

GENERAL PURPOSE STANDING COMMITTEE No. 2

Monday 1 September 2003

Examination of proposed expenditure for the portfolio areas

COMMUNITY SERVICES, AGEING, DISABILITY SERVICES, AND YOUTH

The Committee met at 8.00 p.m.

MEMBERS

Reverend the Hon. Gordon Moyes (Chair)

The Hon. Tony Catanzariti
The Hon. Dr Arthur Chesterfield-Evans
The Hon. Robyn Parker

The Hon. Christine Robertson
The Hon. John Ryan
The Hon. Henry Tsang

PRESENT

The Hon. Carmel Tebbutt, *Minister for Community Services, Minister for Ageing, Minister for Disability Services, and Minister for Youth*

Department of Community Services

Dr N. Shepherd, *Director-General*

Mr A. Ramsay, *Executive Director, Corporate Services*

Ms D. Rygate, *Executive Director, Office of the Director-General*

Office of Children and Young People

Ms G. Calvert, *Commissioner for Children and Young People*

Ms J. McDonald, *Director*

Ms L. Mallett, *Children's Guardian*

Department of Ageing, Disability and Home Care

Ms M. Allison, *Director-General*

Ms M. Dwonczyk, *Director-General, Community Participation*

Ms C. Burlew, *Deputy Director-General, Resource Management*

Mr S. Mudge, *Chief Financial Officer*

CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS

Corrections should be marked on a photocopy of the proof and forwarded by 30 September 2003 to:

**Budget Estimates
General Purpose Standing Committee Secretariat
Parliament House
Macquarie Street
SYDNEY NSW 2000**

CHAIR: I declare this meeting open. I welcome members of the public to this public hearing of General Purpose Standing Committee No.2. I thank the Minister and her departmental officers for attending this evening. During this meeting the Committee will examine the proposed expenditure for the portfolios of Community Services, Ageing, Disability Services, and Youth. Some procedural matters need to be dealt with prior to questions. Part 4 of the resolution referring the budget estimates to the Committee requires evidence to be heard in public. The Committee has previously resolved to authorise the media to broadcast sound and video excerpts of its public proceedings. If anyone wants guidelines, they are available from the attendants.

In accordance with the Legislative Council guidelines for the broadcast of proceedings, only the members of the Committee and witnesses may be filmed or recorded. People in the public gallery should not be the primary focus for any filming or photographs. In reporting the proceedings of this Committee, you must take responsibility for what you publish and what interpretation you place on anything said before the Committee.

No provision exists for Ministers to refer directly to their staff while at the table. Witnesses, Ministers and their staff are advised that any messages should be delivered through the attendant on duty or through the Committee clerks. For the benefit of honourable members and Hansard, departmental officials should identify themselves by name, position and department or agency before answering any question referred to them.

If a member is seeking information about a particular aspect of a program or subprogram, it is helpful to identify the program or subprogram. The Committee has determined that the allocation of questions will be left in my hands, and I have discussed that with the members present. Minister, you have requested that the Committee consider questions covering the Department of Community Services [DOCS] portfolio, including the various subdivisions, during the first half of the session and the Department of Ageing, Disability and Home Care [DADHC] in the second half. The Committee agrees to that proposal. I declare the proposed expenditure now open for examination. Minister, you have advised that you wish to make a brief opening statement.

The Hon. CARMEL TEBBUTT: The Department of Community Services [DOCS] budget for this financial year has increased by \$162 million or 25 per cent over last year's budget. That is the largest funding increase for community services in New South Wales and it is part of the \$1.2 billion funding increase announced by the Government at the end of last year. That funding will be spread over five years. Of course, this funding increase follows an enormous growth in reports of concern to the department. I know that Committee members are aware of the 432 per cent increase that has occurred over the past five years. It also follows a number of reviews highlighting inadequacies in DOCS' capacity to respond to that demand.

The funding provided over five years is driven by a strategic approach. The key reform priority in this and future years is to meet the demand for high-priority cases and to modify future demand for child protection services by seeking to address family problems before they have the opportunity to escalate. I do not need to reiterate the significant body of research confirming the importance of early intervention services. That is why the budget enhancement is structured to ensure quarantined resources for early intervention and prevention work.

Half of the additional casework resources will be allocated to dealing with level 3 reports and linking the families involved with appropriate support services to prevent problems from escalating. The additional funding for family support will ensure that services are available to accept those referrals. Additional professional support will also be available for caseworkers. Departmental caseworkers do one of the toughest jobs in government. They deal with families in crisis every day of the week. It is important that we provide that additional support—in particular, legal and psychologist positions—to assist caseworkers to achieve the best outcomes. I have a series of priorities identified for the next 12 months, but I am sure that we will cover them during this session.

I acknowledge that although the Government and the community expect early tangible benefits to flow from this reform package—it is a significant reform package in that the department has identified 40 projects—I reiterate that this is not a quick-fix plan. It is a detailed, targeted plan designed to address the challenge of supporting vulnerable families and protecting children and young

people across New South Wales. Obviously, given our focus on early intervention it takes time for those services to show their effect in terms of achieving a decline in the number of reports to the department, but that is our long-term goal. The changes I have outlined are directed at better assisting children, young people and families, especially in times of need. I firmly believe that the reform program we have commenced balances compassion and the principles of effective service delivery in a way that will provide lasting positive changes for children, young people and families in New South Wales. I look forward to working with the department in continuing this important work.

The Hon. JOHN RYAN: I read today's *Sydney Morning Herald*—there is little chance of avoiding it. Dr Shepherd is reported as saying that the child protection system is dysfunctional due to out-of-control demand pressures, that DOCS does not have the resources to do the work it needs to do and that much of the Government's promised additional funding will come in years four and five with no increase for any growth in demand for the years 2001 to 2007-08. Why would you consider the remarks he has made unfortunate given that it is refreshing to hear a public servant telling the truth?

The Hon. CARMEL TEBBUTT: I make it very clear that those comments were made by the Director-General in an information package for people applying for the position of Deputy director-general—the second most senior position in the department. The comments were in the challenges section and were designed to make it clear to applicants what needs to change. They were not a statement of intent; they clearly indicated the challenges that would confront anyone applying for the position. In my opening comments I referred to the fact that at the end of last year the Government announced a \$1.2 billion allocation for the department to improve services over five years. That is not the action of a government that thinks everything is going swimmingly. I have always been up-front in acknowledging that the department is confronting significant problems.

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I go back to my original comments to the Standing Committee on Social Issues when I first took on this portfolio. There have been any number of reports—including the report of the social issues committee, the Ombudsman's report of last year and the report of the Kibble inquiry—that have highlighted in one way or another the inadequacies in the department's capacity to respond to the sheer demand for its services: a 432 per cent increase in reports of concern over the past five years. I do not back away from the difficulties that confront the Department of Community Services as it goes about its work of providing support to some of the most vulnerable and dysfunctional families in New South Wales.

Having said that, I was concerned that the interpretation that was placed on those comments was that in some way it indicated that the department and the Government were not going to be working closely with the Ombudsman and with oversight agencies. I made clear to the social issues committee last year the importance of a good relationship with the Ombudsman, other oversight bodies and our non-government partners. I also made it clear that I value their contributions highly. I had experience in Juvenile Justice of the process of driving reform and practice improvements, and that is something that will come. This approach been reflected in our work over the past 12 months.

Certainly, in the time that the director-general has been in the department he has facilitated better access for staff of the Ombudsman to officers of DOCS at all levels so that we can improve our response to complaints. This has been further enhanced by a new memorandum of understanding that was recently signed between the department and the Ombudsman. The director-general and I have also facilitated greater consultation with non-government organisations through the establishment of regular meetings called DOCS dialogue. In addition, we have established a stakeholder forum, chaired by me and attended by the director-general. That forum meets twice a year and is open to all non-government organisations to come along to discuss issues that confront the community services system across the board.

There is also a ministerial advisory committee, which provides me with advice. The director-general and other key members in the non-government sector are members of that committee. We have done a number of things to improve access by the oversight agencies to the information that they need to do their important job, as well as to improve our relationships with the non-government organisations. It was in that context that I indicated it was unfortunate that the comments were interpreted in a way that did not reflect those changes. They do not reflect our record of achievement over the past 12 months, and when placed in the context in which they have been placed, they do not reflect the views of the director-general. I value very highly the role of the Ombudsman and the

oversight agencies. As I said, they provide a means to drive reform and improve practice. It is certainly my intention and commitment that the department will be working, as it has been, positively and co-operatively with those organisations.

The Hon. ROBYN PARKER: I refer to tables 1.6a and 1.6b in the Department of Community Services quarterly child protection statistics. How many of the children involved in the 4,115 cases allocated level 1 responses were physically sighted within 24 hours?

The Hon. CARMEL TEBBUTT: We have to take that question on notice.

Dr SHEPHERD: Yes, I cannot answer that question off the top of my head.

