

Division 74: Disability Services Commission, \$590 005 000 —

Mr A.P. O’Gorman, Chairman.

Dr K.D. Hames, Minister for Health representing the Minister for Disability Services.

Dr R.F. Chalmers, Director General.

Mr G. Meyers, Chief Finance Officer.

[Witnesses introduced.]

[4.20 pm]

The CHAIRMAN: Member for Mandurah, your first question.

Mr D.A. TEMPLEMAN: I refer to “Individual support” on page 883 of the *Budget Statements*. What is the status of the decision to cut 34 community social trainer positions, and what alternative non-government service providers are able to offer the 250 affected families the same service they currently receive?

Dr K.D. HAMES: I pass to Dr Chalmers.

Dr R.F. Chalmers: The decision to change the service delivery model has been a long time coming. For over 10 years now we have wanted to move from what was the very traditional service delivery model we had been operating back in the 1980s and early 1990s through to something far more individualised, personalised and contemporary. At the moment with community social trainers, it is a unidimensional service delivery model. By moving to a more individualised approach, we get the opportunity to develop individualised plans for those people in the community and allow them to access a range of non-government service providers. The member asked about the status of the decision. We have been dealing with the Industrial Relations Commission on staff who are currently involved. Some of those will be with us for the next 12 months to help transition to these new arrangements to ensure it is a seamless move from what we have had in place to this more individualised approach.

Mr D.A. TEMPLEMAN: How many of those 34 community social trainers have already resigned?

Dr R.F. Chalmers: As of today, I cannot give the member that precise number, but I can make it available.

Mr D.A. TEMPLEMAN: It was mentioned that the status of the decision is to move to a more individualised and personalised service. I have a family in my electorate that is directly affected by this decision and I am working with that constituent, a mother, regarding her 50-year-old daughter. I can say that it is her view, and that of her daughter and her family, that the social trainers did deliver an individualised and personalised service. The second part of my question is: what alternative non-government service providers are able to offer the 250 families the same services they currently receive?

Dr R.F. Chalmers: The commission currently funds approximately 118 non-government disability service providers. We would say that at least one-third of those organisations have the capacity to provide those individualised services. An example is Perth Home Care Services, which is a very large community-based organisation. It has actively been trying to encourage us to move towards this more contemporary approach in recent times, because it can deliver those services and is keen to do so.

Mr D.A. TEMPLEMAN: Can the minister guarantee that the same service being provided by community social trainers will be provided to the same quality and standard to those 250 families?

Dr K.D. HAMES: Dr Chalmers.

Dr R.F. Chalmers: Simply, yes.

Mr D.A. TEMPLEMAN: That is a guarantee?

Dr R.F. Chalmers: Yes.

Ms J.M. FREEMAN: Regarding the move towards an individual service, I understand that that is the intent of the national disability insurance scheme. Is the move towards doing that consistent with the government’s position, minister, on the national disability insurance scheme in terms of individual support? Given that, will Western Australia be seeking to have one of the four pilot schemes the federal government has announced for next year?

Dr R.F. Chalmers: The move away from the unidimensional community social trainer model is absolutely consistent with the vision of the national disability insurance scheme. The Productivity Commission, which developed the NDIS model, formed it on the basis of individualised, personalised services through which people get the opportunity to make their own decisions and take control over service delivery rather than having it imposed by one government agency. In terms of ideology and philosophy, it is absolutely consistent with that. In

fact, to give people more control over services rather than telling them what services they will get is consistent with the move internationally in disability services.

The second part of the question relates to the four launch sites that the commonwealth government has been talking about in the first phase of the national disability insurance scheme. At this stage, as I understand it, the state government is yet to make a decision on how it will respond to the invitation from the commonwealth for those launch sites.

Dr G.G. JACOBS: I draw the minister's attention to the line item "Family and carer support" in the service summary on page 880. In my electorate, there is the Goldfields Individual and Family Support Association, a non-government organisation that supplies support for about 90 clients. Accommodation is available in a home in Varden Street, Kalgoorlie, which is set up for people with disabilities and is provided for respite. Does the \$67 million, which goes to \$68 million in the line item I referred to, indicate that there will be more help for loved ones to access more respite for their carers?

Dr K.D. HAMES: The member for Eyre just said the figure goes from \$67 million to \$68 million, but it actually goes from \$67 million to \$78 million. Dr Chalmers.

