age of good predictor? No, it is a very poor predictor. The best three were: domestic functioning, self-care functioning and behaviour.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Mr O'Reilly said that the tool was satisfactory. That was quite an unquantified statement. Are you able to comment on how one defines a tool as satisfactory or unsatisfactory?

Professor EAGAR: Obviously it depends on its purpose. In terms of its statistical performance, it is a very good. I mentioned before the hierarchy of functional acquisition. We were interested in testing that. In this case the coefficient of reproducibility, which is the statistic of interest, was 0.97. Anything over 0.9 is considered to be very good. In terms of its ability to emulate a CRS assessment outcome, after the CRS assess or has spent a couple of hours with a person, we were able to do that in about 80 per cent of cases. In terms of my personal view, I think it is very good. I am very proud of this as a piece of work.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: You developed the tool?

Professor EAGAR: We developed some of the tools. Others are well-established international tools.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: When you refer to 80 per cent, you are assuming that the gold standard of an assessment is a CRS personalised assessment, are you?

Professor EAGAR: Yes.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: And you compare it to that?

Professor EAGAR: We are treating the CRS as the gold standard.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: You consider it better than a SNAP or a Vermont?

Professor EAGAR: Tools have different purposes. The purpose of this tool is not to develop an individual care plan from person. This tool was designed specifically to screen the people into various sorts of programs. But the tool in front of you is not appropriate for use for individual care planning for a consumer, once they are in a program.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: You referred to success or failure. If someone goes into a Transition to Work Program and perhaps could or should have gone into community participation or vice versa, if they then changed later—because it would seem that they are not suitable for transition to work and not likely to be, or that they are in community participation and have the potential to go to transition to work—some of us would say that the tool had put them in the wrong place.

Professor EAGAR: Yes.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Is there any data that assesses the adequacy of the tool, shall we say, in terms of the subsequent events? Because, clearly, that would seem to me to be whether the tool is or is not satisfactory.

Professor EAGAR: Yes. The tool assumes that the CRS assessor is the gold standard. We have data on that 1,500 people assessed by the CRS from 1999 to 2002. It would be, of course, quite possible to go back in 2005 or 2006 and trace those folk and look at the outcomes six years on. That would give you a measure.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: That would give you a revised gold standard, which would be an improvement, would it not?

Professor EAGAR: Yes, it would.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Is the protocol set up to do that in a longitudinal sense?

Professor EAGAR: The other thing to point out about the classification and cost study is that one of the intentions for us in the study was to also look at the relationship between the assessment items again and what people actually got. We have been using the CRS assessment of what they thought people should have got as our gold standard to now. The classification and cost study was to give us another way of looking at the tool, that is, to assess the ability of the tool; the relationship between items in the tool and the package of services that people actually received.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Do you have any longitudinal data on what they are getting and what they can do? Obviously what they can do depends to some extent on what they get, of course.

Professor EAGAR: Yes.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: They are not independent variables entirely, are they?

Professor EAGAR: No, of course.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Do you have any longitudinal studies taking place in terms of evaluating different programs?

Professor EAGAR: No, we do not.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: You do not?

Professor EAGAR: It would be possible to do such studies, but we are not doing any.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Do you think such studies should be done?

Professor EAGAR: I think it would be helpful to inform the development of the program, yes.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: You are one of the agencies that has been said to be independent and having input into policy, presumably from your conclusions?

Professor EAGAR: Yes.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: This is perhaps a difficult question to answer, but do you think that there is sufficient independent academic study being undertaken by the department to inform its program development?

Professor EAGAR: In New South Wales we work across several government departments. I think it is fair to say in general that the research and development culture is not well developed in DADHC in general. That is quite noticeable to me when I compare our experience in health, which has, of course, a strong research and development tradition. DADHC has tended to have a focus much more on working groups and consultancies, rather than on a research program.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Does that mean a succession of anecdotal workshops to put with the butcher paper, rather than any longitudinal studies? Is that what you are suggesting?

Professor EAGAR: I not know, because I do not go to any workshops in DADHC with butcher paper. The work we have done with DADHC has been of the nature I have described, where we have been commissioned to undertake particular pieces of work, rather than being involved in that departments committee structure or policy-making systems.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: is to say that you are independent? But, is there other independent work being done? It seems to me that you can have a department which follows either fashion or funding, or round table workshops of anecdotal opinions; or you can have longitudinal studies, which are more academically rigorous.

Professor EAGAR: Yes.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: It would seem that the department is leaning towards the former model. Is that what you are saying in essence?