The Hon. JOHN RYAN: Are they not all supposed to be seen within 24 hours?

Dr SHEPHERD: The initial investigations are supposed to occur within 24 hours. It is not possible in many cases to sight these children within 24 hours because they have the clear intent of not being sighted. There are things that are possible and things that are not. We can certainly try to get that information for you if it is in fact collected in the form that you have asked in the question.

The Hon. JOHN RYAN: It is useful that the department now publishes on a quarterly basis statistics relating to child protection. I understand that the community is asking whether something that is allocated a level 1 priority gets a level 1 priority, and whether something that is allocated a level 2 priority gets a level 2 priority, and so on. We want some sort of feedback to indicate that outcome. After all, that is the purpose of publishing statistics. It is useful to have information about the number of complaints received and how serious those complaints are, but the community wants to know if they get the treatment that you allocate to them.

The Hon. CARMEL TEBBUTT: In terms of the specific question you have asked, we need to take it on notice. We do not have that information with us.

The Hon. JOHN RYAN: I refer to a well-known case about which the Minister commented yesterday, which I suspect was a priority 1 matter. On television last night the Minister commented in relation to the incident involving two young girls, aged 13 and 14, who were reported to have been working in a Port Kembla brothel. I note that the Minister has denied reports in the print media that the Department of Community Services had been informed about this matter for more than a week before it responded. Is the Minister aware that police raided this brothel looking for these two girls on Wednesday 20 August? Is it not standard procedure for police to report such a matter to the DOCS Helpline?

Did the police report this matter to the Helpline? If so, why did the staff of the Department of Community Services not make an effort to physically sight the girls within 24 hours of the incident being reported? Is it also a fact that the mother of one of the girls contacted her local DOCS office on the morning of Friday 22 August and as yet—and I have checked this—DOCS has made no attempt to call her back or physically sight her daughter? DOCS has not returned the mother's call even though the matter has been running hot in the media since last Friday.

The Hon. CARMEL TEBBUTT: I will make it clear from the outset that it is simply not true that the Department of Community Services did nothing with this report for days after receiving it. I can confirm that the police made a report to the Helpline. I also confirm that the report was referred to the Joint Investigative Response Team [JIRT] on the same day it was received at the Helpline. This is an appropriate course of action. In any case where there is a question of criminality the appropriate course of action is to refer it to the Joint Investigative Response Team. That is a joint team of both DOCS and police officers. That is what happened in regard to this matter. A report was made to the Helpline and it was referred to the JIRT. In those circumstances the department has to be very careful to ensure that its actions do not compromise a criminal investigation and contaminate evidence.

There is no doubt that this is a difficult area of the department's work. We have to allow the police to decide how a matter will be investigated once it has been referred. Unfortunately that may mean that a family does not receive as much feedback as they might want, or the department would

like to give, until some decisions have been made about how an investigation will proceed and whether there is any possibility of charges being laid. As I indicated earlier, this is a difficult area of work and the department certainly does not want to compromise a police investigation that may well lead to charges and convictions, but at the same time the department is very conscious of its immediate responsibility to support children and young people and their families.

The department is currently reviewing the interactions between community service centres and the Joint Investigative Response Team to ensure that victims and their families receive support as early as possible. I have been advised that DOCS has now been in contact with both families. I have heard what the Hon. John Ryan has said and I will take that on board and clarify it. The department has advised me that it will work to provide all appropriate support services. Obviously, I cannot comment on the police investigation aspect of the case.

The Hon. JOHN RYAN: I would not expect you to, Minister. Many people have said to me that this appears to be a good example of what would be classified as a level 1 priority matter, and I presume that would be the case. Apparently somebody rang the Department of Community Services and said, "I think my daughter is working in a brothel. Can you check it out for me?" I would have thought a 24-hour response would have been given to that matter. Why was a 24-hour response not given to that call?

The Hon. CARMEL TEBBUTT: The department did respond within 24 hours. It referred the matter to the Joint Investigative Response Team—that is a team of police and staff of DOCS—which is appropriate where there are matters of criminality. How that team pursues the matter is something that is subject to police processes.

The Hon. JOHN RYAN: What about making sure that the child is safe? As far as DOCS knew the child could have still been working in that brothel a week later.

The Hon. CARMEL TEBBUTT: The Hon. John Ryan fails to acknowledge that one of the reports to the department was from the police. It is my understanding that the information the department had was that the girls were no longer at risk. The director-general might be able to confirm that.

Dr SHEPHERD: Certainly when the matter is referred to the Joint Investigative Response Team—a joint team of police and DOCS caseworkers—they are interested in the potential criminality of the conduct that may have led to the referral in the first place. They are also interested in ensuring the immediate safety and welfare of the child. I cannot go behind what goes on in the Joint Investigative Response Team. That is a matter for the police and DOCS, in a separate unit, to do their work. It is not located with the community service centre or the police station. They are in the process of doing that piece of work. We have been in contact with the mother, as I am advised by the people in the Illawarra. In fact, we have been contact with the parents of the two girls. We seem to be at odds over the information you have versus the information I have.

The Hon. JOHN RYAN: Do you know when the contact was?

Dr SHEPHERD: The contact occurred today, which is appropriate given that the matter was with the Joint Investigative Response Team. We cannot go in there and start providing immediate support from a community service centre when the risk is we may contaminate the evidence and we may jeopardise the police investigation as a result. That would be an untenable outcome.

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So we have done the things that we ought to have done in this case. Within 24 hours from the time it was first received at the Helpline, in fact even shorter than that, it went to the Joint Investigative Response Team.

CHAIR: I will now take questions from the cross-benchers.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: When you say it could jeopardise the investigation, presumably the girls are not still in the brothel, and presumably the Department of Community Services is not going to examine them physically. I presume that will be done by some sort of forensic police person. How would contacting the girls interfere with the police investigation?

Dr SHEPHERD: If we started asking the child about the allegations—which is inevitably what would happen—and if we started providing counselling services around those allegations, then it is likely that in any subsequent prosecution it may be considered that we had coached the witness or done some other things. One cannot run the risk of contaminating the evidence by talking to a potential principal witness while police are still undertaking their investigation. Remember that, as I said before, this is a Joint Investigative Response Team. These teams were put together in 1997 in order to maximise the chance of providing the best possible investigation climate for the potential victims of abuse and at the same time the best support climate for those children, taking into account the two issues that needed to be resolved.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Minister, what percentage of the budget for each component of the Community Services budget will be delivered by the non-government sector? Is this figure of involvement of non-government organisations in the functions of your department rising or falling?

The Hon. CARMEL TEBBUTT: I can provide the Committee with that information. Approximately 50 per cent of the department's budget is provided to the non-government sector to provide a range of services. It must be appreciated that that covers services across things like the Community Services Grants Program, the Supported Accommodation Assistance Program, family support services, and also funding provided to non-government organisations that are involved in out-of-home care, including foster care. So it is across a range of programs.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: And presumably it varies for different programs.

The Hon. CARMEL TEBBUTT: That is right. If you want the break-up program by program, I will have to take that question on notice and provide that information to you because I do not have the break-up program by program.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: I would appreciate that. It is not in the budget papers.

The Hon. CARMEL TEBBUTT: That is right. I can also advise the Committee that that figure will rise. I have made comments already about the funding package announced by the Government at the end of last year of \$1.2 billion over five years. Basically, half of that funding package will go to the non-government sector—in two key areas, but in other areas as well. The two key areas are, first, that we have made significant comments about the importance of improving our early intervention and prevention services. Those services are largely provided by the non-government sector, so a significant part of that funding that has been provided—that is, \$150 million over five years—to improve early intervention and prevention services will go to the non-government sector.

The other key area of the department's operations where there is significant involvement of the non-government sector is in out-of-home care, and once more a large chunk of the funding over five years is for out-of-home care. That funding is largely provided in years four and five, which very much reflects the fact—as anyone who has any knowledge of out-of-home care would know—that we need to do quite a bit of work in looking at both the depth within the system and the range of services that are available for children and young people who need to spend time in out-of-home care. The department has established a working group that involves representatives from the non-government sector to work through these issues. But I believe we can provide the Committee with a break-up of the programs and the percentage that goes to the non-government sector.

Mr RAMSAY: Broadly, in the budget papers, under the program breakdown, those amounts generally entitled Grants and Subsidies are overwhelmingly for the non-government sector. Other than allowance for foster carers and out-of-home care, and some small amounts around disaster welfare, the balance of those amounts are all for various parts of the non-government sector. As the Minister has said, it is broadly 50 percent of the total Department of Community Services budget.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: I noted when we conducted the mental health inquiry that, while mental health was given a certain amount at a global level, it was

then devolved down to the area health services. It was not at all clear whether the money was spent on mental health, casualty departments or whatever. How much autonomy do individual areas have in spending their budgets? To what extent, when you set a budget, can we guarantee that those are the programs that are actually delivered? And, if they are not delivered, what feedback is there? And how can the money be traced?

