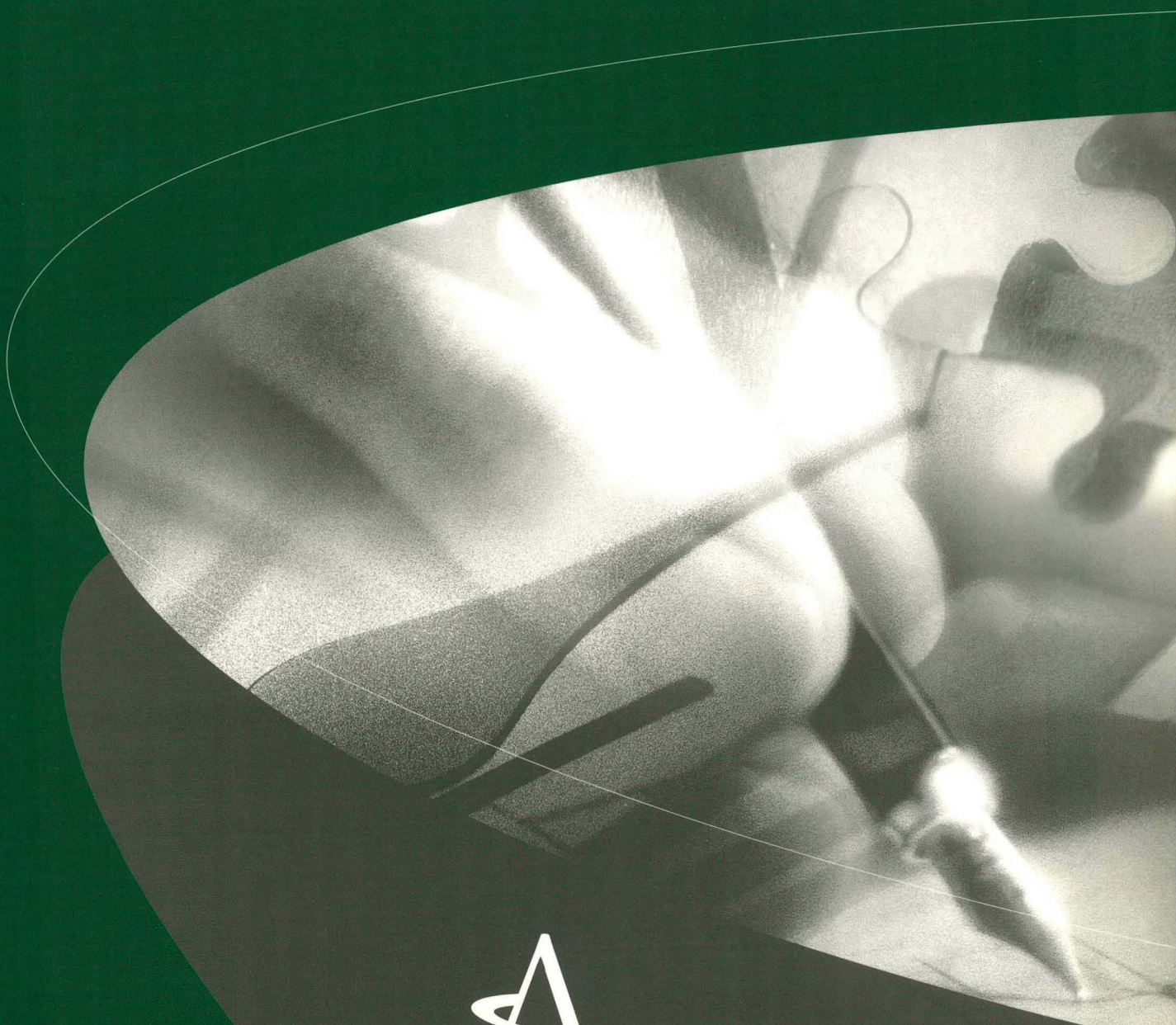
NEW SOUTH WALES AUDITOR-GENERAL'S REPORT

PERFORMANCE AUDIT

Home Care Service: Department of Ageing, Disability and Home Care



THE AUDIT OFFICE
OF NEW SOUTH WALES

THE ROLE OF THE AUDITOR-GENERAL

The roles and responsibilities of the Auditor-General, and hence the Audit Office, are set out in the Public Finance and Audit Act 1983.

Our major responsibility is to conduct financial or 'attest' audits of State public sector agencies' financial reports. We also audit the Total State Sector Accounts - consolidation of all agencies' accounts.