Dr R.F. Chalmers: The short answer to the question is, yes—a significant portion of that is directed towards family support and respite opportunities and, again, our attempt will be to make that as flexible as possible for people. Some of that money will end up being used for centre-based respite and in-home respite across a broad range of models in the metropolitan area and in regional areas of the state.

Dr K.D. HAMES: That is quite clearly a magnificent increase, particularly when we look at the very bottom line item stating the total cost of services. The figure goes from \$541 million up to \$722 million. The figure for the particular line item the member mentioned goes from \$53 million in 2010–11 up to \$78 million now for 2012–13. That is a \$25 million or 50 per cent increase in budget in the space of just two years.

[4.30 pm]

Dr G.G. JACOBS: One of the issues is that unless a support package is provided, a lot of families find it financially very difficult to access services. The intensive care and support that is provided at Varden Street may cost up to \$40 an hour, and that means that many carers cannot get adequate respite from caring for their loved ones. Will there now be a greater likelihood that carers will be able to access more support packages?

Dr R.F. Chalmers: Those dollars will be allocated in a range of different ways. Some of the funding is allocated to individuals via our local area coordination network, and that allows them to purchase hours of support. Some of it is done as actual packages, as the member has mentioned, so that carers can take control and tailor those supports. In some service delivery areas we block-fund respite organisations, and people then access that via whatever service delivery model they have. So we, again, try to have a range of different mechanisms in place for people to access that respite. I should add that our mechanisms also facilitate the commonwealth carer respite dollars to flow so that people have the opportunity of drawing on commonwealth dollars as well to be able to use those facilities. There is a range of mechanisms.

Ms J.M. FREEMAN: Does that respite funding include increases in the school holiday respite program?

Dr R.F. Chalmers: No. There is a separate allocation for the continuation of the school holiday respite program.

Ms J.M. FREEMAN: Where is that allocation, because for the 2012–13 budget, the allocation is \$1 million, but it does not go into the forward estimates. Is that the case?

Dr R.F. Chalmers: That \$1 million is the funding allocation for 2012–13, and, again, we will be seeking additional funding during the course of next year to continue that program, which is working very successfully.

Ms J.M. FREEMAN: But at this point in time it is only for 2012–13?

Dr K.D. HAMES: Yes.

Mr M.P. WHITELEY: I refer to page 882, but it actually goes over to pages 883 and 884, and it is about the efficiency dividend. With regard to accommodation support, individual support, individual coordinators and local area coordinators, family care and support, and community access and inclusion—those five categories—what specific measures will be adopted to meet the efficiency dividend? Secondly, has there been a presentation to staff about the impact of the efficiency dividend; and, if so, could we please have access to a copy of the presentation and any supporting material?

Dr K.D. HAMES: I am just checking but I cannot find the reference on the page the member mentioned.

Mr M.P. WHITELEY: It is page 882.

Dr K.D. HAMES: Where does it say "efficiency dividend"?

Mr M.P. WHITELY: I am referring to the heading “Services and Key Efficiency Indicators”, and it relates to accommodation support services. It is at page 879, but it also relates to the services that are outlined at pages 882, 883 and 884.

Dr K.D. HAMES: We will use page 879 as the reference page. Dr Chalmers.

Dr R.F. Chalmers: It is important to note in answering that question that services purchased from the not-for-profit disability services sector will actually be excluded from the efficiency dividend, and given that over 70 per cent of the Disability Services budget flows to that sector, the actual efficiency dividend is only \$3.84 million for the year ahead, 2012–13. Over that same period, the commission is receiving growth funding of over \$41 million. In terms of strategies that the commission plans to use, some of these are still under development, but some examples would include more efficient use of office space so that we reduce leasing costs; newer homes that we will be getting through Housing, resulting in the need for less property maintenance; use of network printers in main offices to cut down on operating costs; more effective use of pool vehicles; and planned delays in filling targeted staff vacancies in administrative areas. So we have a range of strategies that we will be using. The net effect, though, is that there will be no impact on those direct services.

Mr M.P. WHITELY: The second part of the question was: has a presentation been made to staff about the efficiency dividend; and if so, can we please have that by way of supplementary information?

Dr K.D. HAMES: No, Mr Chairman, we cannot do that, because for all agencies, the detail of what will be done in terms of efficiency dividends has not yet been decided. That will be decided in the lead-up to 1 July.

Mr M.P. WHITELY: So there has been no presentation to staff?

Dr K.D. HAMES: As I have said previously, if the member wants to ask questions, I certainly as the Minister for Health am more than happy to provide answers once those decisions have been made.