The Hon. CARMEL Tebbutt: I will ask the director-general to respond.

Dr SHEPHERD: It is the clear intention of the department and of Treasury that we can trace the moneys that have been provided as part of the \$1.2 billion budget enhancement to DOCS over the five-year period. We will set in place auditing trails that will enable us to trace it project by project, or program by program, over that whole period of time, and to be able to report on it. That is crucial in terms of the changes we need to make to the system. We need to be able to know what has been spent, what it has been spent on, and what we got for it. As well as the audit trail, we will put in place valuation systems for all of the major projects that are coming forward, so that we will know as early as possible in the five-year cycle whether we need to make minor adjustments or not. And, if we do need to make minor adjustments, we will firstly have to get the Minister's agreement to those adjustments, and then we will have to go to the Treasury. So, for this \$1.2 billion package, it should be about the best-monitored package within government over that period of time.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: I note you used the future tense a lot there. You spoke about the new moneys. Is it so for the department's budget generally that you can follow the programs through, or is this the intention as the system improves?

Dr SHEPHERD: At the moment we can follow the programs through in their broad nature. Historically, the agency has not had a good financial system. It put the SAAP financial system in place roughly last July 12 months, and we have continued to improve that system until July this year. We will now be in a situation where we can monitor accurately what is happening with the department's budget across all of the programs for both the existing base funding for the agency as well as for the enhancement funding. But, for those specific projects, I need to be in a position where I can report to the Minister and to the Treasury on exactly how those moneys are being spent, and how effective the programs are. We will combine some of that as we go forward because it does not make much sense to keep some of the new project money in out-of-home care completely separate from the existing part of out-of-home care.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Presumably, you would be chasing it with the same information and auditing system, would you not?

Dr SHEPHERD: Yes.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: If you are going to do it, that means it does not exist now.

Dr SHEPHERD: We have the capacity now to monitor the budget in a way that DOCS has not been able to do in the past. So we will be monitoring the budget and reporting on it in ways that have not been possible previously. However, as I said, you need to put an additional layer of scrutiny over the top of those new projects because, clearly, any government that gives you \$1.2 billion in order to improve the system will want to know what you did with that \$1.2 billion, as well as what you have done with the base funding that you have.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Will the new client information system be able to trace individuals? When will that come on line?

The Hon. CARMEL Tebbutt: The new client information system has been quite some time in the process of being developed, but it is my understanding it is due to come on line fairly soon. The department is going through final training and checking. It is obviously a significant change, and with any significant change of that nature we have to expect some impact. We have to expect some impact in the time limits of the department responding to particular issues. But my understanding is that it will be available to go live fairly soon. The director-general might like to add some more

information to that. But I think the final checking and training is taking place. There will be subsequent training, after it is rolled out right across the department.

Dr SHEPHERD: Last year we gave the social issues committee an undertaking that we would have a client information system in place by the end of this calendar year. We anticipate that we will meet that by probably a couple of months, and so we are looking to go live with this system some time in October. There is one issue that we are trying to resolve at the moment concerning some outstanding aspects of data conversation from the old system to the new system, and as soon as we have completed the testing on that so that we are satisfied with the quality of the data, then we will be in a position to go live. We have the training ready for the staff. Most staff have already undergone some training. They will get the additional training once we make the final decision to go live.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Will this integrate with the Helpline?

Dr SHEPHERD: Yes.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: I gather there was quite a problem with the integration of the Helpline with other information systems. Is that not correct?

Dr SHEPHERD: Certainly, there have been problems in the past with the Helpline, but this system will integrate fully and effectively with the Helpline. Obviously, with any new system coming in there are potential problems in the first few days or first few weeks, and we put in place contingency approaches to support the Helpline in the event that there are any unanticipated glitches in the system. We have already done extensive testing and trialling of this system, so we do not anticipate too much trouble. But, if there is, we have contingency plans in place for the Helpline.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Is it envisaged that it will supersede the paper system, or will the paper system operate alongside it?

Dr SHEPHERD: Are you talking about faxes?

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: No. I am talking about the paper file system. Will it be rendered obsolete when you go all-electronic, and thus transferable more easily, or will there be lots of paper systems?

Dr SHEPHERD: Ultimately, you may choose to go electronic, but we have two separate projects running at the moment. One is the client information system, which is the computerised system that we have just been talking about, and the other is the records management system, for which we are currently developing the final specifications.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: So there will be a paper information system developed?

Dr SHEPHERD: For the time being there will be a paper information system. We have yet to determine exactly what form the new records information system would take. The concern with people's life stories is the need to be confident that if you go electronic there are all the safety mechanisms in place necessary to ensure those records are maintained. People have confidence in paper records. But the fact is that paper records go missing, buildings burn down and various other things happen, so paper records are not completely secure either. But we will come up with the best records management approach that we can that ensures that the important records for the children who are in State care are maintained in the long term.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: How will this integrate with the non-government sector? Where you are giving clients to the non-government organisation, will you merely have a monitoring role and make entries every six months when you check up on them, or when you execute whatever system is used for the auditing, is that all that is recorded?

The Hon. CARMEL TEBBUTT: Do you mean in terms of the recording of how a particular client or family is being provided services, or do you mean more with regard to how a non-

government organisation is fulfilling its responsibilities under its funding agreement to do certain things?

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The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Obviously, if a child goes to a non-government organisation what happens to that child is part of its record.

The Hon. CARMEL TEBBUTT: Yes.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Is that then filled in by the non-government organisation or is it simply recorded?

The Hon. CARMEL TEBBUTT: How do we make sure that that information is also covered within the department's information?

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Yes.

The Hon. CARMEL TEBBUTT: I will ask the director-general to respond to that.

Dr SHEPHERD: A number of programs that currently operate between the human services sector in the government and the non-government sector are designed to improve the flow of data between the non-government sector and the key human services agencies. As part of the future development of the client information system we intend to incorporate the data exchange mechanism between the department and the non-government sector that will allow for the free transfer of that information that can be transferred. Remember, some of this information is not transferable because of the legislative provisions.

There are a couple of avenues. One is a major project, which is called Better Service Delivery, that is designed to improve the information flow between the government and the non-government sector across the human agencies as a whole and then there is the specific future development of the client information system, the next phase of the client information system that is designed to provide specific avenues for the electronic exchange of that information between the non-government sector and DOCS.

The Hon. JOHN RYAN: We seem to be running a bit short of time. I hope that we can get through a bit more of this quickly. I want to ask about foster parents. In consultation with foster parents, I understand that something that has been bugging them for years are time limits within which the Department of Community Services makes payments to them, particularly regular payments. Foster parents have reported to me that sometimes it is up to two years before they get regular payments, or they have to chase claims for long periods. I understand from the published accounts of Barnardos that the Department of Community Services may owe Barnardos \$100,000 in late payments to foster parents. Surely it is time for us to develop the computer system that allows many of these things to be processed in a routine fashion?

The Hon. CARMEL TEBBUTT: Certainly from both the Government's and the department's perspective I acknowledge the very important role of foster carers in the overall system of community services. Without foster carers so many children and young people would not have the secure and safe placement they have. Foster carers do this out of the goodness of their hearts. They do not get paid a lot to do it, although I might add that the allowances in New South Wales are one of the highest allowances across Australia. With regard to the particular issues raised by the honourable member, I do not have any specific information but I am certainly happy to follow it through. I will ask the director-general, because he might have more knowledge about that specific area. I know that foster carers have some concerns about how they are serviced by the department, but that is not about receiving payments.

Dr SHEPHERD: If you are referring to a recent matter then it may be associated with a computer programing problem.

The Hon. JOHN RYAN: I do not know how recent it is. It seems to be endemic. Every foster parent I talk to, the first thing they tell me is, "I'm made to feel like a guilty mercenary trying to chase money out of the department." They talk about being hundreds of dollars out of pocket for

months on end, making claims for their normal payments and out-of-pocket expenses. They say it takes forever to get those sorts of claims processed.

Dr SHEPHERD: Clearly, the objective is to get the computer system and the new client information system properly meshed over the next 12 months to make sure that most of this is automatic, which is what you suggested at the beginning. That is already in train and it is intended to happen. There have been a number of specific problems associated with the existing computer systems that have caused a problem. Obviously that was discovered by some foster carers over the past 12 months, but it was not unearthed by us until relatively recently. It is one of those things that unless someone came through the door, like Barnardos, with a large amount of money that needed to be traced it would be difficult to pick it up. Alan Ramsay will explain, using far more technical terms than I can. He will be able to tell you exactly what the problem was.