Financial audits are designed to add credibility to financial reports, enhancing their value to end-users. Also, the existence of such audits provides a constant stimulus to agencies to ensure sound financial management.

Following a financial audit the Office issues a variety of reports to agencies and reports periodically to Parliament. In combination these reports give opinions on the truth and fairness of financial reports, and comment on agency compliance with certain laws, regulations and Government directives. They may comment on financial prudence, probity and waste, and recommend operational improvements.

We also conduct performance audits. These examine whether an agency is carrying out its activities effectively and doing so economically and efficiently and in compliance with relevant laws. Audits may cover all or part of an agency's operations, or consider particular issues across a number of agencies.

Performance audits are reported separately, with all other audits included in one of the regular volumes of the Auditor-General's Reports to Parliament - Financial Audits.

AUDITOR-GENERAL'S REPORT

PERFORMANCE AUDIT

Home Care Service

Department of Ageing, Disability and Home Care

The Legislative Assembly
Parliament House
SYDNEY NSW 2000

The Legislative Council
Parliament House
SYDNEY NSW 2000

In accordance with section 38E of the *Public Finance and Audit Act 1983*, I present a report titled **Home Care Service: Department of Ageing, Disability and Home Care.**

R J Sendt
Auditor-General

October 2004

State Library of New South Wales cataloguing-in publication data

New South Wales. Audit Office.

Performance audit : Home Care Service : Department of Ageing, Disability and Home Care / [The Audit Office of New South Wales]

07347 2165X

1. Home Care Service of New South Wales - Auditing. 2. Home care services - New South Wales - Auditing. I. Title: Home Care Service : Department of Ageing, Disability and Home Care. II. Title: Auditor-General's report : performance audit : Home Care Service : Department of Ageing, Disability and Home Care.

362.1409944

Contents

Foreword

Our population is ageing. Over the coming years, the proportion of people aged over 70 will increase significantly.

Despite the ageing process, most people want to remain independent as long as possible.

Those who are old and frail or disabled can often continue to live in their own homes if appropriate support services are available, rather than moving into full time residential care. This is not only preferable to the individual, it is a far cheaper solution to the community.

The Home and Community Care (HACC) Program is a joint Commonwealth/State initiative established to fund home-based support and assistance. The NSW Home Care Service (HCS) is the largest provider of HACC services in the State.

The HCS operates in a complex environment. It faces continuously increasing demands for its services, yet its resources are finite. There is a widening gap between those in need and those who receive assistance. Currently, at least 50 per cent of those eligible to receive assistance miss out.

This report highlights the need for the HCS to change. It suggests clearer eligibility criteria for fairer access to services. It identifies the need for better coordination and alignment between the HCS and other providers and calls for improvements in service quality.

NSW is not alone in facing the challenges of an ageing population. Service reforms at the national level aimed at improving access to services may also help to address the problems we see emerging here.

Bob Sendt
Auditor-General

October 2004

Executive summary

Executive summary

The Home Care Service (HCS) assists frail older people, younger disabled people, and their carers so they can remain living at home.

This audit examines how well HCS assists these people and delivers value for money.

Audit opinion

We recognise that HCS operates in an increasingly difficult and changing environment.

The demand for services is continually growing with our ageing population. People with often complex needs expect support so they can remain living at home.

Although there are many service providers, this impacts more on HCS than others. HCS is both the largest provider and the only Government provider. It is often the first, and only, agency approached by those in need.

However, HCS does not have the capacity to meet these needs. Currently at least 50 per cent of those eligible to receive a service will miss out.

Under the current system, there are inequities in service delivery. The ability to receive a service depends on when the applicant calls, where they live and if this coincides with service hours becoming available at the local HCS branch. In addition, applicants who miss out on a service may not automatically be referred to another provider.

Clients also remain with HCS until they choose to leave, move to full-time residential care or die. HCS does not assess individual's needs to determine if they have changed over time and may be better met in a different care setting.

HCS needs to better manage both demand and expectations regarding access to the services it provides.

Providers of community care differ by service type and intensity, and the Department of Ageing, Disability and Home Care needs to decide where the HCS sits in this continuum. This would better define eligibility and would assist HCS to allocate priorities.

Overall, we are unable to form an opinion about HCS and value for money. It is not possible to assess the direct effect HCS has on helping people to remain at home longer than if this assistance was not available.