Professor EAGAR: We have certainly suggested to DADHC in the past that we thought the program would be helped by a research partnership. The pieces of work that I have described in fact were, from our perspective, important building blocks towards that sort of partnership of looking at longitudinal work. But I think, from our perspective, significant changes of personnel in the department has meant that a lot of that history has been lost over time.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Not only is there no research program in the long-term, there is a loss of experience and expertise within the department as well?

Professor EAGAR: I think certainly in the last couple of weeks of discussions about what needs to happen now, in terms of costing, the issues of interest to the department have not gone away. The last couple of weeks of discussions I think have been very heartening, but I think there were so many changes in 2004 that a lot of corporate memory was lost about the nature of this work and how it was to be used.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Does that mean that basically a lot of people have left the department in that time?

Professor EAGAR: Yes.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Perhaps the Committee should ask the Minister. Have you been involved in the development of the database, the analogy to KIDS?

Professor EAGAR: No.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: They have not asked your opinion about which variables to collect and how to manage them?

Professor EAGAR: No.

CHAIR: In relation to the training of transition teachers, I note that was done in 2003. How long does that process take?

Professor EAGAR: It was a one-day program in both 2002 and 2003. It was a full day.

CHAIR: So that teachers who are expressing concern at the moment that they have not yet had any training in anticipation of assessment for people leaving at the end of this year should not be of great concern? I mean, we are now in June.

Professor EAGAR: Last year the application period for the Adult Training, Learning and Support Program [ATLAS] as it was then or the Post School Options Program [PSO] as was, was May and June or June and July last year. I understand that it is going to be much later this year. We have not been approached, though, about doing training or anything. We have no contract for that sort of work.

The Hon. JON JENKINS: One of the concerns expressed to the Committee by both the carers and the service providers related to the nine questions or selection or nine items they got for assessment. Looking at the correlation that was 0.83, is it possible to collect both sets of data?

Professor EAGAR: Yes, if you have a look at the assessment tool there are not just nine items in it at all. There are in nine items and then there is also a behavioural assessment and a domestic assessment as well.

The Hon. JON JENKINS: This is the one?

Professor EAGAR: That is right. The nine items form the first part of that assessment and, as I said, there are six parts to the assessment process. The nine items is one of six parts of the application only. I am not quite sure why there is a perception that only nine items have been completed because that has never been the case.

The Hon. JON JENKINS: I am not sure about that either. That was one of the feedback items that we got. I want to come back to the basics. The Commonwealth Rehabilitation Service [CRS] model was selected as the gold standard because presumably it had personal interpretation and what have you. Has anyone done any assessment on whether the CRS classification actually works as a predictor of success?

Professor EAGAR: The CRS is not using a classification. The Commonwealth Rehabilitation Service is a specialist rehabilitation service. It has specialist assessors who have qualifications in the rehabilitation of people to return to work.

The Hon. JON JENKINS: Do you think that is a suitable tool for this particular client base?

Professor EAGAR: They were certainly a suitable group of assessors to assess young people in terms of their work capacity and the sorts of programs. The tool was not a tool so much as a set of items. They collected all of the items that you would expect to see in any disability assessment, they collected all of the items that you would expect to see in any employment assessment and they collected the items that are in front of you in the tool. For example, for each young person they collected up to 20 strengths and barriers to participation, the nature of the disability, the type of disability—a whole range of items.

The Hon. JON JENKINS: Has the assessment proved to be—what I am getting at is going to the next step because one of the reasons for this reform is that it was suggested that there is 3 per cent or 5 per cent throughput from transition to work [TTW] into the work programs. What I am trying to find out is where the system failed. Did it fail because of the assessment screening into the program, did it fail because of the program itself, did it fail because of the follow-up programs? If the CRS assessment methods are not reasonable for this particular group of people, keeping in mind that a rehabilitation service may not be applicable for a whole lot of reasons to this group of people, in your opinion is there perhaps more research that could be done or perhaps a different assessment tool that is peculiar to this group of people?

Professor EAGAR: The CRS assessment rated the person's expected capacity to work after they had a program. The assessment results are very close to what actually happens.

The Hon. JON JENKINS: For which group though?

Professor EAGAR: For all State programs, but also by program type. I can give the Committee details of that.

The Hon. JON JENKINS: That would be useful.

Professor EAGAR: For example, they rated in total 73.3 per cent of people having the capacity to work less than 8 hours after receiving a program; in rough terms, 6.06 per cent up to 14 hours; 8 per cent, 15 to 29 hours; 9 per cent, 30 hours; and 3.4 per cent, full time. That is pretty close to the outcomes that the program achieves and I think there is a reasonable assumption based on the fact that they obviously knew what they do.