Mr RAMSAY: Perhaps not technical terms. There are a series of issues in relation to this subject. The stream of approvals by which payments to individual foster carers for contingency items gets approved takes some time before they enter the computer system. There is actually a manual process by which the foster carer has to, first, record the payment, take it into an office, get it approved before it gets onto the computer system and those manual processes can add some time to the processing of those payments. Once the payment is in the computer system, the payment is relatively speedy. If delays occur they are likely to occur in processing the manual paperwork before it gets into the system. In relation to Barnardos, we have had some discussions with the financial management at Barnardos to try to get to the bottom of these problems, which arise largely from the grouping of payments by DOCS when it is paying Barnardos.

The fact is the system has not been providing Barnardos with adequate reconciliation or remittance advice information when the payments are made into their bank account. Typically, payments are made by electronic funds transfer. They are large amounts of money—they group a large number of payments—and the reconciliation process inside Barnardos has not been able, in every case, to identify these payments. From memory, I cannot remember the exact amount, but the payment they complained about certainly turned out to have been paid. It was in their bank account but it had not been found by the reconciliation process. In the very near future we are putting in place changes to the system to ensure that we generate electronic reconciliation and remittance advice information for Barnardos with every payment—not just Barnardos, all the large recipients—so that the reconciliation process in the recipients' hands will be much easier.

The Hon. ROBYN PARKER: Last year the Standing Committee on Social Issues said this about preschool funding in New South Wales, on page 21 of its final report on child protection:

State funding for community-based early childhood services has been largely frozen since 1989, despite rising demand and population growth in many areas. New services in high growth and disadvantaged areas are not able to access State subsidies, meaning that affordable services in areas that need them most are not being established. The decade freeze has led to considerable inequity.

What action will the Government take to increase annual funding for preschools in New South Wales so that they can meet the increasing costs of public liability insurance, workers compensation and occupational health and safety measures?

The Hon. CARMEL TEBBUTT: I am somewhat surprised that this question would be raised by a member of the Opposition given the fact that it was the Coalition Government that put the funding freeze in place and it was, in fact, the Carr Labor Government that lifted the funding freeze. Nonetheless, I welcome the opportunity to, once again, put on the record, as I have on any number of occasions, that there is no funding freeze with regard to children's services and preschools in New South Wales. The department contributes more than \$97 million to children's services, including the provision of an education program for over 35,000 places per day in community-based services. The funding also provides support for some 10,000 places per day for very young children. In addition, it provides support for more than 5,000 children with special needs. As I said, the Carr Government has a strong commitment to community and parent-operated preschools. We have never been party to the funding freeze.

Additional recurrent and capital funding has contributed \$21.4 million towards the establishment of more than 8,000 new child-care places, provided increased recurrent funding of

\$7 million to 667 services, provided \$15 million for cost-of-living increases, and seen some \$17.9 allocated to rehouse, upgrade or expand facilities and environments. Having said that, the Government is very aware that community-based preschools are doing it tough, particularly in regional and rural areas. I am very aware of that. I have met with numerous delegations of community-controlled preschools and their communities. We know that it is a significant concern. A number of factors need to be taken into account. Recently, I approved a comprehensive review of the criteria used to determine eligibility for relief in preschools. The review is being conducted in consultation with peak children's services with significant preschool membership. But the Committee also needs to be aware that parents who use preschools do not receive the same level of Commonwealth child-care benefits as parents who use long day care services.

The Hon. John Ryan: Because it is not child care, it is education.

The Hon. CARMEL TEBBUTT: I have raised this matter on numerous occasions with the Federal Minister. Parents who choose to use a preschool service use it for the same reasons that parents choose to use a long day care service. It is simply not true to say that one is child care and one is education. Children's Services policy in New South Wales correctly identifies that we do not make that distinction because we know that the experience a child has in an early childhood service, irrespective of whether it is a preschool, a long day care service or a family day care centre should be a good quality service. That is why our regulations that underpin both long day care and preschools do not make that distinction. They are all required to provide an age-appropriate program to the children who are using that service.

One of the issues that preschools confront is that they are less competitive because parents do not get the same rate of benefit if they choose to use a preschool other than long day care. That is having a significant impact on preschools. There are other issues that are having a significant impact on preschools, including the Federal Government's increase in support for private operators who are now able to establish themselves wherever they like, subject to meeting both local government and DOCS licensing requirements. That is also having an impact on preschools. It is not a simple issue. We are in ongoing discussions with the Commonwealth Government to try to resolve some of these things. But, having said that, there is no funding freeze. In fact, at the end of the most recent financial year the Government allocated significant enhanced funding to preschools. We will continue to work with the Commonwealth and also undertake the fee relief review.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Are you intending to proclaim the sections of the Act that take the ultimate responsibility away from DOCS and give it to another agency? I have heard rumours, I do not know if it is true, that DOCS will be ultimately responsible for children. In other words, the service provider will also be the ultimate responsible agency. Is that right? Or will other agencies have an oversight role?

The Hon. CARMEL TEBBUTT: The Committee is probably aware that the ministerial advisory committee that I established has been providing me with advice with regard to progress of the proclamation of the outstanding sections of the Children and Young Persons (Care and Protection) Act. Recently I made an announcement about the staged proclamation of various aspects of the Act, including that 15 July is when the first tranche commenced and that included the functions that relate to the Children's Guardian under section 181 under the Children and Young Persons (Care and Protection) Act. The second tranche, which covers provisions relating to the rights of children, young persons, carers and parents to participate in decisions and be provided with specific information, will commence in December. Stage three provisions deal with issues like the review of case plans and provisions of care arrangements for children and young persons who are leaving out-of-home care. Some of these sections of the Act require amendments, which will be introduced this session. I assume that the Hon. Dr Arthur Chesterfield-Evans is referring to the parental responsibility aspects of the Children and Young Persons (Care and Protection) Act.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Yes.

The Hon. CARMEL TEBBUTT: At this stage that is one of a number of sections of the Act about which I am seeking further advice from the ministerial advisory committee. They are under active discussion by the ministerial advisory committee, but I have received no final advice from them about that issue.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: It is likely, or at least possible, that parental responsibility will go under DOCS rather than someone else. That would be a change from the existing proclamation of the existing Act.

The Hon. CARMEL TEBBUTT: I would rather not anticipate what advice the ministerial advisory committee may provide me with. This has been the subject of quite robust discussions at the ministerial advisory committee. I would prefer to wait until I have received that advice. I make it very clear that it may well be that I then choose to undertake further discussions to come to a final decision. But to pre-empt the advice would not be useful at this stage.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: What you are saying is that there may be amendments?

The Hon. CARMEL TEBBUTT: That is right.

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The Hon. Dr ARTHUR CHESTERFIELD-EVANS: The financial assistance given to vulnerable families has been cut in the budget among the prevention services. Why is that? That is on page 5-21 of Budget Paper No. 3, Volume 1.

The Hon. CARMEL TEBBUTT: I might see if the executive director of corporate services can answer that. Otherwise, we will take it on notice.

Mr RAMSAY: I think I will be hard pressed. May I have the page reference again?

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Page 5-21, the last thing before "Total expenses".

The Hon. CARMEL TEBBUTT: Chair, I believe that it would be an anomaly in the program, but probably the most useful way, for the sake of the Committee, is for us to take it on notice and undertake to get an answer back to the Committee.

CHAIR: Mr Ramsay, do you want to make further comment?

Mr RAMSAY: No.

CHAIR: I am going to let this investigation into DOCS just go a little bit longer, even if it does mean that it will eat into the time of the other departments in the portfolio. We will go back to the Hon. John Ryan.

The Hon. JOHN RYAN: Thank you, Chair. Minister, last year the Opposition sought information from the former Minister about the costs to the ministerial office and to the department for media monitoring services. We asked for details of how much they actually cost. Believe it or not, the answer we got back was "All costs incurred were appropriate to the needs identified". I am sure that the former Minister knew that what we wanted was the specific cost of media monitoring. Could you inform the Committee, either now or on notice, how much each one of the departments you administer spends on media monitoring? I understand that Rehome may be the agency that provides it. How much does it cost to get media monitoring for each of the departments that use it?

The Hon. CARMEL TEBBUTT: I will ask the director-general to respond to that. You may need to ask that question in the Department of Ageing, Disability and Home Care [DADHC] section of the hearing.

Dr SHEPHERD: I have a line item here for books, periodicals and papers which includes media monitoring. I cannot at this hearing give the exact amount for media monitoring. I can tell you that it is less than \$72,000, but we will get back to you with the exact figures.

The Hon. JOHN RYAN: Does that include the services provided specifically to the Minister's office alone, as opposed to the agency ones?

Dr SHEPHERD: No, we do not provide that service, so it will not be a service—

The Hon. JOHN RYAN: Who pays for the Minister's?

The Hon. CARMEL Tebbutt: We are serviced by the Premier's Department because I was one of those Ministers that came on line after that change. We are actually not serviced by the department with regard to that, but I would have to take that on notice. I can provide that information to you as well.