The Commonwealth Government has also recently reviewed support programs in the home and has identified the need for immediate reforms to improve access, service provider quality and accountability.

The recommendations in this report align with the proposals identified by the Commonwealth Government as part of its reform agenda.

Summary of recommendations

We recommend that the Department of Ageing, Disability and Home Care in regard to the HCS:

Access to services

- reconsider and clarify where HCS should sit as a provider of home care services in the community care continuum
- develop eligibility criteria that direct resources to those most in need, based within the boundaries set for HCS services and aligned to resource levels
- develop an exit policy and a process of referral to other care programs
- refer eligible applicants to alternative providers where HCS cannot meet their needs
- maintain a waiting list for eligible applicants most at risk of not accessing services elsewhere

Ensuring service quality

- introduce a standard approach for regular client reviews that assesses individual need and satisfaction with services
- regularly assess the quality of services in the home

Managing the service

- define resources, service types, service level targets, and key performance indicators, and assign accountabilities in the business plan
- develop measures of effectiveness to monitor the impact of services
- report publicly on operations and performance against the business plan
- develop and implement a common approach to determining consumer fees
- include a criminal records check and a working-with-children check as part of pre-employment screening.

So the Department can conduct working-with-children checks, we recommend that the Minister for Youth amend the definition of child-related employment in the Child Protection (Prohibited Employment) Act 1998 to include home-based care.

Key audit findings

Chapter 1: Introduction

HCS mainly provides domestic assistance and personal care services to frail older people, younger disabled people, and their carers. These services help people to remain living at home.

HCS operates through a network of around 150 branches and outlets across New South Wales. In 2003-04, the HCS assisted nearly 51,000 clients and provided 4.2 million hours of service.

Most of HCS's funding comes from the Home and Community Care (HACC) Program, a joint Commonwealth/State initiative. The Department of Ageing, Disability and Home Care (DADHC) manages the statewide HACC Program, while HCS is the largest service provider.

Demand for services is continually increasing as our population ages. The Commonwealth Government has recently reviewed community care and is introducing a number of reforms to improve access, service quality and accountability.

Chapter 2: Access to services

HCS is under considerable pressure as care needs far exceed available resources. In 2002-03, half of all applicants eligible for a HACC service received a service from HCS. This declined to one in four applicants in 2003-04.

The current approach to allocating priority to clients is not equitable. Access to a service will depend on when the applicant calls and whether or not this coincides with service hours becoming available at the local branch.

In addition, clients remain with HCS until they choose to leave, move to full-time residential care or die. HCS does not assess individual's needs to determine if they have changed over time and may be better met in a different care setting. In effect, HCS may be masking demand for other care programs by retaining clients indefinitely.

Within the continuum of community care, DADHC needs to determine the service types and intensity that HCS will provide.

Within these parameters, HCS can better manage demand by introducing:

- eligibility criteria for allocating service priority
- a system of referral to alternative providers where HCS cannot meet the immediate needs of an eligible applicant
- a waiting list for eligible applicants most at risk of not accessing services elsewhere
- a service exit policy and a process of referral to other care programs where HCS can no longer meet an individual's needs.

Chapter 3: Ensuring service quality

HCS relies primarily on client feedback and complaints to ensure service quality.

Annual client reviews are not effective. Branches use different approaches to conduct annual reviews and document results. They do not clearly link client reviews to changes in service design or delivery.

While HCS collects complaints centrally, it does not analyse complaints for systemic issues.

Clients consistently report high levels of satisfaction with HCS services. However, the design of the client survey prevents the collection of ad hoc comments on service delivery that may be more revealing.

HCS also does not survey clients who were assessed as eligible, but did not receive a service, to determine satisfaction with the assessment process.

HCS does not have an inspection program to assess the quality of services in the home. It relies on clients or carers complaining if services are not up to standard.

Chapter 4: Managing the service

Since 2001, HCS has been part of DADHC. Previously, the HCS operated under a service contract that outlined resources, services and targets for 2000-01 only.

Now, HCS operates under a business plan. The business plan needs to be part of the performance and monitoring framework. And better public reporting on performance against the business plan is needed.

There are currently no means to assess the direct impact that home-based care has on helping people to remain living at home longer. Further work should be undertaken by DADHC to develop these measures for all HACC providers. In the meantime, it is not possible to judge the cost effectiveness of HCS services.

