

# **GENERAL PURPOSE STANDING COMMITTEE No. 2**

**Monday 13 November 2006**

**Examination of proposed expenditure for the portfolio areas**

## **COMMUNITY SERVICES, YOUTH**

**The Committee met at 2.00 p.m.**

### **MEMBERS**

The Hon. R. M. Parker (Chair)

The Hon. A. Catanzariti  
The Hon. A. Chesterfield-Evans  
The Hon. C. E. Cusack

Ms S. P. Hale  
The Hon. C. M. Robertson  
The Hon. H. S. Tsang

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### **PRESENT**

#### **Department of Community Services**

**Dr N. C. Shepherd**, *Director General*

**Ms A. D. Gallard**, *Deputy Director General, Operations*

**Ms D. T. Rygate**, *Executive Director, Strategy, Communications and Governance*

**Mr A. L. Ramsey**, *Executive Director, Corporate Services*

#### **Office for Children**

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

**Ms K. A. Boland**, *Children's Guardian*

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**CHAIR:** I declare the Supplementary Budget Estimates 2006-07 inquiry into Community Services and Youth open to the public. I welcome the witnesses who are appearing here again. The Committee will examine proposed expenditure for the portfolio areas of Community Services and Youth. Before we commence I need to go through some procedural matters. In regard to the broadcast of proceedings, under the guidelines only Committee members and witnesses may be filmed or recorded. People in the public gallery should not be the primary focus of filming or photographs. In reporting proceedings of this Committee you must take responsibility for what is published or what interpretation is placed on anything that is said before the Committee. The guidelines for the broadcast of proceedings are available by the door.

If anyone has messages from attendees in the public gallery they should be delivered through the Committee Clerks. Witnesses are reminded they are free to pass notes and refer directly to advisers at the table. Please turn off mobile phones.

In regard to the return date for questions, the Committee has resolved to request that answers to questions on notice be provided by 5 p.m. on 22 November. That is a short time frame, but it is due to the need for the Committee to report finally by 23 November. Given that short time frame I ask that witnesses answer as many questions as possible during the hearing rather than take them on notice. Do you anticipate that there will be any difficulties with that?

**Dr SHEPHERD:** I think this is the standard formula. It depends on the question and how much detail you want.

**NEIL CRAIG SHEPHERD**, Director General, Department of Community Services,

**ALAN LAUGHTON RAMSEY**, Executive Director, Corporate Services, Department of Community Services, and

**GILLIAN ELIZABETH CALVERT**, Commissioner for Children and Young People, Office for Children, on former affirmation:

**DONNA THERESE RYGATE**, Executive Director, Strategy, Communication and Governance, Department of Community Services,

**KERRY ANN BOLAND**, Children's Guardian, Office for Children, and

**ANNETTE DALE GALLARD**, Deputy Director General, Operations, Department of Community Services, on former oath:

**CHAIR:** I declare the proposed expenditure for the portfolio areas of Community Services and Youth open for examination. Does any witness wish to make a brief opening statement?

**Dr SHEPHERD:** No.

**CHAIR:** On 27 August the Minister was quoted on ABC radio as saying that "nothing beats the watchful eye of a parent in relation to children participating in activities involving volunteers". Dr Shepherd, do you believe that volunteers working with children should undergo basic checks in relation to child protection?

**Dr SHEPHERD:** That is clearly a matter of government policy and you would be well aware that I am not permitted to comment on that as a government policy.

**CHAIR:** Do you accept that there are many instances where parents cannot be present to supervise their children 100 per cent of the time during activities?

**Dr SHEPHERD:** I think you are asking the wrong person questions about volunteering and the working-with-children check. The appropriate person to ask would be the Commissioner for Children and Young People, Gillian Calvert.

**Ms CALVERT:** It is up to the government whether or not they wish to proceed with checking volunteers or not. Let me say that currently volunteers are required to fill out a prohibited employment declaration and that bans them from applying or remaining in child-related employment positions. If we find that they have falsely filled out a declaration then the matter is referred to police, as it has been in the past. What was the second question?

**CHAIR:** Do you accept that parents cannot always watch their children 100 per cent of the time?

**Ms CALVERT:** I think no-one can give a guarantee that children will not be harmed in whatever setting you place them, but I do think there are a number of things that organisations and employers can do to reduce the risk of harm to children. In New South Wales there is a program that we run called the Child-Safe Child-Friendly Program, which looks at working with organisations to try and reduce the risks in those organisations. That involves things like looking at the nature of the position; for example, the level of supervision that is provided in that role, the qualifications of the people, what sort of professional training they have had, whether there are codes of conduct, whether or not there are clear procedures for making a complaint against a fellow staff member—what is to be done is clearly set out if a complaint is made against a staff member: a range of things that we have worked with organisations to develop that assists them to analyse their risks and then put in place plans to reduce those risks and mediate those risks.

I think that is probably one of the most effective ways of reducing risk to children, and the research would bear that out. The research I am referring to is Situational Prevention research, which

shows that the one thing we do have control over is the position that we design and the organisation we run, so we should take up those responsibilities and put in place things that mediate those risks.

**CHAIR:** So, it is not mandatory that there is basic screening, is that the case?

**Ms CALVERT:** It is mandatory that they have to complete a prohibited employment declaration, but they are not subject to Working-With-Children background checks. The employer of the volunteer is able to request the volunteer to provide a record of their criminal history at the time they volunteer. I think we also need to remember that there are a range of volunteer settings from quite well-organised volunteers in the large, well-structured, well-run organisations, right through to parent-run committees that change every season where, in a sense, it is more of an extension of your role as a parent or a community member—being the coach of a soccer club or providing support to a small dance company, or something like that. We need to remember the enormous range and variety of volunteering that occurs in New South Wales.

**CHAIR:** So, the Government has never committed to mandating basic screening?

**Ms CALVERT:** The Government funded the Commission to run a pilot where we trialled background checking and we have used that information and that pilot to develop the range of resources for the Child-Safe Child-Friendly Program. When we went and spoke with volunteer organisations they were clear that for the small-run volunteer organisations they have little capacity to make their organisation run in a really basic way. What they needed was to have basic controls in the organisation, that is, in a sense, the first step before you do anything: have the basic controls in your organisation; simple things like even a paragraph on what the job is meant to do. Those things just do not exist.

**CHAIR:** Has this implementation been reviewed at all?

**Ms CALVERT:** Yes, we did evaluate that and the feedback we got was that organisations really valued that material and used that material. In fact, the number of hits to our Web page—because this is all on the Web and free for people to access—has increased, particularly the first Web page, which is "Identifying Your Risks", which is where most people start. I will provide on notice the exact figures for the increase over the past 12 months and the number of Web hits.

**CHAIR:** Is that review publicly available?

**Ms CALVERT:** No, we have not made it publicly available; we have used it for our own purposes and to develop and improve our own services and systems.

**CHAIR:** How much funding was provided to children leaving out-of-home care once they turned 18?

**Dr SHEPHERD:** Exactly what information are you seeking, Madam Chair?

**CHAIR:** In the last financial year.

**Dr SHEPHERD:** I will take that on notice to give you a precisely accurate figure. We provide a substantial range of things for children who leave care, and there are a range of circumstances under which those entitlements exist. The legislation lays out different forms of assistance that can be provided.

We are also improving our internal procedures, particularly in relation to children with a disability. We have a memorandum of understanding with the Department of Disability, Ageing and Home Care to provide two years notice to DADHC about children who have a disability who will be leaving care. There is joint case planning now in relation to those children so that they will have a seamless transition into the adult supports that are provided by DADHC from their time in care. For children who do not have a disability the primary focus is on things such as counselling, provision of information and particularly supporting education so that these kids have the best chance to get beyond their time in care with education support going forward. But we can give you that accurately.

**CHAIR:** The DOCS annual report for 2005-06 states that 38 per cent of the Supported Accommodation Assistance Program, SAAP, resources were to services for unaccompanied people under 25 years. Where was the balance of SAAP funding allocated and what changes to these arrangements do you envisage for 2006-07?

**Dr SHEPHERD:** I think you asked almost the same question on notice and we are seeking to get the answer for you on notice. In terms of changes going forward in the short term, there should not be too many because we are in the relatively early stages of the current agreement between the Commonwealth and the States. So essentially the broad parameters of that agreement are set. I do not anticipate a huge difference but we will get you the figures that you asked for on notice. My understanding is that we should have those by the due date.

**CHAIR:** The Government has not really explained to the community why it abolished the office of Children's Guardian and the Office of Children and Young People and replaced them with the office of children. Could you explain to the Committee how this decision was made and why it is in the best interests of children?

**Dr SHEPHERD:** I really think that is a matter of government policy and it is not appropriate for me to go behind the reasoning. However, my understanding is that the two statutory positions remained but perhaps Gillian Calvert could explain.