The Hon. JON JENKINS: So the assessment method works for this group of people, or appears to?

Professor EAGAR: Yes.

The Hon. JON JENKINS: The general method, as I understand it, is that the parents, the clients and the service providers provide some sort of a goal system or a program-based system for each individual client in the system. At some point in time though the staff who are providing those services have to presumably be provided with some vocational care. Is it possible that your group could be providing vocational services to the carers? I have a feeling—and feedback that came from one of the service providers suggested—that there is no in-service training. The education system has a continual vocational training system which updates teachers with new methods and new technologies for their function. There does not seem to be this particular function in a disability services sector. Is your group capable of becoming a centre of excellence and providing in-service training and ongoing vocational training for carers?

Professor EAGAR: I do not think we are the appropriate group, but I think there are appropriate groups around. Our special area really is research rather than an ongoing training role. I think the other issue though is that it might be the sort of program that could be appropriately run through an organisation such as TAFE and giving people a certificate or another qualification rather than a series of short courses. There is a set of options that are obviously available.

The Hon. TONY CATANZARITI: You said you had dialogue recently with the Department of Ageing, Disability and Home Care [DADHC] as to ongoing processes. Are you confident that you will be able to get back on track with the results that you are looking for?

Professor EAGAR: Yes, but obviously there is a lot of discussion to be had with the department. The department appears to be stabilising again now and, of course, the ability to work in collaboration will depend on us being able to come to a joint work program and agree on timetables that suit everybody. My discussions in the past two weeks have been very positive about that and I am much more optimistic that we can do that now.

The Hon. TONY CATANZARITI: Why do you think that in the very beginning it fails, though? What did you see—

Professor EAGAR: What happened in the last half of 2004?

The Hon. TONY CATANZARITI: Yes?

Professor EAGAR: I think there were a couple of things. I think that there was a lot of focus in the department on reforms and on managing that process. There was a problem in that they had sought consent from consumers to be assessed but unfortunately the way that the consent form had been written did not allow their data to be used for research purposes, so the hold-up was that they had to go back to the consumers and get new consents, allowing their data to be used for research. All of that was happening at the same time that there was a quite significant turnover within the branch so that, by the end of that process, there was nobody in the branch who had been there at the beginning.

The Hon. JOHN RYAN: Can you supply the Committee—how did you liaise with the department in the course of trying to receive this data from the department? Is there any correspondence that you have had with the department that outlines these issues? Are you able to provided to the Committee?

Professor EAGAR: Most of our contact has been by telephone.

The Hon. JOHN RYAN: That is not surprising.

Professor EAGAR: There have been a couple of emails. I guess the other parties that we have had conversations with were because we have had progressive payments and we have provided them with progress reports for each stage. But most of it has been telephone conversation, and I think one of the things to point out was that one of the reasons to do that was that each time we tried to contact them, the person we had last spoken to was no longer there, so it was a matter of ringing the section rather than sending an email to someone who may have moved on by that stage.

The Hon. JOHN RYAN: Who did you believe was responsible for this project in the first place in DADHC? Do you recall who the officer was?

Professor EAGAR: I do not know at the start of the program. The person that we had done the original—

CHAIR: I am not—

The Hon. CHRISTINE ROBERTSON: We do not need to find that out. We have worked out that something has gone wrong.

The Hon. JOHN RYAN: I think it is fair. I am not trying to embarrass individuals. What I am trying to do is—

The Hon. CHRISTINE ROBERTSON: What do you need the name for?

The Hon. JOHN RYAN: Look, I have asked a question. We are entitled to examine the question.

The Hon. CHRISTINE ROBERTSON: I think it is nasty.

The Hon. JOHN RYAN: I am not being nasty at all. One of the issues is whether or not the changeover in staff had some relationship to the conveying of information. It is important to find out how many times—

The Hon. CHRISTINE ROBERTSON: That is a different question.

The Hon. JOHN RYAN: It is not a different question. I am attempting to find out how many times the changeover of staff in DADHC had an impact on the outcome of this study. Would you be able to give some idea of who the officers were that moved on?

CHAIR: Before you answer, I prefer that it was how many staff, not the individuals by name. If you are able to indicate the number of staff, I do not know that it is appropriate that we actually get the name of an individual.

Professor EAGAR: My recollection is that there have been four directors of the section from the time that we started planning the study.

The Hon. JOHN RYAN: Which was the section you were dealing with?