Mr M.P. WHITELY: So there has been no presentation to staff?

Dr K.D. HAMES: I would doubt that very much, because they would still be doing an analysis of where exactly those efficiency dividends are going to come from.

Ms J.M. FREEMAN: I refer to page 879, under the heading “Major Spending Changes”, the declared places program, disability justice centres. I understand that the new declared places will take responsibility only for adolescents under the age of 16 who are unfit to stand trial but are not safe to live in the community. Who will deal with children below that age?

Dr K.D. HAMES: Could the member please repeat the question, because I am not sure that I understand it.

Ms J.M. FREEMAN: I understand that the disability justice centres under the declared places program will take kids only from the age of 16.

Dr K.D. HAMES: I think the director does understand the question. Dr Chalmers.

Ms J.M. FREEMAN: Thank you, minister.

Dr R.F. Chalmers: In the design of the declared places, we were very conscious of the prospective clientele for those two places when they were constructed, and we were given strong advice from a range of sources that 16 years and above was an appropriate cut-off point, if you like. In answer to the member’s question, I guess the status quo remains for people below 16 years of age.

Ms J.M. FREEMAN: Under the status quo at the present time, where do these people go? Do they go into state care?

Dr R.F. Chalmers: That really depends on the court system and where the courts want to send them. The Mentally Impaired Accused Review Board has the responsibility of determining whether they will be detained in a juvenile detention centre or whether there is some other community-based option, and that often involves the Department for Child Protection.

Ms J.M. FREEMAN: Does that mean that a person who has a disability and who gets into the justice system but is not fit to stand trial—which is what I understand this is all about—and who is under 16 years of age, will not get the support and assistance that will be provided to adolescents over the age of 16?

Dr R.F. Chalmers: Via the declared places initiative announced by government—via that mechanism—the answer to that question is no, they will not.

Ms J.M. FREEMAN: So effectively the declared places program is only for adolescents between the ages of 16 and 20?

Dr R.F. Chalmers: The declared places have been established for adults, so it is 16 through to old age.

Mr D.A. TEMPLEMAN: I refer to page 882, accommodation support services. Can the minister detail the total number of DSC clients who are receiving accommodation support from DSC direct care staff, either in a DSC facility or in their own home?

[4.40 pm]

Dr K.D. HAMES: Dr Chalmers.

Dr R.F. Chalmers: The Disability Services Commission runs an accommodation service that is our own direct service. I cannot give the member the precise number but it hovers at around 500.

Mr D.A. TEMPLEMAN: Is the trend increasing? Are more clients coming into DSC service facilities; and, if so, what is the percentage increase over the last two years?

Dr K.D. HAMES: It has declined slightly over the last couple of years.

Mr D.A. TEMPLEMAN: Can the minister provide the number and the comparison over the last two years by way of supplementary information?

Dr K.D. HAMES: We are happy to do that. As supplementary information we will provide the details of the number of directly operated services over the last three years —

Mr D.A. TEMPLEMAN: And if they could be broken down into those clients who are receiving accommodation support in DSC facilities and the number of clients who are provided support in their own homes. There are two numbers there.

Dr K.D. HAMES: Dr Chalmers needs to ask a further question about that question.

Mr D.A. TEMPLEMAN: Of the 500, some would be in a DSC-operated facility. I would like to know the number of those. Other clients who are supported by DSC would have support services within their own homes.

Dr K.D. HAMES: We can give that second number now.

Dr R.F. Chalmers: One hundred per cent of the approximately 500 clients are in Disability Services Commission accommodation. None of them are in their own home.

[*Supplementary Information No A30.*]

Ms J.M. FREEMAN: I refer to the growth in accommodation support services. I understand that 89 per cent of people who applied to receive funding for supported accommodation did not receive that support. By what percentage will this number increase with the growth in funding?

Dr R.F. Chalmers: I apologise; I did not hear the percentage the member mentioned.

Ms J.M. FREEMAN: I said that 89 per cent of applicants for accommodation support did not receive it. By what percentage will the number of applicants increase as a result of the growth in funding for accommodation support services—so decreasing the 89 or 90 per cent of applicants who do not receive it?