**Ms CALVERT:** Certainly. Effectively, the reason for it is up to government but I can say that subsequent to that decision what has occurred is that we are bringing the back offices together to create an Office for Children, this is providing us with some administrative efficiencies and savings which we will be able to redirect into front-line activity. Certainly there has been no change to my function, my responsibilities or my accountabilities and there has been no change to the Guardian's accountabilities and reporting and functions. So our statutory independence remains.

**The Hon. CATHERINE CUSACK:** Can you explain which front-line activities those savings will be directed to?

**Ms CALVERT:** We are still in the process of organising that but it would enable us to look at staffing, community education, material, training—those sorts of things.

**The Hon. CATHERINE CUSACK:** So there is no net loss to the bottom line?

**Ms CALVERT:** There has not been any loss to the bottom line this year.

**The Hon. CATHERINE CUSACK:** Is that in forward estimates as well?

**Ms CALVERT:** Can I take that on notice?

**The Hon. CATHERINE CUSACK:** Yes.

**CHAIR:** What is the total of applications during 2005-06 4 places under the SAAP and how many were granted by region and sub-region in metropolitan areas?

**Dr SHEPHERD:** If that material is available—we will have to look at the exact wording—we will provide it on notice. I assume you are referring to the 2005-06 financial year.

**CHAIR:** Yes. Could you also tell us the average number of cases each DOCS caseworker is assigned at any given time?

**Dr SHEPHERD:** That will vary depending on the nature of the cases. Clearly, if someone has a heavy court load they are going to be able to handle fewer cases than someone who does not have many cases going through the court process at that time. It also depends on which class of caseworker we are talking about, whether we are talking about early intervention caseworkers, child protection caseworkers or out-of-home care caseworkers. There are significant differences in case loads in those three areas. Way back in 2002-03 a couple of pieces of work were done. The first was done by David Brett, who was a partner with PricewaterhouseCoopers, from my recollection. He did

some work for the Kibble committee around the time taken to do various tasks in child protection and out-of-home care. We used that as part of the base for the bid for additional resources for DOCS. Then we matched the existing resources and the new resources, with a fairly sophisticated resource allocation model, which determined on the basis of the case load where the additional resources should go. They are distributed on the basis of the case loads as at 2003 or 2004. We have since looked at variations in case loads on an annual basis and also on a quarterly basis. Our estimate is that you would re-do the resource allocation about every five years because, on the basis of the mathematics, that was about the right time to do that.

We are also working in some regions on exactly how you allocate overflow, because you do get a variation in the cases coming in. We do not control the inflow of the reports. We do get a variation from month to month and there are obviously some issues to be dealt with in terms of providing additional support caseworkers or moving cases around. We are looking within regions at ways that we can better balance that in terms of fluctuating workload.

The obvious tensions in doing that are that you want maximum continuity of case worker to client, so you do not want to be shifting cases all over the place just in order to have somebody available to do something, and on the other hand you do not want to be transferring files around the system all the time either. So there is a bit of a tension between maintaining continuity, not moving files around the place and having enough of a balance to allocate cases to deal with those fluctuations.

**CHAIR:** So you must have, region by region, data that you can provide us with, in terms of caseloads if you are doing that sort of analysis.

**Dr SHEPHERD:** If your question is average caseloads per caseworker by region, then we can have a look and see if we can get that for child protection.

**CHAIR:** That would be great, if you would not mind doing that.

**Dr SHEPHERD:** We can try to get it by the date. This stuff is not always a matter of simply pressing a button and getting the answer.

**CHAIR:** I am sure that with that new computer system, it will much easier than it would have been.

**Dr SHEPHERD:** Give us another 12 months and it will be fabulous.

**The Hon. CATHERINE CUSACK:** When we talk about inflows and overflows and files, we are actually talking about children—

**Dr SHEPHERD:** Yes.

**The Hon. CATHERINE CUSACK:** —who are identified as being in need of intervention and at risk of abuse. I am wondering if, rather than swirling it through the system of the files, an alternative strategy could be to increase the resources to the office that was experiencing overflow, which I think was the term you used, and having a bank of additional resources that can be allocated to ensure the continuity of management.

**Dr SHEPHERD:** That is simplistically attractive, I guess, but there are some problems with it. The first is that no child protection system in the world has enough caseworkers available to deal with every report that comes through the door so there will always be a gap between the total number of reports and the number of caseworkers available to deal with them. The key is prioritising the cases effectively in order to deal with the highest priority cases. There is always going to be a gap so you do not have a bank of available resources that you can easily move around the system because, if there are any spare resources, they are already allocated to Community Service Centres [CSCs] in order to provide the base level of support.

The second thing is that, because it fluctuates month to month, it is not so easy to just pick up caseworkers and move them around the system. We do not have a flying squad of caseworkers. As I said, if we had the resources available to do that, we would have distributed them across the system

anyway. What we are looking at is short-term borrowing from adjacent CSCs which will work well for us in metropolitan, Newcastle and Wollongong. Obviously it is harder as you get into more regional and remote areas because the distances are much bigger. It is a vexed issue. It is certainly one that we are looking at. We have trialled it certainly in one region and we are about to do it in another, and the results of that trial are in the positive. We will see how we manage it.

Remember that with this package caseworkers come over a five-year period and we are still two years short of the final year. We still do not have enough resources to distribute across the system to meet the requirements that we would consider to be the basic requirements.

**The Hon. CATHERINE CUSACK:** The minimum?

**Dr SHEPHERD:** Well, we are doing a lot better than we were. I gave you the figures at the last hearing which are a significant improvement on the 2002 figures, but obviously we would like to do better, particularly in the level threes (or those cases that require a response within 10 days). The objective there is that we will get that two ways: one is that the higher end of those will be dealt with by the increased child protection caseworkers and the lower end of those will be dealt with by the early intervention caseworkers who are quarantined for that sort of work. We are already performing significantly better than we were in 2002 and by the end of the rollout of the new caseworkers in 2007-08, we will be managing better, I would argue, than probably any other child protection system that I know of, certainly better than any in Australia.

**The Hon. CATHERINE CUSACK:** Was the Department of Community Services [DOCS] consulted about the centralisation of care cases to the Parramatta Children's Court?

**Dr SHEPHERD:** The centralisation of care cases to the Parramatta Children's Court has been on the agenda for some considerable time. There have been discussions between the department and the Attorney General's Department over a period of time and also the Children's Court has been involved in those discussions from time to time.

**The Hon. CATHERINE CUSACK:** Was that centralisation supported by the Department of Community Services?

**Dr SHEPHERD:** We do not run the court system. You know, clearly, the court administrators have decided that they wish to expand and centralise at Parramatta. At the end of the day the courts are not distributed in a way that suits DOCS in any event. Courts are still widely separated and caseworkers have to travel to court. Whether they are located at Parramatta or whether they are in two or three locations is not going to make a huge difference. The thing that would be of more interest to us, and we are working with the Attorney General's Department on this, is having a more streamlined interaction with the courts so that caseworkers spend less downtime in the court process than they currently spend. You can achieve that as a centralised location or a distributed location.

**The Hon. CATHERINE CUSACK:** I just would have thought that, as a matter of logic, it would have been easier for staff in St Marys, say, to get to the Cobham Children's Court than it is to get to Parramatta where there is no parking available. From what I am hearing at the moment, there is no parking, only for magistrates. I am sorry, I am concerned about the impact. You are saying that you are an under-resourced agency and it will be another two years before you can meet all the requirements, and now we have a decision that is going to significantly add to travel time for DOCS officers to get to the court. That has to be a huge brake on the productivity of those staff who are involved in travelling from the lower Blue Mountains or from eastern Sydney and all over the place to Parramatta as opposed to just attending their local Children's Court.

**Dr SHEPHERD:** Not all courts are located at Parramatta. There is still a court at Glebe that will deal with care matters. My recollection is that at least some of the eastern Sydney people will use Bidura, but I will double check that. That is correct.

**The Hon. CATHERINE CUSACK:** St James closed last week and Lidcombe closed and Bidura is now doing care and criminal matters. Obviously if Cobham closes, that has to have an impact on your staff.

**Dr SHEPHERD:** As I said, it will depend on whether there is a trade-off in terms of the efficiency of the access to the court as to whether there is a net loss or a net gain. I am not able to tell you that as at today's date. I think they only opened the thing this morning so I really cannot tell you what the net impact of this will be because there will be pluses and minuses associated with a move to Parramatta.

**The Hon. CATHERINE CUSACK:** Are you concerned that the most disadvantaged and often disorganised families are required to travel far greater distances to get to Parramatta, that the station is nearly a kilometre away from the courthouse and there is no information available as to how they get from the station to the courthouse?