The Hon. JOHN RYAN: I appreciate that. A couple of weeks ago, on 22 August, the Opposition noticed that DOCS placed advertisements in the *Australian Financial Review* for five economists. The question fairly arises that, given the critical needs in the department for front-line services, five economists did seem to be a bit heavy in the provision of bureaucrats. We were wondering what the justification was for having a unit with five economists. I know you wanted some strategic thinking resources, but five economists seem to be a bit significant.

The Hon. CARMEL Tebbutt: Chair, I will make some comments and then the director-general may want to supplement those comments. I just want to say that five economists should be balanced against 875 additional caseworkers over five years, 150 caseworkers in year one. Those 875 caseworkers will progressively come on stream. In terms of numbers, that gives the Committee some comparison. We are talking virtually about a doubling of the number of caseworkers for the Department of Community Services. Quite correctly, with the package of funding that was announced at the end of last year, the major portion of that funding goes to improving front-line services, increasing the number of caseworkers, increasing the resources we can provide to the non-government sector to provide early intervention and family support services, and increasing the resources that we can provide to the non-government sector to improve out-of-home care services.

That is correct and that is appropriate, but can I just say that the work that the Department of Community Services is involved in is complex, is difficult and requires careful planning and strategic thinking. I cannot think of the number of occasions, both in my time as Minister and certainly before my time, when the department was criticised because it appeared to lack some of the capacity to do that strategic thinking, even for example with some of the issues that have been raised during the estimates tonight. To my way of thinking, investing in resources in having a top-notch economic capacity within the department, so that proposals can be properly evaluated and so that we know the real cost benefit of going down certain paths as opposed to going down other paths, is a wise investment of resources.

I think it is a particularly wise investment of resources when you consider the amount of funding that the department has to carefully manage over the next five years—a virtual doubling of the department's budget over the next five years. That is a significant increase in funds and that requires appropriate capacity at central office to manage that effectively. The director-general might want to make some specific comments about what those five economists will be involved in.

Dr SHEPHERD: One of the key challenges in front of us is to increase the capacity of the child protection, out-of-home care and early intervention systems across both the Government and non-government sectors so that we can meet the costs of increasing demand and so that we can find more innovative ways of managing that demand. Crucial to that is to have the capacity to do proper cost-benefit analyses on proposals as they come forward for reform and change, to look at the cost drivers that are external to DOCS, and also external to the non-government sector, so that we can get a handle on most external cost drivers and work out what we are going to do about them in order to minimise the costs, and also to use social economists—people who have some training in both areas—as a way to find alternatives to the current traditional methods of dealing with child protection.

You need a range of skills if you are going to look at new ways of doing things that might make a difference to the way that the demand curve is travelling. Economists are good at that. That is one of the things that they are trying to do. They are not off on their own. They are part of the key public areas of DOCS. They will be under the supervision of the deputy director-general of performance, planning and review, so they will be integrated into the policy strand. In the scheme of things, five economists is a very small quota, given that the organisation has no economists currently

and no capacity to do the kind of analyses that need to be done when you are dealing with a budget increase of \$1.2 billion.

The Hon. JOHN RYAN: We have referred quite a bit to the additional caseworkers. You may not be able to give them immediately, but can you supply the Committee with an accurate assessment as to how many caseworkers have actually been recruited versus the attrition rate so that we know the exact growth of the number of caseworkers available now?

The Hon. CARMEL TEBBUTT: Yes, we can. I am just checking to see whether we have actually got that information now. We have certainly got some information that can assist the Committee to get a response to that. As at May 2003, a total of 54 child protection case worker positions had been filled from the graduate recruitment process. A new round of advertising for caseworkers commenced in May 2003 with a closing date in June. In total, 384 applications were received. Successful applicants will be used to fill current vacancies and to make a start on filling new positions included in the enhanced DOCS funding. It may well be that it is a bit early yet to respond to your question because, remember, the funding only started as at July so the department is only in the process of advertising for those new caseworkers.

To get the measure that you want, you would really have to look at it at the end of the first year and see how many we have been able to recruit balanced against how many have left the department. It is something that we are very conscious of. I do not in any way underestimate the challenges in recruiting 150 additional caseworkers for the department. The department is looking at specific recruitment strategies to deal with that very challenge.

CHAIR: If the Committee has a mind to, I would like to move on now.

The Hon. ROBYN PARKER: I have just got one more question that relates to caseworkers.

CHAIR: We will take that and that will be the last question.

The Hon. ROBYN PARKER: Minister, in relation to front-line staff caseworkers, recently a parliamentary delegation visited western New South Wales communities prior to the Alcohol Summit. One of those communities was Walgett. We were informed at that time that there was no staff available at the community services centre. There was a telephone line but no front-line staff. I would just like to know if there are other centres such as Walgett where there are not any front-line case worker staff available?

The Hon. CARMEL TEBBUTT: Can I just clarify or confirm for the sake of the Committee that that is in fact not correct. There are caseworkers at Walgett. The advice that I have is that there are two caseworkers at Walgett and I believe that there are too unfilled positions. It is actually my understanding that the DOCS staff member who turned up did advise the delegation that she had in fact come from an interviewing process in order to appoint those two positions. It is somewhat unfortunate that it gets portrayed that way. I am not denying that we have difficulties in attracting staff in the far western part of the State, as all agencies do. It is a pretty tough job when you are the case worker in Walgett, Brewarrina or Cobar, but I think that it probably assists to have accurate information. When I say there are four positions, I will need to clarify that I think one of those has a different title to "case worker", as such. I will ask the Director-General whether he has any further information to add to that.

Dr SHEPHERD: I do not have any specific information on Walgett but I can just reiterate what the Minister has said. It is difficult to fill some positions in western New South Wales. We are putting in place strategies to do that. We are currently talking to the Premier's Department about a better range of incentives in order to attract people into those western division areas. We have put in place changes to the transfer policies so that it will make it more attractive for people to go out there for a number of years and then have priority to come back to the coast. If you are trying to get people to go out into those areas, you have to make it attractive, and some of them will stay.

The other thing we are doing is recruiting in Canada for qualified child protection experts in Canada in order to fill some of these more difficult positions. Currently we have seven positions on offer and those people should start in the later part of this calendar year. So we have a number of

strategies in place to try to fill these hard-to-fill vacancies. We are also doing a lot of work in Aboriginal recruitment in western New South Wales at the moment where we are working very closely with the Aboriginal communities in order to have selection processes that are run by the Aboriginal staff in the Aboriginal communities, including monitoring of the quality of the process from outside in order to get Aboriginal caseworkers in western New South Wales. That strategy is starting to show benefits. We now have a number of Aboriginal caseworkers employed as a result of that. We are now getting casework managers and managers in client services through that process.

CHAIR: Thank you, Dr Shepherd and Mr Ramsay. Minister, you have advised that you would like to make a brief opening statement for Ageing and Disability Services.

The Hon. CARMEL TEBBUTT: I will just make my opening comments while the departmental staff are coming in, if that is satisfactory for the Committee.

CHAIR: Sure. Would you care to name the departmental staff?

The Hon. CARMEL TEBBUTT: Now that they are here, I would care to do that. Margaret Allison is the Director-General of the department. Marcia Dwonczyk, who will be sitting beside me, is the deputy Director-General of Community Participation, and behind me I have Carolyn Burlew, who is the Deputy Director-General of Resources Management, and also Stephen Mudge, who is the Chief Financial Officer for this unit. The 2003-04 New South Wales State budget delivers on the Government's commitments for old people, people with a disability, and their carers. In total, some \$1.275 billion dollars has been allocated to the Department of Ageing, Disability and Home Care for 2003-04, representing continued growth in funding of \$103 million or 9 per cent of the department's budget.

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Over the past six years the department's budget has increased substantially by \$550 million. Before going into details of the budget, I highlight that this year's budget has been developed around the new outcome structure. The three outcome areas are community resources and relationships; prevention, early intervention and basic support; and high support needs. The outcome areas reflect the department's strategic priorities, in particular to achieve greater cohesion across the disability service system, strengthen the capacity of the community and mainstream services to assist older people and people with a disability and also to increase emphasis on prevention and early intervention services. The budget also allocates significant funds for the major programs conducted by the department. The Home and Community Care Program has been allocated more than \$386 million in recurrent funds, up 9.2 per cent over last year.

Chair, I have a range of new initiatives that are to be funded under the 2003-04 budget but I will not go into detail on those because I am sure they will be covered in discussion. The budget builds on the important steps that the department has taken to establish a regional management structure that draws together the management of the home care service, the Government's disability services and the non-government services provider network. The organisational changes will also be underpinned by the introduction of a new client information system with funding of \$11.3 million over the next two years, including \$6 million this year. The Government has allocated substantial funds through the budget for 2003-04 for the delivery of services to older people, people with a disability and their carers, and I am confident that they will be successfully delivered.