Dr R.F. Chalmers: It is not possible to quantify that because each of our funding rounds is a unique funding round and we do not know who from the general community will step forward and we also do not know who is in critical and urgent need. We cannot get a precise trajectory on that. Although 85 to 90 per cent of applicants do not necessarily pick up funding from that process, more than 90 per cent of those people are receiving other forms of support and assistance from the Disability Services Commission. It is not as though they get nothing through that process. A lot of people—as I said, over 90 per cent—gain other forms of support and assistance.

Ms J.M. FREEMAN: I refer to the combined application process funding for the last round. In 2011–12, 516 applications were accepted for type A and B accommodation and 51 people were granted funds. That is around 89 per cent who did not receive support. With this additional funding, out of the 516 applications, how many more will be granted funds? Given that in 2011–12, 516 applications were received and 51 people were granted funds, how many more would be expected to receive increased funding?

Dr R.F. Chalmers: The combined application process goes across three major program areas, which is why it is called “combined”. Each of the areas outlined in the budget papers show the increase by X millions of dollars for each of those program areas and there is a unit cost for each of them. It is not just accommodation; it is a range of individual and family support and also alternatives-to-employment programs. The cost structure for each of those is very different across those three programs and we would need to quantify all of those across the three program areas.

Ms J.M. FREEMAN: Under “Major Spending Changes” on page 879 of the budget papers there is an increase in funding for accommodation support services. Does that not provide any more accommodation support to those applicants I am talking about? Will that increase in funding not result in an increase from 516 in the number of

applicants who received funding in 2011–12? Will the 89 per cent of people who did not get funding still not get any relief and be unable to access those funds?

Dr R.F. Chalmers: Many of the people who applied for funding during 2011–12 will receive funding out of this additional growth in funding from government—yes, they will. What we cannot control and get micro-detail on is the number of new individuals and families that might step forward next year who are in more critical or urgent need than the group that applied last year. We cannot predict that to a fine-grain detail.

Ms J.M. FREEMAN: The commission did 51; will it be 53 or 55?

Dr R.F. Chalmers: If I can be as clear as I can, I assume that the member is reading from one of the “Budget Bulletins”, which was for one funding round, and we have three funding rounds a year. During last year in accommodation, for instance, 199 people were funded. Following the round for intensive family support funding, 245 families were funded with packages, and 132 people were funded through the alternatives-to-employment program. That is a significant number of people who were funded. In each round we allocate roughly \$10 million a round for each of the growth funding areas, and this coming year we are doing approximately the same again. That number of people will be funded. Some of those will be people who were unable to get funding in previous rounds and some will be new people.

Mr P. ABETZ: I refer to the new line item “Association for the Blind of Western Australia—Accessible Information Services” on page 879 under “Major Spending Changes”. Could the minister enlighten us about what that is exactly? It receives \$698 000 in funding each year for three years. What does that provide?

[4.50 pm]

Dr K.D. HAMES: Dr Chalmers.

Dr R.F. Chalmers: For just over 100 years the Association for the Blind of Western Australia has been providing a wide range of services for Western Australian people who are blind or who have vision loss. The government is providing \$698 000 per annum for the next three years to the association. This will provide the organisation with financial sustainability and allow it to continue to deliver accessible information services through a braille and talking-book library to all Western Australians who are vision impaired. Less than 50 per cent of the association’s funds are actually derived from government sources and the association therefore has been relying very heavily on philanthropic funding, bequests and so on. However, since the global financial crisis the association is finding it increasingly difficult to sustain that level of effort from those sources. The association has reported operational deficits for the past two years but it wants to continue to provide that range of services to the Western Australian community, and we believe it is entirely appropriate to direct those dollars to that outcome.

Ms J.M. FREEMAN: I refer to the capital appropriation of \$4.364 million in the 2012–13 budget under “Appropriations, Expenses and Cash Assets” on page 879. I note that the Treasurer’s media release on the efficiency dividend said that certain capital works across agencies would be deferred or delayed. Have any capital works projects in the Disability Services Commission’s budget been delayed; and, if so, could the minister outline which ones?

Dr K.D. HAMES: Dr Chalmers.

Dr R.F. Chalmers: None has been delayed.

Ms J.M. FREEMAN: I have a further question. Of that \$4.364 million in the budget, is that federal dollars or is it all state funds, and is any of it royalties for regions funding?

Dr R.F. Chalmers: That is all state funding.

Ms J.M. FREEMAN: Is there any royalties for regions funding in that?

Dr R.F. Chalmers: No royalties for regions funding.

Dr K.D. HAMES: Royalties for regions funding is state funding.