**Dr SHEPHERD:** The decision to locate the courts at Parramatta is a Government decision and it was made in a department other than the Department of Community Services. I am not in a position to give you opinions as to whether I think this is a good thing or a bad thing. If the clients appear to be disadvantaged by this move and there is an information gap, then we will look to see what we can do to deal with that effectively. But the questions you are asking me are well beyond my capacity to answer or to change in terms of outcomes. What I will have to deal with is what the situation is as of today. I said I think there will be pluses and minuses associated with this. What we have to do is try and to minimise the minuses.

**The Hon. CATHERINE CUSACK:** Are you satisfied with the layout of the court which has care and criminal matters now on the same floor, including the parenting room in the section that is dedicated to criminal matters?

**Dr SHEPHERD:** There are ongoing negotiations between the Attorney General's Department and DOCS and the Premier's Department about the mechanics of operating the care jurisdiction at Parramatta. Those things are occurring pretty much as we speak and have been occurring for some time. We are looking for the best outcome with maximum protection for both clients and caseworkers.

**The Hon. CATHERINE CUSACK:** Do you agree it would have been simpler to get the best outcome had these decisions being made prior to the completion of the building?

**Dr SHEPHERD:** As I said, negotiations between the Attorney General's Department and DOCS have been going on for some time about the operation of the new Children's Court at Parramatta. We will need to wait a little while to see exactly what needs to be modified in order to determine what you do next because it does not matter what new building you go into or what new complex you have: there will always been some operating issues that need to be dealt with as part of the bedding down of the new processes. What there will be ongoing dialogue between the Attorney General's Department, the Department of Community Services, and the Premier's Department, if there are industrial issues involved, and the Children's Court. What we will do is settle the best way to manage the new complex once it is up and running. It is a bit hard to do that until you see exactly how it works.

**The Hon. CATHERINE CUSACK:** With respect, you have had a lot of advice against mixing the criminal and the care matters. That is not a sudden thing or a new thing that needs to be suddenly raised as an issue after the courts building has been opened. With respect, I say that, "you" meaning "the Government", rather than the department.

**Dr SHEPHERD:** Yes, thank you.

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** You have spent a lot of money recently on foster care advertisements on billboards.

**Dr SHEPHERD:** No.

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** No?



**Dr SHEPHERD:** No. The big billboard on the silos at Balmain was a donation from realestate.com which provided \$200,000 worth of free space. There is no such thing as a free lunch in a sense, but what they intended to do was that for the first 14 days they would have the thing that is sitting up there at the moment, which is "Do something big for kids". You go to their web site and then that connects to other web sites. As of 14 November, that changes. We get the billboard completely until the end of the month, so realestate.com drops off.

Then you will have DOCS saying 200 kids need a home this Christmas, and it will then be the logos of DOCS and quite a number of other foster caring agencies. DOCS will simply be mixed in with the Barnardos, the Burnsides, and those sorts of people. Someone could give you accurately all the organisations that are there; I do not want to mislead you as to which of the non-government organisations are in there. Over the next two weeks it will be a pretty impressive display, which should channel people not only to DOCS but also to the other key non-government foster caring partners. As far as I know, apart from internal time spent writing briefing notes or whatever, not one cent has been expended by this department in relation to that billboard. It is fantastic.

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** As a great follower of outdoor advertising, I know that whenever they do something like stick a nasty commercial billboard in our bus shelters, they have a nice community message for the first few weeks before they get down to serious fast-food and other advertising.

**Dr SHEPHERD:** This is going in the other direction.

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** With regard to the advertisements for foster carers, is it like a supermarket, where you choose the brand you want? This is choice for whom—for people who are looking for a foster carer, or for foster carers who are looking for some kind of a sponsor to accredit them? I do not quite understand how foster carers relate to the department and the kids in this.

**Dr SHEPHERD:** People develop an interest in foster caring, and they want to know where to go in order to find out about foster caring. DOCS and the other agencies will have web sites that lead on from that billboard. So a person would see that billboard and then decide, "I have heard about Barnardos" or "I have heard about Burnside", and they may decide that they want to look at that web site and then contact the organisation and suggest that they might be interested in foster caring.

If they contact DOCS, we have a centralised call number for them. We send out a package virtually instantaneously to the prospective foster carer, we then transfer their details to the region, and there is a team in each region whose job it is to recruit and train foster carers. We started off in Foster Care Week with a push to get more foster carers. In that time we have had roughly 600 people ask us about foster caring; we have sent out 600 packages. We have a detailed internal monitoring system to follow up that these people are being contacted and that things happen.

There is then a pretty substantial process for the prospective foster carer to go through. You do get dropouts once they see the size of the issues they have to deal with, because they have to go through the Working with Children Check, which includes criminal records checks and all the rest of it. There are then interviews, trying to match suitability with the task, and then there is significant training. It was originally a sequential process and it took quite a number of months to get through it. What we are looking at at the moment is seeing whether we can run some of these processes in parallel to speed it up, so that people are not having to go through a long, sequential process.

There are a number of different kinds of foster care. People can be respite carers, which is something we have never tried to push hard, where they might be prepared to take a child for a weekend every month or every two months. They do not have to be full-time foster carers. That should be attractive to people who have retired and who have other things to do. Certainly it is something that my wife and I will look at in the next two years, because it is something we can do. You cannot take on a long-term commitment, but you can take on a short-term commitment.

We have not really pushed that, so there is a real opportunity there to pick up a stack of respite carers. You also have people who are prepared to take emergency placements. These are kids who land on us at 2 o'clock in the morning, something has to be done, and you desperately need

somebody to look after those kids. They are not long-term carers—or usually, anyway; sometimes they want to turn into long-term carers. Then there are people who want to be in long-term foster care, who are prepared to do this with a baby until the child is 18. Then there are others who deal with some of the short-term stuff. So there are different kinds of foster carers.

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** I understand there are State wards, who have been through a court process, and then there is voluntary care. Are they two separate streams?

**Dr SHEPHERD:** Voluntary care and foster care are two different streams. It will take a little while to go into that. Specifically what is the question?

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** I understand that a foster carer who looks after a State ward receives money and that a voluntary carer does not. Is that correct? Financially, are they two different systems?

**Dr SHEPHERD:** You are getting into a technical area. With foster care, or court-ordered care, there is a set of formal allowances. There are then allowances that are designed to deal with a child who is not in court-ordered care but where we believe, on our assessment, that it would be important to support the carer in order to prevent the child coming into full statutory out-of-home care. We then pay a series of allowances, like non-parental care allowances and supported care allowances. What we have done with the recent decisions is to bring those allowances much closer together. In fact, most of them are now the same as the statutory allowances. There are a few minor differences. What we have done is to increase substantially the support levels across the board.

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** For foster carers?

**Dr SHEPHERD:** Not just for foster carers, but for children in non-statutory out-of-home care, where we believe that that is the best way to support the child and keep the child safe and out of the child protection system in its statutory form.

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** You have this smorgasbord of organisations offering foster care. You are funding them all, are you not? Or are a number of them putting in a large amount of money as their fundraising habits, like Barnardos used to do when it was not funded by the Government?

**Dr SHEPHERD:** It is a mixture. But certainly one of the really good things about the big traditional out-of-home care organisations is that they still bring a lot of their own money and their own expertise to the table.

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** Does this mean that new, accredited foster care agencies that have done all the hoops but do not have a large amount of money to bring to the table are disadvantaged because they are either competing directly with DOCS or competing with an existing provider who has, presumably, a tradition of fundraising and of raising at least a percentage of the money that they are paying for the foster carer? Is that a problem?

**Dr SHEPHERD:** No. If they are agencies that are funded by us, they will be funded to whatever is the level of requirement in order to provide the kinds of places that we are asking them to provide. So they will not be short-changed in any way. The advantage for the big organisations who have a long history of doing this is that they do have some resources that they can apply to these, to put in place Rolls-Royce systems to have lower caseloads than the international benchmarks, and basically to provide a level of service beyond that which would be considered appropriate on an international scale. No-one is disadvantaged by the current statutory allowance arrangements, nor by the current arrangements for contracting between DOCS and the non-government sector. But some agencies, clearly, have a greater capacity to bring their own money to the table.

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** Say a person saw the billboard and then said, "I've got to take up foster caring". They could either contact DOCS, in which case DOCS would evaluate the carer and then support them to the statutory level, or they would go to a private provider, who presumably would also support them but would have to get some money in addition to

the statutory benefits. Is there not an unequal competition here between existing providers who might have support structures and educational practices in place, new providers who have to set that, and DOCS? In a sense, if you use an outside provider you are paying more as an output, are you not?