The Hon. ROBYN PARKER: Minister, is New South Wales the only State yet to sign the Commonwealth, State and Territories Disability Agreement [CSTDA]? Is the reason that New South Wales will not sign because you have refused to agree to an increase in spending on disability programs by an amount of 5 per cent over the next five years? Will New South Wales have to increase its spending on programs for people with a disability to ensure that New South Wales will spend at least the same amount of dollars that Victoria expects to spend in the same period? Should New South Wales spend more on people with disabilities than does Victoria? In view of the massive additional revenue that the State Government is receiving in stamp duty, why is an increase of 5 per cent over the next five years so difficult to achieve?

The Hon. CARMEL TEBBUTT: Yes, it is true that New South Wales is the only State that has yet to sign the Commonwealth, States and Territory Disability Agreement. A number of issues are

complicating that process. We are still in active discussions with the Commonwealth and I live in hope that we will be able to resolve this issue with the Commonwealth. A couple of matters are worthwhile pointing out in the process. First, the issue of matching has been referred to: we are not matching a growth percentage that other States have put in, or indeed that the Commonwealth allegedly puts in. Under the Commonwealth, States and Territories Disability Agreement, depending on which way you cut it, New South Wales provides approximately between 70 and 80 per cent of the funding and the Commonwealth provides between 20 and 30 per cent. That is the historical situation. We would like to see that balance changed, but, nonetheless, we accept for the moment that that is the balance.

Having said that, I have some difficulty with the Commonwealth, the minor partner in the agreement, attempting to drive the process by putting up a figure and saying that we must match that figure. The reality is that we are providing the large bulk of funding under the CSTDA. Second, you cannot look at the CSTDA as discrete agreements that cover only the five years for which the agreement has been signed. The Commonwealth acknowledges that New South Wales has made a significant investment in disability funding over the past five years. Under the life of the second CSTDA our annual growth in funding was 11 per cent. It was the second of all States and Territories, and second only to Queensland. Without being rude to my colleagues to the north, they were starting from a low funding base. We were the second-highest performer under the second CSTDA, but we are now being penalised because that is not taken into account when you look at the progress under the third CSTDA.

Third, the Commonwealth has determined a figure of 5 per cent and claims that its contribution is greater than that. On my information the Commonwealth will contribute \$936 million with an increase of \$116.8 million, or roughly 3.7 per cent. The Commonwealth is not even putting in 5 per cent on its minor part of the overall CSTDA. There are a number of problems. Having said that, in New South Wales we are very disappointed that the Commonwealth failed to honour its commitment to put in extra funding to support the SACS increases last year. We took up that responsibility, because we wanted to see stability in disability services. We are very disappointed that the Commonwealth has not seen fit throughout this process of negotiation of the third CSTDA to put more money on the table to meet unmet needs. Nonetheless, I am quite clear that in order to get some stability within the system, in order to give certainty to disability service providers, I would like to resolve this issue with the Commonwealth. We will continue to meet with the Commonwealth.

Further, the Commonwealth failed to acknowledge that we provide our funding on a year-by-year basis. We have offered a minimum known contribution to the Commonwealth over the five years of the agreement. In the most recent budget we have already gone beyond that, because we have put extra funding into a range of areas that were not reflected in our initial five-year minimum known contributions. I would like to resolve these issues with the Commonwealth, because I think they are providing uncertainty for service providers.

The Hon. JOHN RYAN: Minister, I have been informed that New South Wales has about 393 people aged under 50 living in residential aged care homes who should be in State-run group homes. Why did the Department of Ageing, Disability and Home Care [DADHC] not apply for any of the additional funding available from the Commonwealth Government under the innovative pool project from the Commonwealth Department of Health and Aged Care as a means of assisting some of those young people in nursing homes to find more appropriate accommodation in a DADHC group home? Are young people in nursing homes accorded one of the lowest priorities for movement into the service access system [SAS] because they are considered to be not homeless or in a state of crisis? As a result almost none of them has any hope of being moved out of their currently inappropriate care into group homes. Minister, I have met some of them and how we can leave some of them basically buried alive in nursing homes, when it is our responsibility to look after them, I cannot comprehend.

The Hon. CARMEL TEBBUTT: The Hon. John Ryan has raised an important issue. I know there is significant community concern about the placement of younger people with a disability in a residential aged care facility. We all acknowledge that in many cases that is not an appropriate placement. The department did not apply for the innovative pool funding because it is non-recurrent; it is limited to only two years. Obviously there would be a problem with what happens after those two years. Obviously the State is working with the Commonwealth on various issues with regard to that. We must acknowledge that younger people who are placed in nursing homes generally have high and

complex medical support needs. That means finding solutions is complex and difficult, it is not an easy task. It makes sense to acknowledge that.

The Hon. JOHN RYAN: I have seen plenty who do not.

The Hon. CARMEL TEBBUTT: We are seeking to negotiate a bilateral agreement with the Australian Government as part of the CSTDA, which I spoke about earlier. That will include young people in nursing homes as a priority. The agreement will commit us to mapping the number and the current characteristics of people with a disability who are under the age of 50 living in nursing homes in New South Wales; developing and costing strategies and models to provide disability services for that group that provide community participation options within specialist clinical care accommodation settings; and also developing an assessment model to assist in the identification of planning and services, which has regard to a person's clinical needs and age. I am hopeful that the discussions with the CSTDA can be brought to a fruitful closure that will allow us to progress the bilateral agreements which, obviously, target some pretty significant issues in how we provide disability services.

The Hon. JOHN RYAN: Is there any chance? Last week I visited a 40-year-old man in an aged care facility in Marrickville. He is living in a ward with four people who have dementia and who hit him. He cannot use his arms or his legs. If he lived in a group home he would have a wheelchair, a room of his own, and somewhere to store his gear. The guy is rotting alive and he is worried that he will die. Are we just going to leave him as a hostage in a brawl between the Commonwealth and the State governments until this is resolved?

The Hon. CARMEL TEBBUTT: No. As the committee would be aware the Government also allocated additional funding in the recent budget for the attendant care program. That extra allocation will fund an extra 100 places for people who require attendant care. It may well impact on younger people living in nursing homes as well. We are trying to do a range of things; we are not simply saying it is something that we can leave for discussions with the Commonwealth. We are working through the accommodation issues in a range of different ways. This is a difficult and complex issue. While the honourable member may well have met people in nursing homes who do not have that very high level of support, usually their circumstances are that they have quite high medical support needs. We need to find ways to appropriately provide that service in the community.

The Hon. JOHN RYAN: Minister, is there such a thing as the group home consolidation project in which there is a proposal to basically take a number of group homes that have only one or two people living in them—because they have difficult behaviour needs—and move them into other group homes where they might have granny flats built on? Basically, they will be shifted out to other places. Given that apparently space is available in group homes, why are we not filling them with people who require unmet need? Instead of trying to consolidate what we have, why are we not filling the vacancies where they exist?

The Hon. CARMEL TEBBUTT: The Hon. John Ryan has asked questions about this previously and I have provided some information to the House. Obviously the department and the Government are keen to ensure that every vacancy that is available is maximised. There are always some issues around vacancies and how to ensure the transition is done effectively. Clearly, we have an obligation to ensure that the group homes deliver the most appropriate accommodation support for residents. Reflecting the importance placed on ensuring that there are continuing improvements in the accommodation support provided by the department, its new regional structure now includes a business stream that is dedicated to the management of accommodation and respite services.

It is my hope that through that process, as well as the emphasis I mentioned earlier about getting better co-ordination and co-operation between the Government and non-government sector, we will ensure that we manage our group homes and the vacancies that may well be available in a much more effective way. Do you want to talk more about the group home consolidation program?

The Hon. JOHN RYAN: Yes. As I understand it, it consists of moving 70-odd people out of their current group home accommodation while their home is upgraded with a granny flat and then shifting another 70-odd people into those vacancies. Does that mean that people who are now happily living in a group home are about to be told by someone in DADHC that regardless of the fact that they have established community links and a great deal of effort has been made to build their families

around where they live, they are about to be told they are moving because the Government has to more efficiently move this accommodation. I recently got a letter that indicated that that is the case. Virtually they will have no say in the matter.

The Hon. CARMEL TEBBUTT: It is certainly not the case that people will have no say. From time to time people need to relocate, for a range of reasons. The department aims to manage that process to minimise disruption to clients and ensure that there is the best possible outcome for individuals. That is the department's priority. No-one would deny that we need to make sure that we manage our resources, particularly our accommodation resource when we know that there is such need, that we manage those in the most effective and efficient way possible. We have to make sure that the investment in those resources is delivering what we want it to deliver.

The department has identified that a number of its group homes may be either physically unsuitable—for example, they may be two-storeyed or on blocks of land that are steep—or they may not be able to meet the needs of residents. Also, there may be better services that some residents could receive by getting a different mix of people in some houses or by considering the number of people in any one house.

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Any changes to group home arrangements to address these issues will be finalised through further work at the department regional level. This will occur as part of each region's ongoing responsibility for improving accommodation support to ensure the best possible outcomes within available resources.