Mr M.P. WHITELY: I refer to the third last item under “Major Spending Changes” on page 879. School holiday respite has an allocation of \$1 090 000 in 2012–13 but nothing in the out years.

The CHAIRMAN: That question was asked earlier.

Mr M.P. WHITELY: Was it? That is my last question ever in this place, and I asked a question that someone else had already asked! That is a fine note to leave on!

Ms J.M. FREEMAN: Ask another one!

Mr D.A. TEMPLEMAN: You can always run for Cottesloe.

Mr M.P. WHITELY: I have been offered that—or Nedlands! I am allowed to have my choice!

Ms J.M. FREEMAN: I have a further question. I refer to the first dot point on page 881. Whilst the opposition and I have put on record that we welcome the 15 per cent component of the 2011–12 allocation of money to the not-for-profit sector and that it has been allocated to disability organisations, can the minister outline whether there has been a review of that? Given that the rationale for that 15 per cent allocation was to meet the demand for staff wages because people could not get employed in the area, how much of that 15 per cent went into staff wages and how effective has it been in meeting the objective of the retention of staff?

Dr K.D. HAMES: I answered that to a degree in the health division but I understand that Dr Chalmers might have an alternate version, so I ask Dr Chalmers to respond.

Dr R.F. Chalmers: I mentioned before that the commission funds approximately 118 non-government organisations. We have a strong partnership with those organisations and we rely very heavily on that partnership. I mentioned before that over 70 per cent of the budget of the commission is directed to those organisations, so we have a very strong interest in keeping a close connection to what they are doing with that money. We did not dictate to those organisations how that 15 per cent initial allocation was to be used, but we have had organisations regularly report to us and we have been monitoring that. To this point, over 80 per cent of those dollars are flowing to staff wages. The rest is being used for a range of other purposes to increase the sustainability and viability of those organisations, which is what we had hoped would happen, and we will continue to monitor that.

Ms J.M. FREEMAN: If the organisations are regularly reporting that 80 per cent of the dollars are flowing on to staff wages, is that actually noted and recorded; and, if so, can a list of those organisations be tabled?

Dr R.F. Chalmers: That information at one level is commercial-in-confidence to those organisations. We do retrospectively, but not prospectively, on an annual basis require those organisations to furnish us with their financial statements. We are therefore in a position to interrogate them to find out the flow of funds to different purposes in those organisations; that is, in the year past the current financial year we will be able to monitor how they report back to us in their annual reports on what they have actually used those funds for; so the reporting is always a year behind.

Ms J.M. FREEMAN: If I ask that question in Parliament next year, will the minister be able to table a report in Parliament that will tell me how much of the 15 per cent went through to wages for those non-government organisations?

Dr K.D. HAMES: Dr Chalmers.

Dr R.F. Chalmers: Not only that but also we actually publish a document called the “Sector Health Check”. Our organisations are happy to furnish us with that information and we do a very detailed analysis of all of those flows to different purposes in those organisations.

Ms J.M. FREEMAN: The member for Bassendean asked a question about the major spending changes and the efficiency dividend and I understand the minister said that not all of that has been determined, but he talked about the more efficient use of office space, networks, printers and various other things. Can the minister tell me whether there will be any reduction in individual full-time equivalent local area coordinators—LACs as members of Parliament know them—and whether the FTEs directly delivering services from the agency into the community will be impacted at all?

Dr K.D. HAMES: I think we made the point before that there will be no impact on services and no reduction in FTEs.

Ms J.M. FREEMAN: Can the minister confirm again that there will be no reduction in FTEs for family and carer supports?

Dr K.D. HAMES: Dr Chalmers.

Dr R.F. Chalmers: Family and carer support dollars flow out through the not-for-profit sector and a handful of for-profit organisations. The commission itself does not have an arm around family and carer support.

Ms J.M. FREEMAN: So the commission does not directly employ any family and carer supports; they are all employed through not-for-profit and non-government organisations.

Dr K.D. HAMES: That is correct.

Ms J.M. FREEMAN: That is all right; I can interrogate. It is not an area I have a great deal of experience in. The directly employed staff who deliver services would be LACs and social trainers. Can the minister therefore confirm that there will be no reduction in full-time equivalent LACs and social trainers?

Dr K.D. HAMES: Dr Chalmers.

Dr R.F. Chalmers: Yes.

Ms J.M. FREEMAN: You can confirm that?

Dr R.F. Chalmers: Yes.

The appropriation was recommended.

[5.00 pm]