**Dr SHEPHERD:** Our cost structures are generally lower than some of the non-government providers. I am talking about DOCS cost structures. But part of that is an economy of scale issue, because we provide two-thirds of the foster care placements in New South Wales. Clearly, we are bigger and we do have that economy of scale. However, some of their costs are lower than ours, so there is a bit of balancing off there. It must be remembered that when we provide funding for placements we take into account the costs of running the placement. So it is not just the caseworker time or the money for the foster carers; it will be the proper costing of what it costs that organisation to provide the placement.

One of the things we did with the non-government sector over the last year is to put together a thing called a costing manual. The costing manual is available for both non-government and government providers. The costing manual goes into great detail about what reasonable ranges of costs are for the various components of an out-of-home care or child protection system. It will give you a range for the cost of organisational overheads; it will give you a range for the cost of contingencies.

That costing manual is a joint piece of work that assists both the non-government sector providers and the funder to determine what is or is not reasonable. It is also a very useful manual, in that it tells us when somebody is not costing something to its appropriate level. If they bid too low and become non-viable, the kids are not going to be able to be maintained in those placements. So it is really important that we not only deal with people who want to bid high but also keep a good eye on people who are coming in low. If you went to a tender process, or even an expression of interest process, you would be wanting to look at both the top and bottom of that scale so that you did not get someone coming in and undercutting to the point where they were not viable.

**Ms SYLVIA HALE:** Dr Shepherd, when you referred to assistance given to children who were leaving the department's care I think you said that the department was particularly supporting education?

**Dr SHEPHERD:** Yes.

**Ms SYLVIA HALE:** Is it true that the department has decided to cease funding five youth support positions within the schools comprising Chifley college and two associated outreach positions that are currently funded under the Community Solutions Crime Prevention [CSCP] program?

**Dr SHEPHERD:** I will take that question on notice. Community solutions was a program that was finite in its duration. My recollection is that it was five-year program of \$10 million per annum, but I stand to be corrected on that one when I come back to you. A number of programs were always going to finish at the end of the funding. If what you say is what is happening it may well be that these are projects that were always of finite duration and they were going to finish. Community Solutions was not originally a Department of Community Services [DOCS] program, so these positions would not have been part of our approach to after-care education. The programs were brought across from the Premier's Department in mid-2004, so that is the history of them.

**Ms SYLVIA HALE:** The program was, in fact, a three-year program of \$14 million and it included a range of initiatives. The seven positions in which I am interested, which were internal to the Chifley college group of schools and the two outreach programs, were particularly important in ensuring that children at risk continued with their education. Could you take on notice these questions: Is there any proposal to renew funding for these positions? Has there been any evaluation of the work done by those seven workers? If that program is to be discontinued—and I am referring to the Community Solutions program—there are other things such as money to facilitate a roundtable to provide 13 mentally ill young people with a clear pathway from health to rehabilitation services to employment support services in Mount Druitt. There is a range of other things. If the program is not to be continued where are these youth support services now to come from?

**Dr SHEPHERD:** I might just put a caveat around my capacity to answer that. That caveat is that, for a substantial part of the Community Solutions money, DOCS was simply the banker. Other government agencies have been completely responsible for the running of the programs. I have just been advised that the one you are talking about was a Department of Education and Training program, for which we would have simply provided it with money. If I can get you an answer, I will get you an answer, remembering the time frame that we have, but it might not be me who has that information.

**Ms SYLVIA HALE:** Presumably you would appreciate the importance for the children involved and the long-term costs to the community if programs that are in place are suddenly stopped and no follow-up is provided or continuation of services? I understand that a frequent complaint from community organisations is that pilot programs are put in place, they end, and the good work that they might have achieved in effect is wasted.

**Dr SHEPHERD:** To be fair, the people who are masters at short-term funding and not planning are the Commonwealth and not the State. If you look at any set of Commonwealth programs you will see very short-term funding of three years. They are in and they are out and essentially the States are left to pick up the mess. If you look at our funding policy and at the decisions we have made around high needs kids funding and that we intend to make in the future, you will find that DOCS is providing a much longer investment time frame for the non-government sector around our major programs.

It makes no sense to me that we have a very short investment time frame where they cannot get the capital in place and they cannot attract and retain staff over a long period. So we are pushing pretty hard to go for much longer contracts than have been entered into previously, particularly around things like out-of-home care. For example, with high needs kids we went for three years initially—it should be remembered that these people were just on day-to-day contracts—and the intention next time is to go for five years with an option so that there is a much greater level of continuity further out. We would want to apply that across out-of-home care generally. We are in the process of reviewing the CSGP funding as well and hopefully we will go down the same path there.

**Ms SYLVIA HALE:** With respect, whilst you might berate the Commonwealth for its three-year "we are in and we are out" program, the program I am talking about—the Community Solutions Crime Prevention program—is just that: a three-year program that was in and then out. Can you advise the Committee whether there are specific plans to follow it up with additional funds?

**Dr SHEPHERD:** I will try to get that information for you. Remember that sometimes you do pilot work and there are some programs specifically to look at pilot testing. Community Solutions did a fair bit of that. I am talking about the more general funding approach. Certainly the Commonwealth, in proportion, puts a substantial amount more of its money out in short-term funding than we do.

**Ms SYLVIA HALE:** Dr Shepherd, can you tell the Committee whether the department sets benchmarks or goals against which its performance is measured to determine whether it is meeting its objectives in the delivery of community services?

**Dr SHEPHERD:** Yes. We are in the process of settling the key performance indicators [KPIs] with Treasury as part of what it calls the results and services plan system, which is the budget and the budget monitoring system. Obviously we have put a lot of effort into this over the last couple of years and we are doing it for a number of reasons. Firstly, we want headline key performance indicators that can be reported in annual reports forever and a day, so that they will continue to be reported for a long period. We then need a set of program performance indicators underneath those, which are critical to the finer tuning, if you like, of the programs. In addition, we are putting in place major program evaluations across a number of the big programs.

So the early intervention program has about a \$1.8 million external evaluation process that will go on over a period of five years. That is being run by the Social Policy Research Centre at the University of New South Wales, supported by the University of Sydney, and also by one of the universities in the United Kingdom. We will do the same for out-of-home care. I think the tender documents for that went out in the last couple of weeks—I will check; if they have not gone out they are due to go out—seeking expressions of interest from individual organisations or consortia prepared to put in an expression of interest to see whether they will run the out-of-home care evaluation system.

A stack of fairly sophisticated performance indicators either are in place or are being developed. Also remember the annual statistical report is now published, which gives you a lot of information.

**Ms SYLVIA HALE:** In determining whether or not the department has met those KPIs, will that evaluation be done externally to the department or internally?

**Dr SHEPHERD:** It will be a mixture. Major evaluations are being done externally, but normal management reporting is done internally. But remember that the organisation is oversighted by a plethora of external organisations that take an interest in this stuff in any event. So it is not as though DOCS has the capacity to manipulate information or to change information that it does not particularly like. In fact, I do not know whether any organisation has been prepared to publish as openly as DOCS things that are not at the required standard.

**Ms SYLVIA HALE:** The KPIs will be readily available to the public so they can assess the department's performance in light of them?

**Dr SHEPHERD:** The headline KPIs will certainly be in the annual report, if they are not in this annual report. That is something I should know but I do not. I am assured that they are. They will also be in subsequent annual reports. The other thing is that the State plan, which is due for launch in the next little while, also has KPIs against which there will be regular measurement. Obviously the two sets of KPIs are pretty close so we do not have to do multiple data collections, but certainly there are KPIs in there that will be regularly monitored.

**Ms SYLVIA HALE:** Does the department keep figures outlining variations in demand for its services from year to year?

**Dr SHEPHERD:** Yes. The statistical report will give you a fair bit of that. It will tell you the number of reports and the number of reports referred to Community Service Centres, or joint investigative response teams [JIRTs]. We also should have all the information on out-of-home care, like the number of children in statutory out-of-home care, the number of kids entering care and the number of kids leaving care. Some of the members of the Committee have had access to that report and it is on the web site. We can provide you with a hard copy, if you like, which gives you a fair bit of that information. The annual report will also have other information, the detailed financial information and where the money has been expended.

**Mr RAMSEY:** You might like to note that the key demand indicators are also reported in the budget papers over the year, with four-year segments to coincide with them.

**Ms SYLVIA HALE:** What has been the increase in demand over the last three years?

**Dr SHEPHERD:** I will get that for you accurately. It depends on what you are looking at. If you go from 2001-02 to 2005-06 there has been a bit more than a 50 per cent increase in reports to DOCS. That is over a four-year period. There has been about a 9 per cent increase in children in out-of-home care in that period and there is a stack of other comparative statistics. When you see a figure of 50 per cent you believe it to be a huge increase, which is terrible, and you think that the world is going to end.

**The Hon. CATHERINE CUSACK:** I wish to clarify one issue. Are you saying 50 per cent in reports, or 50 per cent in children reported?