However, an hour of domestic assistance by HCS cost $38.64 in 2002-03 while personal care was nearly $45 an hour. These rates are around $4 more per hour than the sector average. Part of this may be due to the types of services HCS provides and the way the hourly cost is calculated, but there may also be opportunities to improve efficiency.

From 1999-2000 to 2003-04, the average contribution from fees clients paid towards the cost of HACC services fell from $4.05 to $3.75 per hour. HCS does not routinely adjust fees to reflect changes in costs or the indexation of pensions and allowances.

This may in part be because HCS does not have a common approach to determining consumer fees-for-services provided under the HACC program. As a result, the amount charged to clients on similar incomes receiving similar services differs across the state.

Finally, HCS has not always managed risk well. Some of HCS's clients are vulnerable, and yet its pre-employment screening did not check criminal records until February 2004.

It is also appropriate that pre-employment screening now include a working-with-children check.

Response from the Department of Ageing, Disability and Home Care

I refer to the report of the Audit Office's Performance Audit on the Home Care Service of NSW forwarded to me on 15th September 2004 for comment. DADHC has appreciated the consultative opportunities offered to the Department in the course of the audit.

The Department of Ageing, Disability and Home Care is in general agreement that the performance audit provides useful analysis of the current situation of the Home Care Service of NSW (HCS). The audit recognises that the Home Care Service needs to be seen in the context of the Home and Community Care Program (HACC) which is a Commonwealth/State Program and which is seeing increasing demand on its services. As the major government provider, HCS is often the first agency to be contacted when clients are wanting access to a range of services to support them to stay in their own homes. The Referral and Assessment Centre (RAC) was established as the intake point for the HCS but is now being used by many in the community as the intake point for the overall HACC program in NSW. There is not always an understanding in the community that there are a range of HACC providers in NSW which clients can access.

It is important to note that the Commonwealth Government has recently reviewed community care and is introducing a range of reforms to improve access, service quality and accountability.

In relation to the issue of managing clients who cannot be assisted by HCS, DADHC supports in principle that HCS has a role to assist people with referral to other services and to identify those most at risk of not being supported elsewhere. The Department will be exploring a range of mechanisms, including a targeted waiting list, to bring about this outcome.

The audit was commenced at a time of significant reorganisation in the Department. The report now notes that the reorganisation has created a Home Care Branch as one of the four Business Streams in the central office of DADHC. This is consistent with a significant regional infrastructure to support HCS with nine Regional Home Care managers working to the Regional Directors. Eight of these are geographic regions with a statewide Aboriginal Region.

DADHC has identified a range of measures that it intends to adopt in 2004/05 to address a number of recommendations in the Report. Improved stakeholder relationships commenced with the reappointment of the Home Care Advisory Board earlier this year.

The following measures are to be implemented immediately:

- *The Referral and Assessment Centre will now report directly to the Director, Home Care Branch to ensure a focus on how intake, assessment and referral are managed.*
- *HCS will confirm a set of deliverables including service delivery targets and key performance indicators to DADHC for 2004/2005.*
- *The position on the role of HCS as a provider in the community care continuum will be informed by the development of a range of options for consideration by the Home Care Advisory Board.*
- *HCS will participate in HACC Unit Benchmarking Project with up to fifteen Branches being nominated as sites for the Project.*
- *The Complaints Officer will report to the Manager, Home Branch Business Stream Support to enable systemic issues to be identified at a statewide level and inform policy and procedures.*

In the medium term work will commence on the development of a Fees Policy for consideration by the Minister and the Referral and Assessment Centre (RAC) will be reviewed to ensure that this statewide service is the most efficient and effective way to assess applicants. It will also consider the role of the RAC in assisting applicants with referrals to other HACC providers.

I am very pleased with the level of cooperation that existed between DADHC and the Audit Office in the preparation of the report, and thank the staff of both agencies for their professionalism and cooperation.

(signed)

Brendan O'Reilly
Director General

Dated: 1 October 2004

1. Introduction

1.1 Home Care Service responsibilities

HCS assists people to remain living at home

The Home Care Service Act 1988 (the Act) established the Home Care Service (HCS) to provide services to frail old people, younger disabled people, and their carers, so they can remain living at home.

The services HCS provides include:

- domestic assistance such as: cleaning; washing and ironing; helping with shopping; transport to/from banks, appointments etc; general household support like bill paying, helping with telephone calls etc
- personal care such as: bathing; toileting; dressing; eating; personal grooming
- respite care to relieve carers.

Under the Act, HCS's objectives also include:

- avoiding institutional care wherever appropriate
- giving priority to those most in need
- using available resources efficiently and effectively.