Professor EAGAR: The Adult Training, Learning and Support [ATLAS] program. I do not know what it is called now, but the ATLAS or Post-school Options Program or post-school program. I am not sure.

The Hon. JOHN RYAN: You said you had some emails. Would those emails detail the terms outlining this problem?

Professor EAGAR: No.

The Hon. JOHN RYAN: Did you at any time put in correspondence what your concerns were?

Professor EAGAR: I will have to take that on notice. I do not know. I did not manage the study within the centre.

The Hon. JOHN RYAN: The meeting that is taking place in two weeks, at what level is that meeting taking place?

Professor EAGAR: That would be a meeting between myself, senior research fellows within the centre, and Carol Mills and Alison Wannan who came today.

The Hon. JOHN RYAN: What do you expect to be achieved at that meeting?

Professor EAGAR: I am expecting at that meeting that we will discuss the feasibility of repeating the costings study, and we will also be having a discussion about the 2005 assessment process and the model to be used for the analysis of those data and the timing of that.

The Hon. JOHN RYAN: What would be the value of repeating the study if the department has already implemented the reform and already determined what its cost is going to be? What is the value of repeating the study?

Professor EAGAR: I think it is important make a distinction between cost and price. We are doing a costing study, not a pricing study, and the issue for DADHC is about the evidence that it has to inform policy decisions that it makes.

The Hon. JOHN RYAN: Perhaps you might explain to the Committee what you mean by the difference between cost and price?

Professor EAGAR: We are calculating the cost of the agency, not the price that DADHC is paying the agency.

The Hon. JOHN RYAN: One imagines that there is supposed to be a coincidence between the two. In what time frame could you repeat the study? Could it be ready, for example, by the beginning of next year if you were to do it now?

Professor EAGAR: There are a lot of big ifs in answering your question. Clearly the agencies who participated previously would need to be approached. They may or may not wish to participate again. If those agencies did participate, it would clearly be a quicker process than if it was a new group of agencies and we had to go through a sampling framework and that process again. It would also be quicker in terms of training. We already have mapped to each of their different financial systems to a standard financial data set and we have already got the programs to run. If those agencies were interested and able to participate, yes, there would be no reason why the study could not be done by the end of the year. If it were new agencies, it would clearly be a bit longer.

The Hon. JOHN RYAN: If the department went to tender earlier at the beginning of this year, it clearly would not be able to inform that tendering process much, would it?

Professor EAGAR: No.

The Hon. JON JENKINS: You mentioned before that the correlation was 0.83. Would it help to collect or give people the option of filling out perhaps collecting more data? I am trying to get to the core of some of the concerns we got from a lot of the carers and parents. Rather than having them go through an appeal process, would it be possible to give them the option of filling in a more extensive form rather than just the key indicators? Would that give you an indication of who are that 20 per cent who fall outside the average?

Professor EAGAR: Some of the information collected in other sections of the assessment of the application provides some information that is available to DADHC to use in assessing an appeal. I might take you back, though. When we were asked to do this work, we asked what the reason was and

DADHC explained to us at the time that the previous process was a very long assessment form, 15 to 20 pages is my recollection, which had lots of free text. That went through a regional assessment decision panel that made a decision, and one of the criticisms of that was that there was so much free text and that the decisions were often being driven by how articulate the advocate was who was filling out the form. That had been criticised through a review and there was a call for more independent items with less opportunity for free text so that the most articulate people did not get advantaged in the process, or people who were the most articulate advocates did not get advantaged.

The Hon. JON JENKINS: Let me rephrase the question. Let us say that rather than having free text you include all the non-key items as an option. I am trying to allay people's fears of having to go through the appeal process. Is it possible from the data you have got or from what you should have now to predict which people will fall outside the 0.83 classification system?

Professor EAGAR: Yes, and that is why we actually added the domestic functions in. It is important to understand that this has not been a one-off event. At the end of each year we have sat with DADHC and looked at how to improve the process. For example, the domestic functioning items went back in to provide further information in 2004 for that very purpose.

The Hon. JON JENKINS: The 33 out of 800 that are completed, is that is too small a sample to derive any costing information from?

Professor EAGAR: Yes.

The Hon. JON JENKINS: And no useful information can be derived?

Professor EAGAR: No. It is not even a typical agency.

CHAIR: As there are no more questions, I thank you, Professor Eagar, for your time and for your submission. If you think there is any further information that you believe would be of value to the Committee as we make our deliberations, we would certainly appreciate your making contact with us.

(The witness withdrew)

(The Committee adjourned at 12.59 p.m.)