**Dr SHEPHERD:** It is 50 per cent in reports. I will get you the figure for children reported. It is in the statistical analysis, except it might be from 2002-03 rather than 2001-02. The reason that 2001-02 is important is that it is the base year against which the package was structured. I prefer to use 2001-02 rather than any of the subsequent years.

**Ms SYLVIA HALE:** We were talking about the increase in demand for DOCS services. Has the department's workforce increased in this time? If so, by how much? Has the department's funding increased in that time? If so, by how much?

**Dr SHEPHERD:** We can provide the answers to all of those questions. We will give them accurately on notice. The idea of increasing resources was to be able to cope with the 2001-02 figures. There is no growth at this stage in the package for increases in demand for the duration of the package. There is a good reason for that. First, as I have said to the Committee previously, we anticipate some increases in efficiency in the department as a result of new systems and various other things. Secondly, the nature of the reports may change over the five-year period. We will do a rebalancing of the budget and of the reports and so on in 2007-08, which is the last year of the package, to be in a position to go back to Government and say, "Okay, there has been this growth. A substantial part of it has been managed while we have been growing."

We cannot grow any faster; we must recruit and train caseworkers. As I said at the last hearing, they do not grow on trees, so there is a bit of time involved.

**The Hon. CATHERINE CUSACK:** But they get demoralised and leave.

**Dr SHEPHERD:** Not many. The turnover rate for caseworkers is about 6 per cent, which is well below the human services industry benchmarks. I will provide an accurate figure, but I believe that our staff retention rate is about 93 per cent or 94 per cent, which is outstanding by human services standards. That is quite different from the situation in 2001-02. However, in a growing department that can see light at the end of the tunnel, one would expect people to hang about to be part of the change.

I would like to refer back to an important issue. The growth in reports is not uniform. It might have increased by more than 50 per cent, but there has been a very small increase in level 1 reports and a marginally bigger increase in level 2 reports. Most of the growth is in level 3 reports. It is a disproportionate growth pattern, with the majority in the lower level cases.

**The Hon. CATHERINE CUSACK:** Have you undertaken any asset evaluations or other appraisals of the Bidura property?

**Mr RAMSEY:** Yes, we conducted a value management study on Bidura, probably 9 or 12 months ago. That study was associated primarily with DOCS' need for that property once staff have been relocated. That has not happened yet. It was not a whole-of-government view of the value, but of DOCS' need for it once the learning and development staff—the major occupiers of that building—have been moved to other premises.

**The Hon. CATHERINE CUSACK:** When do you anticipate the closure of the court facilities?

**Mr RAMSEY:** I have no information on the closure of the court facilities. DOCS utilises Bidura for its own purposes—to house its learning and development staff and learning and development functions. We would like to relocate them to improved and better facilities. That is nothing to do with the operation of Bidura as a court; that is a matter for the Attorney General's Department.

**The Hon. CATHERINE CUSACK:** What was the result of the valuation?

**Mr RAMSEY:** I am not sure I can encapsulate it.

**The Hon. CATHERINE CUSACK:** A figure would be sufficient.

**Mr RAMSEY:** I would have to provide the figure on notice. My memory is that it was approximately \$19 million, but the value was based on reuse of the site. The site contains the building housing the court, which is a very substantial construction, and there would be some costs associated with removing it.

**The Hon. CATHERINE CUSACK:** What is the status of that proposal at the moment?

**Mr RAMSEY:** I stress that it was not a proposal; it was a value management study to tell DOCS what the property might be worth if it had no further use for it. It is parked information until we can find a place to relocate learning and development functions.

**The Hon. CATHERINE CUSACK:** Has it been part of the Department of Commerce committee that looks at realising these major assets?

**Mr RAMSEY:** No, it is an internal DOCS analysis only at this stage. Should the property become surplus to requirements, as part of government policy we would examine the overall need for Bidura. The Government would obviously have first call on those services, including the property authority.

**The Hon. CATHERINE CUSACK:** Under the proposal, to where would you relocate the training facilities?

**Mr RAMSEY:** That is a question in vacuum. We would move to any premise we can locate that is functionally better than Bidura. The problem with Bidura is that it was originally designed as a juvenile custodial centre. The rooms tend to be small and rather well built. That makes it difficult to undertake learning and development activities. We do it, but it would be better to have more appropriately designed and fitted out premises. We have been looking for a little while, but have not located anything appropriate.

**Dr SHEPHERD:** Obviously we would want to relocate close to the DOCS offices at Ashfield or the other main hub—that is, Parramatta. Somewhere in that general vicinity would make most sense. We do not have a place yet.

**The Hon. CATHERINE CUSACK:** What did the department spend on legal fees for 2005-06?

**Dr SHEPHERD:** Are you talking about external legal fees?

**The Hon. CATHERINE CUSACK:** All legal fees.

**Dr SHEPHERD:** As you know, we run a substantial internal legal practice. If you want that information we can try to get it for you. If you are talking about external legal costs, that would probably be easier than getting an accurate handle on the internal figure in the short time frame.

**The Hon. CATHERINE CUSACK:** What did you spend on external legal fees in 2005-06?

**Dr SHEPHERD:** We should be able to tell you that.

**The Hon. CATHERINE CUSACK:** Do you have that figure available?

**Dr SHEPHERD:** Not at the moment, but it will be available as part of the annual reporting process.

**The Hon. CATHERINE CUSACK:** Can you tell the Committee the expenditure for the same period on your internal legal services?

**Dr SHEPHERD:** I am simply being careful about exactly what you are asking us to get. If you are asking for the staff costs and overheads, we should be able to provide that. If it is anything else, we may not be able to do that.

**The Hon. CATHERINE CUSACK:** After the murder of Mr Hormozi, a Sydney taxi driver, in January this year, two 14-year-old girls were arrested and charged. Were they known to the Department of Community Services?

**Dr SHEPHERD:** The standard practice in these hearings as laid down by the various Ministers for Community Services has been that we do not answer questions about individual cases. I am not at liberty to depart from that direction.

**The Hon. CATHERINE CUSACK:** I emphasise that I am not seeking details of the case. I am wondering whether they were known to the department. When do you expect the first parental responsibility contracts to be registered?

**Dr SHEPHERD:** Clearly that cannot happen until the legislation is proclaimed. I will have to come back to you about what information I can give in relation to the proposal for proclamation. There are some things that have to be done before the legislation can be proclaimed. I think there is some debate with the Attorney General's Department to get the detail of that sorted. We will provide an update by 22 November that may or may not give you the precise answer you are looking for.

**The Hon. CATHERINE CUSACK:** What new programs will be in place to support these contracts?

**Dr SHEPHERD:** DOCS is engaging in a substantial number of activities to assist families to keep their children within the family structure. The early intervention program is a major initiative involving more than \$90 million a year. It is designed squarely to assist people, particularly with very young children, to keep their children in the household and for the children to be functioning in the normal stream. It is the first of its kind in Australia—probably one of the first in the world—to be running as comprehensively as it is. Clearly that is one of them. We are also putting in place a substantial amount of information about drug testing for parents and also supporting caseworkers with a lot more professional information on drugs and drug-using carers. That is being done as we speak. A lot of work has been done over the past year and more work will be done. Clearly, anything we can do to improve—

**The Hon. CATHERINE CUSACK:** That is not part of the parental responsibility contracts program.

**Dr SHEPHERD:** It is, because parental responsibility contracts will be used to get the parents to do a series of things. So, we put in place things such as the early intervention program. It would have support services that these people might be referred to. We are looking at all of the things that we would need to be able to do to support someone who had entered into a parental responsibility contract.

**The Hon. CATHERINE CUSACK:** I assume that those things were all organised before the legislation came to Parliament in terms of what would be required to support the contracts. I am asking what new programs are being introduced to support those contracts. I can see that drug testing of carers would be a new program.

**Dr SHEPHERD:** We already drug test carers. We are improving the policy guidance around drug testing, the protocols and so on. We have a continuous improvement process in DOCS around a lot of the policies and procedures for child protection. Parental responsibility contracts are one more tool in the set of tools that we have available to us to deal with a child who is at risk but a family that might be able, with assistance, to manage to stay together and support that child. There is not a whole new suite of things; we have continuous improvement, and this is a tool.

**The Hon. CATHERINE CUSACK:** That answers the question. Are you familiar with Magistrate Crawford's discussion paper called "Supervision: A proposal for reform"?

**Dr SHEPHERD:** No, I am not personally familiar with it.

**The Hon. CATHERINE CUSACK:** Of the Children's Court.

**Dr SHEPHERD:** I am not personally familiar with the paper. If it was distributed to the department, undoubtedly other officers would be.

**The Hon. CATHERINE CUSACK:** Is anybody else here aware of it? I got it from the web site, so I assume it is a public document.