I reiterate: The approach that the department has adopted to meeting the accommodation needs of its group home residents reflects the fact that everyone moves home in his or her lifetime and it is inconceivable that people with a disability and their families should be faced with making a lifetime decision about living arrangements without proper support. The department will be aiming to manage any changes that might need to occur in a way that minimises disruption to clients and their families and ensure the best possible outcomes for them.

The Hon. JOHN RYAN: Is there a specific plan that indicates the houses, the number of people and who is moving, and that allocates particular responsibilities to each DADHC region?

The Hon. CARMEL TEBBUTT: It is my understanding—I might get the Director-General to supplement my answer—that the department has certainly done some work to identify houses in the context that I provided earlier: that is, houses that are either in an inappropriate location or that are inappropriately structured; or perhaps the compatibility mix of clients is not what it should be. The department is asking regional directors—appropriately, I believe—to manage the accommodation process within their regions to deliver the best possible outcomes. We must ensure that we maximise the space available, meet the needs of clients and support them appropriately and use our resources in the most effective way possible. I invite the Deputy Director-General to add her comments.

Ms DWONCZYK: There is no specific plan. As the Minister identified, there was some work to identify inappropriate or unsuitable housing. The regional structure and the accommodation support arrangements are identifying the best mix and spread of services in the regions. The original identified list of houses has been reviewed but there is certainly no specific plan or directions around regions except for the broad direction to regions to look at the best arrangements for people to ensure that they are safe and that such things as accommodation located upstairs or downstairs are considered in order to improve the quality of life of people receiving those services.

The Hon. JOHN RYAN: What sort of consultation will there be with the people who will be affected? Are there guidelines that will inform them as to what choice they will have and how the process will be managed? I received a letter from someone who was given three choices and then suddenly those choices were removed and they were told that they were moving.

The Hon. CARMEL TEBBUTT: If you want to provide the details of that particular case, we can certainly look into it because it seems to be at odds with the information that I have provided. The great value of the department having a regional structure, with regional directors at the local level, is that those directors are able to manage these processes much more effectively so that there is proper consultation and discussion with people with a disability and their families and carers. That is

certainly my clear commitment and my understanding of the way in which the process is being managed at the regional level. The process will not necessarily be the same across all regions. Having said that, if you have a particular example, you might want to provide that information and we will follow it up.

The Hon. JOHN RYAN: Has a paper or description of this proposal been circulated generally to the regions? How does this communication occur?

The Hon. CARMEL TEBBUTT: I know that you are seeking reports in a number of different ways but there is no report that can give you that information. Certainly the original scoping work done by the department before the regional structure was fully rolled out looked at group homes across the State. The information would be communicated to regional directors via the usual channels through which the department communicates with its regional directors to manage a range of strategic reform initiatives that we need in order to ensure that the department delivers the best possible service.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Have any licensed boarding houses closed this financial year and, if so, how many?

The Hon. CARMEL TEBBUTT: I must make the point that, while the Government provides support services to residents, licensed residential centres are private businesses and operators choose to close for a range of reasons. However, we will continue to help people with a disability who move from licensed residential centres to explore alternative living arrangements. Since May 2002 there have been about 60 closures.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: How many residents were displaced and what alternative accommodation was provided to them?

The Hon. CARMEL TEBBUTT: I do not have the number of residents displaced but we can certainly get that information for you. I am sorry, there are currently 60 boarding houses—I think I provided incorrect information. There were not 62 closures in the past year. I will invite the Director-General to clarify that point so that you have completely accurate information.

Ms ALLISON: Since May 2002 I think two boarding houses have closed, affecting about 60 residents, and one is closing at the moment in the Hunter, involving 34 beds. People have gone to a variety of places. Through the Government's Boarding House Program they have gone to group homes, which were provided. Some people have gone to live in community settings with other family members or friends and a number of people have gone to residential aged care accommodation.

The Hon. ROBYN PARKER: Nursing homes?

The Hon. CARMEL TEBBUTT: Yes. A lot of older people live in boarding houses. Just because they have an intellectual disability—

The Hon. JOHN RYAN: People do not live in nursing homes for a long period. That is the problem. Most people live in a nursing home for a year or two; you are making arrangements for people to live in nursing homes sometimes for a decade.

The Hon. CARMEL TEBBUTT: I can advise the Committee that since the start of the Boarding House Reform Program in 1998 443 residents have been relocated to alternative accommodation.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: How many of those are nursing homes? What are the ages of people relocated to nursing homes?

The Hon. CARMEL TEBBUTT: No, that is accommodation such as group homes. If you want a breakdown of the figures, we can take that question on notice.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Can you guarantee that no young people are being sent to nursing homes?

The Hon. CARMEL TEBBUTT: From boarding houses?

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Yes.

The Hon. CARMEL TEBBUTT: It is certainly my understanding that young people would not be going to nursing homes from boarding houses. People in boarding houses usually have lower support needs.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: I notice that the DADHC-funded Ageing Program, which funds a number of important initiatives including the Future Directions for Dementia Care and Support Program and information, referral and advocacy services for older people, has seen a net reduction in its budget involving a 6.5 per cent drop in all grants and subsidies allocated under the program. How have services been affected as a consequence of these cuts?

The Hon. CARMEL TEBBUTT: I will explain the variance because it is a planned variance. There is a variance of \$368,000 for 2002-03 to 2003-04 in the Ageing Program budget due to a reduction in funding for the second dementia strategy over the four years. We will provide \$11 million over four years. The budget for the dementia strategy in 2002-03 was \$3.126 million and \$2.758 million is available in 2003-04. But that does not reflect in any way a reduction in the funding provided over the four years: \$11 million will be provided over four years. But that money is being allocated in different amounts over the four years.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Was some of it capital expenditure in the early stages?

The Hon. CARMEL TEBBUTT: No, I do not believe that is the case. As to the explanation of how it was used, I believe it is more likely that some of it was used for one-off services and some of it was used for recurrent services. Therefore, that will be the variance. The \$11 million is not exactly divided neatly into amounts provided over four years. I can provide more information about the range of support services with regard to the dementia strategy if you are interested.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: I would rather keep the questions coming. There was a real increase of 7.3 per cent in the home and community care [HACC] funded community transport services, making a total of \$16.1 million. What is the process for allocating this money and what opportunities to participate in the process will the non-government organisations [NGOs] that provide community transport be given? Is any of that money allocated specifically to Aboriginal transport?

The Hon. CARMEL TEBBUTT: Are you asking about the money allocated in 2002-03 or the money that will be provided in 2003-04?

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: I am asking about the money provided in 2003-04 for community transport services.

The Hon. CARMEL TEBBUTT: With regard to the process of allocating that funding, HACC services all participate in a regional planning process. The deputy director-general or the director-general may be able to provide more details about the process. Community transport that is provided under the HACC Program obviously needs to meet the core requirements of that program of being either for the frail aged or for young people with a disability. A range of other community transport programs would be operating that are not funded under that process. The deputy director-general can provide more detail about the planning process. What was your question about the non-government organisations?

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: What opportunities will NGO transport providers have to receive funding as part of that planning process?

Ms DWONCZYK: The planning process is fairly well established in the regions and all of the existing non-government agencies participate actively in the planning process. There is also a statewide group that provides an auspice to community transport across the State, which is supported through DADHC funding, and assists the non-government agencies in planning and thinking about

models of service. In 2003-04 some transport services have been identified as a priority. I will have to check the details, but my recollection is that priority has been given to Aboriginal areas. That certainly occurred last year as well.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: You may recall that there was a Council of Social Service of New South Wales paper about the lack of integration in transport. Has that issue been addressed? To what extent do your funding initiatives dovetail with the initiatives of Transport or Health?

The Hon. CARMEL TEBBUTT: Do you mean the lack of integration between HACC-funded transport services?

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Yes. Veterans Affairs and community transport generally.

The Hon. CARMEL TEBBUTT: There are some specific issues about the way in which the Department of Veterans Affairs has gone down the path of funding its transport services. In terms of the HACC services, I think we can be assured that there is integration. With regard to other community transport, it is servicing a different target group.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: One car might go from town A to town B on HACC business and another might do something else. You might still have two cars going out but one is not going out on a day that is helpful. Is that integration issue being addressed?

Ms DWONCZYK: Yes, we have been supporting three different pilots in different regional areas, targeting different issues around that co-ordination. Some have been incredibly successful—for example, the pilot in the western region has brought people together in the very practical way to which you referred. The intent of those pilots is to inform new models of services and to support some working arrangements within the community transport and other sectors.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: How will the 100 new places on the Attendant Care Program be funded? Specifically, what amount, if any, of the total amount in the budget papers will come from fines levied as a consequence of new or existing speed cameras?