**Dr SHEPHERD:** We can do a trawl and find out who does know about it and let the Committee know on 22 November.

**The Hon. CATHERINE CUSACK:** I wondered if there could be a response to his recommendation but I will come back to that moment. Does the Department of Community Services have a policy on the use of departmental resources to distribute pornography? I know that every government agency is required to have a policy, but not all of them do. I am asking if you have one?

**Dr SHEPHERD:** Yes, we do and we have a number of mechanisms in place to make sure that that policy is known about within the agency. When people turn on their computers a screen pops up, which basically sets out the department's policy and asks them whether they do or do not agree. They have to agree in order to proceed. It also states that there will be random monitoring of the use of email, which occurs. We also have in place very strong filters around pornographic material to prevent the stuff coming in in the first place. Often this stuff comes in unsolicited, as you would know.

**The Hon. CATHERINE CUSACK:** Have you had instances where that policy has been breached?

**Dr SHEPHERD:** There were some cases, at the tail end of investigation, when I first went to DOCS in July 2002. We have had no case, that I am aware of, of exposure to serious pornography since that time. Obviously the filters block it out and we have not picked it up in the random monitoring over that time. We also have an agreement with the Public Service Association that people involved in hardcore pornography are not going to be supported by the union should we need to take action. Clearly, in an organisation such as the Department of Community Services hardcore pornography is not acceptable.

**The Hon. CATHERINE CUSACK:** That would be adult, as well as child, pornography?

**Dr SHEPHERD:** Yes.

**The Hon. CATHERINE CUSACK:** I would like to ask about Aboriginal children in care. I will not refer to the matter that causes me to raise this issue but my question relates to the guidelines the department has regarding cultural considerations for placing children in foster care. Are cultural considerations more important than the needs and desires of the child?

**Dr SHEPHERD:** It is a complex answer, in a sense. The legislation requires that the interests of the child are paramount. There is then, of course, the Aboriginal placement principle that sits alongside that, which directs the steps that we have to go through in placing an Aboriginal child. Then there is a third thing that we are now starting to work on—more than work on—which will be the need for a child placed in a non-Aboriginal placement, because clearly there are going to be children placed in a non-Aboriginal placement, to have a cultural care plan as part of the care plan. In some cases that already happens but I want a much stronger and more formal process because I suspect, looking at the demographics, that an increasing number of Aboriginal children will need to be placed in non-Aboriginal placements over the next decade.

**The Hon. CATHERINE CUSACK:** The issue that concerns me is the stability of those placements. I understand there have been successful placements of Aboriginal children in foster care, which have been displaced for cultural reasons even though the placement was successful and the children were happy, because it was not meeting cultural requirements. It appears vulnerable to being tipped over. With a change of caseworker or with another family coming forward, suddenly what is working quite well can be overturned.

**Dr SHEPHERD:** For the reasons you say, that would be unlikely or very unusual. What is more likely is that the children came in to a temporary placement that was viewed as temporary until such time as other kinship options could be explored. Then what happens is the family and the children get along well but then there is somebody, who was a kinship placement, who goes through all the training and is deemed to be suitable and so the children are transferred to the kinship placement. If the child had been placed in long-term statutory out-of-home care with a non-Aboriginal

carer and there was a cultural care plan in place, and we had explored the kinship options beforehand, which is what we should done—

**The Hon. CATHERINE CUSACK:** The problem is they are not available beforehand and they become available. I think that is really the problem with the cases that particularly the Administrative Appeals Tribunal would have dealt with. It seems to have found that cultural issues overpower every other matter in many cases.

**Dr SHEPHERD:** It is not for me to challenge—

**The Hon. CATHERINE CUSACK:** Parents change their minds and suddenly everyone is ripped up.

**Dr SHEPHERD:** Yes. The long-term stable placement of children, in my view, is the most important thing that we can do in out-of-home care and anything that we can do that increases the stability of those placements needs to be done. That is particularly so for the under fives because we know that multiple placement breakdown is the thing that leads to disaster for these kids further down the track. You only have to go back to the Fitzgerald Royal Commission report in about 2001 or 2002, the under fives report, to see what happens with multiple placement breakdowns for young children. We asked the Government for an extra 150 out-of-home care caseworkers, which has been agreed to, to strengthen our capacity to provide absolutely first-class casework support to these kids in out-of-home care, and to support the foster carers very strongly in the first 12 months of the placement so that these placements remain stable for much longer periods of time. Anything, be it an administrative process or whatever, even the legislation, that can be strengthened to place early decision making and the stability of the placement at the top of the tree would be the best thing you could do for these kids in out-of-home care.

**The Hon. CATHERINE CUSACK:** I agree. Will legislation be required to strengthen that position, given the attitude of the courts and the Administrative Appeals Tribunal?

**Dr SHEPHERD:** I will break my previous rule. My view is, yes. The legislation does need change—I am on the record as saying that, anyway. It does need strengthening and some of the principles in that legislation are confusing. They were brought in with good intentions after the 1998 review of the Act, but it would benefit I think from simplification and a clear hierarchy that took the decision makers through a series of steps that had the interests of the child absolutely paramount with no competing interests sitting in there, and then a series of steps that would ensure the stability of placements and the fact that the stability of placements is critical.

**The Hon. CATHERINE CUSACK:** On what date did the department submit its annual report to the Minister?

**Dr SHEPHERD:** It was before the required time. I can come back to you with an exact date. I think we had a day's grace.

**The Hon. CATHERINE CUSACK:** So, it on about 30 October?

**Dr SHEPHERD:** It was on time.

**The Hon. CATHERINE CUSACK:** I suppose that means it will be tabled in Parliament tomorrow, if the Minister is going to comply? I know you cannot answer that question. At the last hearing I sought a reference to the High Court ruling in relation to protective removal of siblings.

**Dr SHEPHERD:** It was not a High Court decision; it was a District Court decision in New South Wales.

**The Hon. CATHERINE CUSACK:** A higher court.

**Dr SHEPHERD:** Higher court, yes. I said that we would get that for you, which we are in the process of doing. I need to get the judgment and also need to try to get the transcript from that

case. I can certainly get the judgment, but what you will really need in order to get your head around it is the transcript.

**The Hon. CATHERINE CUSACK:** Thank you. What you able to locate an audit of criminal record checks for carers?

**Dr SHEPHERD:** We said we would do that by 22 November. I have not gone looking.

**The Hon. CATHERINE CUSACK:** My understanding is that you were not sure whether there was or was not an audit. Have you been able to establish that?

**Dr SHEPHERD:** No. I have not had an opportunity to do that yet. I have sent all of those questions down into the organisation for people to work on and I have not had an opportunity to chase them yet.

**The Hon. CATHERINE CUSACK:** What is your position in relation to programs for children displaying inappropriate sexual behaviour, children who are not sex offenders but might be identified as being at risk of becoming sex offenders, particularly children in care? Do you have any programs that those children that are funded by DOCS?

**Dr SHEPHERD:** Yes we do, but remember services for this class of children, whether they are offenders or at risk of becoming offenders, are exceedingly limited in New South Wales. In fact, they are exceedingly limited across Australia. We fund at least two major programs, one of which is the Youth Off The Streets Program and the other is New Start, I think.

**Ms GALLARD:** Health funds that.

**Dr SHEPHERD:** Oh, the Department of Health funds it. I thought we contributed funds. Okay, there are two main ones and there will be a number of other people who provide those sorts of services. As I said, there is a shortage across Australia. Annette might be able to provide a little more information but I can get you accurate information on what we fund. When I say "accurate", the difficulty is that some of these things will be connected to other cases and people will be getting counselling or support as part of a case plan, and that will not be as easily identifiable.

**The Hon. CATHERINE CUSACK:** I understand that hence my concern that there are kids falling through the cracks because of the complexity of the cases that they are in. Often DOCS has multiple client considerations in dealing with the case and the issue of obtaining ongoing therapy when there is that window of opportunity to save them from ongoing behaviours.

**Dr SHEPHERD:** I do not think there is any doubt that if you ask anybody there is a weakness in the system that is around the access to trained resources to do the counselling and the support work. Those people just do not exist in sufficient numbers to deal with all of the cases that currently come to either our attention or anyone else's attention for that matter. Annette may be able to give you further and better particulars.

**Ms GALLARD:** There is obviously a spectrum of behaviours that children can exhibit. They range from a fairly normal interest in body parts through to other behaviours that are more concerning. There is a range of ways that we can tackle those issues. For example, the department has psychologists who can assist and provide advice, and we are nearly doubling the number of psychologists who will be employed. As well we are considering whether we need to upgrade specialist training in this particular area. We also refer children to private practitioners who are able to assist as well.

**The Hon. CATHERINE CUSACK:** I guess the issue is: is the funding available to do that, because I know that it can be taken out by private practitioners but it can be difficult to obtain that funding and then to sustain it? I know it can be a very expensive commitment.