The Hon. CARMEL TEBBUTT: The Government has allocated an additional \$28.5 million over four years in the June budget for the Attendant Care Program. That will create a further 100 attendant care places. I think people are well aware of what this program does. It is envisaged that the first people to benefit from the new places will start receiving services in January 2004. The Hon. Dr Arthur Chesterfield-Evans is referring to an issue that was discussed during the spinal cord injuries forum regarding using some of the fines levied as a consequence of speed cameras to fund a range of initiatives announced at that forum. I do not have a specific figure. I think some of that money will come to the Attendant Care Program but I do not know whether we will be able to break it down. In a sense, once the money comes into consolidated revenue we want to use it to set up the places and we are not too concerned about where it has come from. However, if I can find that information I will certainly give it to you.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: How many people were on the Attendant Care Program waiting list as at 30 June this year?

The Hon. CARMEL TEBBUTT: There are currently 193 people on the waiting list for attendant care.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: How many people were in the home care service higher needs pool at the same time?

The Hon. CARMEL TEBBUTT: I do not have that figure. We can certainly take that question on notice and give you that information. However, we must take into account the fact that the two are not necessarily completely discrete as some people may receive both services.

The information I have is that 300 people are on the waiting list for the high-needs pool, but a number are on both.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: I intended to ask about the effect on the current waiting list, but obviously if those two numbers are higher than 100 it will not eliminate the list. What will happen with the Attendant Care Program and Home Care Service and the high-needs pool if those waiting lists are not eliminated? How will the department address the identified levels of unmet need?

The Hon. CARMEL TEBBUTT: The 100 new places are a significant achievement. That is in addition to the previous additional 100 places announced some years ago. This is a complex area and the department has established a working group to examine existing policies, practices and models of personal support service provision for people with a physical disability. The working group includes a range of people from across the disabilities sector who have expertise in this complex area. In fact, the working group was initiated by the sector, which thought it would be a good way to progress some of these issues. The working group examined ways to use existing resources more effectively to provide more flexible service responses to meet the needs of people with a physical disability. A number of strategies were identified to improve outcomes through personal assistance for people with a physical disability. The group has recently reported its findings, and the department is seeking to incorporate them into its action plan. That will provide greater synergies in addressing the conjunction between the high-needs pool and the Attendant Care Program, and hopefully in finding better ways to deliver services.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: What was the total budget and the total spending on the Program of Appliances for Disabled People [PADP] in the financial year to 30 June, excluding oxygen, which is a separate item?

The Hon. CARMEL TEBBUTT: The honourable member should direct that question to the Minister for Health. New South Wales Health administers the PADP. We make some funding available to PADP—about \$2 million—but the total funding for the program is significantly more than that and it is administered by New South Wales Health.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: New South Wales Health effectively subsidises the aids that some of your clients use.

The Hon. CARMEL TEBBUTT: They are our clients, but often they are also New South Wales Health clients.

The Hon. ROBYN PARKER: How many unfilled positions are there on community support teams? How many positions on community support teams are filled by people on three-monthly renewable contracts?

The Hon. CARMEL TEBBUTT: I do not have that information. I will take the question on notice and provide a response to the Committee.

The Hon. JOHN RYAN: What is the level of unmet demand for respite care services among people with a disability and their families? Can the Minister provide the Committee with information about how many respite care beds are currently blocked by people living permanently in respite care facilities in comparison with the situation last year?

The Hon. CARMEL TEBBUTT: The honourable member has identified an important issue. Access to respite care has been an area of great concern and high priority for the Government. We have doubled our funding in respite care since 1996. In 2003-04, we will be spending \$122.5 million on respite services. That includes funding provided for respite under the HACC Program and under the Disability Services Program. In total, the department funds more than 230 organisations to deliver respite services, and it is estimated that in 2002 approximately 47 per cent of respite services funded under the Commonwealth-State and Territory Disability Agreement were centre based.

A 1998 Community Service Commission report—I know the honourable member is familiar with it—found that 149 out of 396 beds were blocked or occupied long term. That is a significant issue—if a respite bed is blocked that means another family or person cannot get access to respite and we do not get critical flow through use. The department's quarterly survey of June 2003 indicated that 70 of the 497 respite beds were blocked. That is 14 per cent, which is a reduction from 37.6 per cent identified by the Community Services Commission. A significant improvement has been achieved in managing blocked respite beds. I am not sure whether we will ever get to zero because of some of the issues causing the bed blockages. However, it is a government and departmental priority to continue to drive the figure down. We need that flow through with respite services if they are to achieve their goal of providing much-needed breaks for families and carers.

The Hon. JOHN RYAN: Can the Minister provide the Committee with a breakdown of blocked beds—that is, where they are in each region? I want to establish whether any regions have a particular problem.

The Hon. CARMEL TEBBUTT: I am advised that we can provide that information for the Committee.

The Hon. JOHN RYAN: The Minister has said that she will take a number of questions on notice. I am not sure that we have the capacity to do that.

The Hon. CHRISTINE ROBERTSON: We do.

The Hon. JOHN RYAN: The recent report of the Standing Committee on Social Issues entitled "Making It Happen" dealing with disability services unanimously supported the Law Reform Commission's recommendation that the Children's Guardian be given a role in monitoring care plans for children with disabilities who voluntarily enter out-of-home care. Is the Government committed to implementing the unproclaimed sections of the Children and Young Person (Care and Protection) Act? What are the reasons for delaying the proclamation of those sections, which affect young people with disabilities?

The Hon. CARMEL TEBBUTT: That is an important question. We all agree that the best place for children and young people to live is with their families and that out-of-home care should be seen as a last resort. Voluntary out-of-home care relates to children who are using respite services and a range of other aspects of care. The unproclaimed provisions of the Act relate to voluntary out-of-home care. Concerns have been expressed about the way in which parts of the legislation would impact on disability service providers, families who are using respite services and children and young people with a disability. The legislation provides that if a young person is using a respite service for 28 days or more in a year, consecutively or non-consecutively, he or she would be deemed to be in voluntary out-of-home care. I know parents who use that level of respite care but who do not believe their children should be caught up in the out-of-home care system. That is reasonable. These families are fully involved in the lives of their children and access respite on a regular basis, including vacation respite, more than 28 days a year. However, their children would be deemed to be in out-of-home care. I understand the desire to distinguish between consecutive and non-consecutive use of these services. Unscrupulous operators might take people out of respite on day 27 and then readmit them. Nonetheless, we must be very careful about inappropriately bringing people into the out-of-home care system when that is not the best service response.

Having said that, I know it is a significant issue for advocacy groups, parents and carers. I have undertaken to request the Ministerial Advisory Committee to provide me with advice. The committee is chaired by Leonie Manns, a former chair of the Disability Council. I am aware that the council should be involved in the consultation process. The chair of the Ministerial Advisory Committee, assisted by the Deputy Chair of the Disability Council, will be undertaking consultation with service providers, advocacy groups, parents, families, children and young people to give me further advice about how to move forward with regard to the proclamation of sections 155 and 156.

The Hon. JOHN RYAN: I refer to any plans the department might have for providing special facilities for people with disabilities who could be described as having fragile medical needs. Is the department planning to provide services to these people according to some sort of congregate care model that is not yet endorsed by the Disability Services Act?

The Hon. CARMEL TEBBUTT: Obviously the department would not suggest proceeding with any action that is not in accordance with the Disability Services Act. A small number of people with a disability also require additional support due to complex health issues—some people have multiple disabilities as well as frail health. For these individuals ready access to qualified health staff, especially nurses, is essential to maintaining health and wellbeing. The group includes people who are ventilator dependent, people who require tracheotomy care or a combination of those interventions. The department is working with New South Wales Health to identify opportunities to improve support and service delivery for people with a disability and health-related high support needs. DADHC, New South Wales Health and the Commonwealth Government, which fund nursing homes and part of the HACC program, have commenced consideration of the health and disability system interface to negotiate clear boundaries between the health and disability systems. I make it very clear that the department would not take action that is not in accordance with the Disability Services Act. Having said that, there is no doubt that we need to do more work on a range of models that can provide appropriate accommodation for people with a disability who have high medical support needs. That work is occurring in conjunction with other agencies and the Commonwealth.

The Hon. JOHN RYAN: Is some sort of cluster or congregate model being considered for those people? Some people are worried that DADHC might come up with an eight-bed—mini nursing home model for these people.

The Hon. CARMEL TEBBUTT: I am not aware of any such proposal. I have made it clear that the department will operate within the Disability Services Act. However, we need to be innovative in looking at what models we consider. There is no magic around the numbers, whether we talk about six, eight or four beds. Surely we are seeking to achieve outcomes for people and to ensure that we provide the best quality of life possible.

CHAIR: I thank the Minister's advisers for their work. Minister, I remind you that the answers to questions on notice are due within 35 days. However, it would be appreciated if they were delivered earlier.

The Hon. CARMEL TEBBUTT: I assume that if honourable members have any further questions, the Committee will advise me.

The Committee proceeded to deliberate.