**Ms GALLARD:** I think the issue is more about the availability of private practitioners who have the skills to be able to do this. We use a number of private practitioners. I have not heard that the funding is a problem; it has been more about where are these services going to be provided from, and,

as Dr Shepherd says, for children in out-of-home care we tend to use two service providers: Youth Off The Streets, who have a specialist residential program, and also New Street, which is funded by the Department of Health.

**The Hon. CATHERINE CUSACK:** Are you funding individuals or are you funding the services?

**Ms GALLARD:** In the case of Youth Off The Streets we fund the service. In the case of New Street we make the referral of the young person and we pay for any services for private practitioners.

**The Hon. CATHERINE CUSACK:** I know that there is enormous demand for Youth Off The Streets, which I have visited. Is there any plan, in terms of what you were referring to earlier, about stabilising their funding and looking at longer-term commitments so that that type of service, which is very badly needed, can be allowed to grow?

**Dr SHEPHERD:** Yes, there have been ongoing negotiations between Father Riley and myself and other senior staff of his and mine about a couple of programs that Youth Off The Streets is running. I think we have reached agreement. We have been continuing to place children in those services for the last year and a half and we have been working out what is the best way forward. We now have an agreement as to what the best way forward is—at least, that is what I am advised; I have not actually spoken to him yet in the last couple of weeks. But if my advice is correct, then we will have a stable program with Youth Off The Streets with a formal evaluation attached to the program that will give both of them and us a better idea of what changes we might want to make to that program going forward. It would be then funded over a period of years, not on a individual client base.

**CHAIR:** Do Government members have questions at this point?

**The Hon. CHRISTINE ROBERTSON:** Not at this time, thank you.

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** Dr Shepherd, if you are funding private foster organisations and they are funding foster parents or foster carers, is it not a bit like Qantas selling tickets: they can either sell them directly or they can sell them through an agent and the agent takes a commission? So that, in fact, the total cost is higher if it is done through another organisation, is that right, when you are, in a sense, competing with the private sector?

**Dr SHEPHERD:** We are not competing with the private sector, we are providing services to children who come into out-of-home care, and historically in New South Wales the department has provided a substantial amount of the foster care, the spectrum of foster care – is it different in Victoria—and, as I said before, we do have the costing manual. The costing manual sets out what the ranges of costs ought to be. So, it is pretty transparent as to exactly what the range of reasonable costs ought to be for a particular kind of service. If they are providing long-term foster care you can work out pretty much whether it should be between, say, \$100 and \$120, whatever the number is.

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** Do you accept my basic model that if you are funding at all anyway, unless it is an external organisation—I took Barnardos because I know they have been here since 1800 or whatever—you can either pay the foster carer directly or you pay somebody else who pays the foster carer? If you put an extra organisation in the process and the payment to the carer is the same you must, by definition, have an extra interest group getting some money. I cannot see that the competition can be neutral between the government providing and a private provider, is that right?

**Dr SHEPHERD:** Not entirely. With some of the non-government organisations we, in fact, pay the foster carer.

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** They merely mentor them or help them or coach them, or whatever you like to call it?

**Dr SHEPHERD:** Yes. They may do the casework; they may do some of the other things. For some of them we pay the foster carers direct; for others we do not. It is unreasonable to say that non-government agencies must be more expensive than DOCS because there will be differences in costs depending on the particular element of the program. For example, our caseworker costs will be a bit higher because we insist on tertiary qualified staff; a massive amount of training as well—

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** You mean DOCS does?

**Dr SHEPHERD:** Yes. So our entry requirements are higher and our training costs are probably higher as well. The costs will not be exactly comparable item for item, and it depends how much of the items are being paid for by DOCS and how much of the items are being paid for by the non-government organisation as to what the balance will be in terms of the net cost of the provision of foster care.

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** There is a shortage of foster carers, is there not?

**Dr SHEPHERD:** Yes. We always need more foster carers in New South Wales, particularly across the various spectrums that I talked about earlier. But I am having difficulty understanding exactly—

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** Where I am aiming? I am coming there.

**Dr SHEPHERD:** Because it would help me giving you the answer.

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** Are there organisations that are accredited and have foster carers but do not get those carers funded?

**Dr SHEPHERD:** There may be. I do not know. Certainly, there are none of the major providers of foster care who have been accredited or who are going through the quality improvement program who are not being funded to provide foster care. It may be that Kerryn Boland, the Children's Guardian, can tell you more about who is accredited and who is not and how many agencies are accredited. But we use the agencies that go through our funding processes and which are accredited. Just because you are accredited does not mean that you are going to get through all of the hurdles that we might put in place in relation to an agency we are prepared to do business with. You might be outside the costing ranges in the costing manual and refuse to come within them.

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** In other words, there may be accredited new providers with foster carers who do not get funding because they are too expensive?

**Dr SHEPHERD:** If those people existed and they were outside the ranges that the other service providers could meet—and remember I said it is a range, it is not a fixed number—then we would not be prepared to fund them. That does not mean we would not negotiate with them; it does not mean the costing manual is not available to them—and remember the costing manual was developed in conjunction with the non-government service providers and with an independent private sector group who did most of the calculation work. If you are not going to work within the spectrum that we are prepared to operate in then you do not have an as-of-right siphon into the government's purse.

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** If you are advertising for more foster carers and there are foster carers there ready to go in accredited situations, you would have to justify the fact that you are not willing to pay what is, it effectively, a market situation, that those people are wanting to be foster carers, who are accredited to be foster carers, that some of your foster care organisations are not yet accredited and these people are ready to foster but cannot, is that right?

**Dr SHEPHERD:** I do not know whether there are specific agencies in the position that you allude to.

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** My understanding is that there are.

**Dr SHEPHERD:** They certainly will not be big, and if there are it will be because they either do not meet the criteria that we have laid out in the funding guidelines or because their costs are too high. Given that other non-government agencies across a wide range of sizes—it is not just the big ones I am talking about—are able to operate within the cost ranges that have been negotiated with the non-government sector and are able to meet our other requirements concerning data and various other things, then the fact that someone is accredited is just one of the hurdles you meet in order to come through our system. I cannot put it any more directly than that.

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** Can you give us a list of the ones that failed to get tenders?

**Dr SHEPHERD:** We have not tendered for anything other than—and that was not a tender either, it was an expression of interest—the high-needs kids. We have not gone out to a general expression of interest for general foster care.

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** That is dealt with in-house, is it, without a public process?

**Dr SHEPHERD:** We will go to an expression of interest for services in out-of-home care sometime hopefully in the first quarter of 2007. So, we will go into an open process but, in the meantime, the negotiations occur on a case-by-case basis using the transparently available material that is already there. We do not have, as far as I am aware, many agencies who are pressing to provide services that meet the criteria that you are talking about, who are within our funding envelope and who are not engaged. So they will be very specific, the ones you are talking about.

Maybe another way to deal with this—and it is only a suggestion—would be to write a letter and give us who these people are and we can tell you very quickly what the issues are from the DOCS side, because it is not as if it is a trade secret.

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** There was a lot of fuss in the time of the DOCS inquiry about unallocated cases and the time they took to respond. Is there still such a thing as unallocated cases, renamed or unrenamed, and is everybody who is reported responded to, and what is the drop-out rate, if you like? Because the unallocated cases before were a very high percentage of the total reporting, as we recall.

**Dr SHEPHERD:** Every report is responded to. People ring in; they ring the Helpline; they will then be transferred to a caseworker and that caseworker will spend as long as it takes on the phone to get the details of the report. A decision will then be made as to whether the report is referred to a Community Service Centre or to a JIRT for further investigation. On average, over the last five years about 65 per cent of reports to the Helpline are referred to either a JIRT or a Community Service Centre for further investigation. You will recall, because I have used the figures before, that in 2001-02 DOCS was able to allocate to a caseworker 55 per cent of its level one cases, 26 per cent of its level two cases and 12 per cent of its level three cases. We are now significantly better off than that.

If you look at the sites that have had their full allocation of new caseworkers, except the early intervention caseworkers, who come later, and all the new child protection caseworkers, we are now able to allocate to start work on these cases for 98 per cent of the level ones, 85 per cent of the level twos and 53 per cent of the level threes. That is a substantial improvement on what was happening in 2001-02. Even for the sites that have not got all of their new caseworkers there is also a significant improvement in performance—not as good as that but still significant improvements. That is largely because of improvements in the systems that support them. We are now able to allocate 93 per cent of the level ones, 52 per cent of the level twos and 31 per cent of the level threes.

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** What percentage of total referrals are represented by levels one, two and three?

**Dr SHEPHERD:** I checked these just before the meeting: level ones 11 per cent, level twos 40 per cent and level threes 49 per cent.

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** There are no fours and fives?

**Dr SHEPHERD:** No, level four is what we call "for information". They are the things that are culled out in that referral process.

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** So there are still some ones that are culled?

**Dr SHEPHERD:** I said that 65 per cent of reports are referred after assessment by the Helpline caseworkers to a JIRT or to a CSC for further investigation. What we are now talking about is the 65 per cent—

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** Those percentages of action of 11, 40 and 49 relate to the 65 per cent?

**Dr SHEPHERD:** Yes, because the others are not considered. They are "for information" or they are general inquiries or whatever. They come in as a report because they have to be recorded but the ones you focus on are the 65 per cent referred to a CSC or a JIRT and they are the ones split into levels one, two and three. As I said earlier, the level ones have stayed fairly stable at 10 or 11 per cent for about five years. The level threes are the ones that are in increasing as a proportion. Does that answer your question?

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS:** Yes, thank you.

**Ms SYLVIA HALE:** Dr Shepherd, is any progress being made towards the development of an integrated long-term homelessness strategy for this State? If so, how heavily involved is your department in the development of that strategy?

**Dr SHEPHERD:** The Partnership against Homelessness is in my view a substantial integrated strategy to deal with homelessness, not just dealing with the results of homelessness but also trying to get at the causes of homelessness and get people out of the refuge systems and so on into much more permanent accommodation. The Department of Housing leads the strategy but DOCS is heavily involved as a partner. I do not know what you would do if you were going to talk about anything more integrated than the Partnership against Homelessness. It is in fact a very good program.

**Ms SYLVIA HALE:** Except that I understand that there are something like 38 or 39 local initiatives but what seems to be lacking is any long-term—for example, ten years—strategy which would involve refuges, supported accommodation assistance, drug and alcohol aspects, and the multitude of components that contribute to homelessness.

**Dr SHEPHERD:** My view is that the partnership does deal with those issues. The partners meet regularly. It is taken seriously and it is designed to improve the way the government agencies interact in order to provide the network of support that homeless people need underneath them. So it is not fair to say that there is not a focus on the various elements of homelessness or the contributing causes to homelessness and that the agencies do not work in partnership to try to address those in a holistic fashion. I suppose there are many government programs that work well, but this is one that does work well. On the evidence I have seen over the last four or five years there has been a significant focus on improving the long-term outcomes for homeless people rather than what was a very short term approach. That has included not just the government agencies but the non-government sector as well—the big partner agencies that work in homelessness under the SAAP. I do not know whether any of my colleagues have a different view from that.

**Ms SYLVIA HALE:** I understand that Victoria and South Australia have long-term State strategies but NCOSS, Homelessness NSW, and the New South Wales refuge movement in their response to the State plan called for the development and implementation of a statewide strategy. On 25 August the Deputy Premier said, "There was a strong sense that we need to address homelessness in New South Wales. The call for there to be a priority on this issue has been a strong one and it has been heard." So the Deputy Premier seems to feel that there is a problem. I would have thought that if the problem needs to be addressed your department would be intimately involved in it other than doing what it has been.

**Dr SHEPHERD:** With respect, I think what I just heard you say the Deputy Premier said was that he acknowledged that there was an issue perceived by some of the peak non-government organisations that this should be a higher priority in the State planning process, and it was, because the first draft State plan did not have much in there about homelessness. I was sitting in a room at the consultation that was held at the MLC Centre with the non-government sector. What they were talking about was elevating it in a symbolic sense. There was not a criticism at that meeting, as I recall, although I am able to be corrected, of the Partnership against Homelessness. What they were really trying to do was to raise its profile.

**Ms SYLVIA HALE:** This is what those organisations had to say in their submission about the Partnership against Homelessness, "The current NSW response to homelessness is the Partnership against Homelessness, which brings together 12 government agencies. PAH projects currently operate under a "place management" approach which results in pilot or contained projects in particular locations. Under the PAH the community and non-government sectors are not able to participate in an active and planned way in efforts to address homelessness across New South Wales. This provides neither an integrated nor a holistic response to what is a broad community problem."

**Dr SHEPHERD:** My view is that the Partnership against Homelessness does address these issues on a broader sense than just a series of place management projects. Those place management projects may come out of the broader considerations but my view is that the partnership does have a broader position. I do not know that I can assist you any more than that. If you want more about the partnership then the appropriate agency is the lead agency and that is the Department of Housing, although we would be right in there in anything further that was developed by government.

**Ms SYLVIA HALE:** Perhaps this is best addressed to Ms Calvert. The report of the Child Death Review Team indicates that a number of young people who had been receiving services from DOCS committed suicide over the last five years. How many of the young people who committed suicide in that time were receiving services from DOCS at the time of their death?

**Ms CALVERT:** I will take that on notice to give you an accurate figure.

**Ms SYLVIA HALE:** Has the department conducted its own review of its involvement with these young people to determine how it might reduce the number in future years?

**Ms CALVERT:** That might be better answered by the Director General.

**Dr SHEPHERD:** In any death that involves a child who is a client of ours or who is known to us we will make an assessment as to whether a significant internal review is required as well as any external reviews that might occur. We have established a special team to do those reviews with experienced child protection practitioners and people who have investigation experience. So there is a sophisticated and intense review process on child deaths. We do not do every one. Sometimes we will come to an agreement with the Ombudsman about who is going to do what and we provide all of our material to the Ombudsman as well. So there is a sophisticated internal process and the Ombudsman these days generally accepts the quality and the thoroughness of our internal reviews.

Some of the children or young people who committed suicide will have been investigated by our internal process and the deaths of some will also have been investigated by the Ombudsman. It is difficult to generalise. Many of these children have been receiving services—some of them have been receiving intensive services—but youth suicide is one of those tragedies that is not completely easy to predict and there are many driving forces for that kind of tragedy. What the reviews are telling us is pretty much that. In my discussions with the Ombudsman I think he also is finding that there are a broad range of reasons for youth suicide and that it is not going to be easy to come forward with blanket prescriptions about dealing with children—they are not even always obviously at risk of suicide, but even for those who are at risk—and exactly the kinds of supports that need to be put in place to make sure this does not happen.

We have had cases where children have committed suicide when they have been under treating psychiatrists and psychologists, with lots of other services in place, non-government and government, and still a tragedy has occurred. We have certainly had children who have attempted



suicide in the same sorts of circumstances. It is one of those unfathomable, very difficult issues to deal with that causes a great deal of distress for everyone involved, whether they are DOCS caseworkers, the family or non-government sector workers.

**Ms SYLVIA HALE:** The child deaths and review report indicated that there was a failure by DOCS, by schools and by juvenile detention centres to screen for mental health problems. The report states:

Some [vulnerable] children and did not appear to have received any formal mental health screening as part of any assessments undertaken to give focus to ongoing treatment ... This highlights the need for caseworkers ... to be appropriately skilled to screen and identify children ...

Has that sort of comment prompted any action from within the department?

**Dr SHEPHERD:** I do not know whether that comment itself has prompted action, but one of the things that we are doing is embarking on a major professional development and quality assurance process in DOCS over the next two years. There is now a central unit that has been set up to set the professional development process in place. There will be 80 plus senior specialist casework staff who will be allocated to the professional development task within the organisation. We are streaming the kinds of information and competencies that the caseworkers will need to develop in order to maximise their skill base around the key things that we need to do. Over the next two years that will result in a significant improvement in the quality of work that is done.

What we started out to do from 2002 until now pretty much was to catch up with the numbers. Because we were so far behind in numbers, it was a numbers game. Now it is a quality game to make sure that a child who gets service in 2007-08 will be getting a better service than they got in 2001-02. One of the key things that the increase in caseworkers, the increase in professional qualifications and the methodologies which will be put in place will do is improve the assessment processes. One of the things that DOCS needs to be an expert in is the assessment of risk to a child. We have identified about three or four areas that are key priorities for us and mental illness and mental health is one, drug and alcohol is another, and domestic violence is another. There is a fourth one that has slipped my mind but Annette Gallard might remember. Those will be key areas that we will focus on with casework staff over the next couple of years and then beyond. Mental health—yes, it is sitting in there.

Often review comments basically fit squarely within what we are intending to do anyway or what we have already started to do, but that comment is squarely in line with where we are going.

**Ms CALVERT:** I just wish to make a comment in relation to that. If you look at the end of the Child Death Review Team where we were monitoring recommendations that had been made previously, what you will see is that the Government is reviewing the suicide prevention strategy. One of focuses is on young people. I would anticipate that, arising out of that review, that review would take into account the sorts of comments that have been made in this annual Child Death Review Team but more significantly would take into account the comments we made when we reviewed the deaths of all children from suicide and risk-taking for the five-year period 1996-2001.

**CHAIR:** There being no further questions and time having expired, I thank the witnesses for attending.

**(The witnesses withdrew)**

**(The Committee proceeded to deliberate.)**