1.2 History

HCS has 150 branches/outlets across NSW

The HCS is highly decentralised, operating through about 150 branches and outlets across New South Wales.

In 2003-04, the HCS:

It assisted nearly 51,000 clients in 2003-04

- on average had 2,925 employees on an effective full time basis
- assisted nearly 51,000 clients and provided about 4.2 million hours of care.

HCS first started in 1943 as the Housekeepers' Emergency Service, helping women in illness, childbirth or other emergencies. Over time the role and services changed to home-based care for frail aged and disabled people who need assistance to remain living at home.

HCS is a statutory authority run by a Department

HCS was established as a statutory authority under the control of the Department of Community Services. In April 2001 the controlling entity changed when HCS became part of the Department of Ageing, Disability and Home Care (DADHC).

Following its creation DADHC implemented a new corporate and regional structure. HCS is now one of four DADHC business streams.

The Government reviewed HCS effectiveness in 1996

In 1996 the Government reviewed the effectiveness of HCS (the 1996 Review)[1]. The 1996 Review found that HCS:

- provided a valuable range of services
- would within a few years effectively withdraw from the domestic support component of its operations as demand for personal care services continued to increase
- needed to improve accountability, service levels, service quality and responsiveness.

The Government released its response to the 1996 Review in October 1997. HCS developed a 3-year action plan for improving services, increasing cost effectiveness and introducing appropriate accountability and reporting requirements.

1.3 Funding

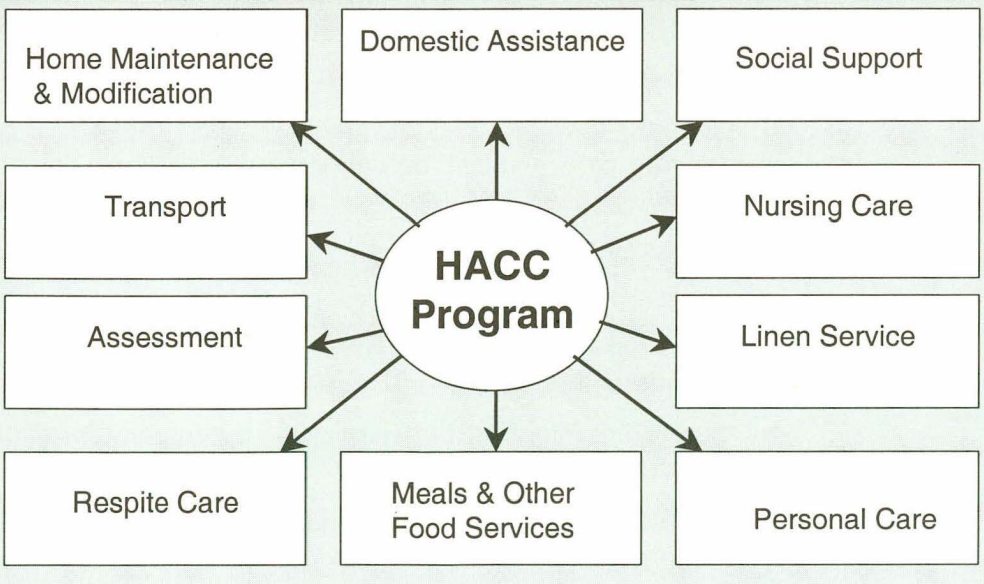
HCS is mainly funded from the HACC program

HCS's funding in 2003-04 totalled $184.3 million. The majority of funds came from the Home and Community Care (HACC) program grants and fees which provided about 78 per cent or $144 million.

The HACC program began in 1985 and is a joint Commonwealth/State initiative. The HACC program provides support services to frail aged and younger disabled people, and their carers. The overall objective of the HACC program is to provide basic maintenance and support to consumers to:

- enhance independence in the community
- avoid inappropriate admission to long-term residential care.

Exhibit 1: Some Examples of Services Provided under the HACC Program



Source: National Program Guidelines for the HACC Program 2002

[1] Report on the Home Care Service of NSW, A Booth, December 1996.

HCS provides domestic assistance, personal and respite care services under the HACC program.

In NSW the HACC program is funded through Commonwealth and State Government contributions, about 60:40, and there is a formal agreement for the HACC program[2].

DADHC manages the HACC program statewide and its responsibilities include policy, program management, service development and funding.

HCS is the largest HACC provider in the State

There are about 700 HACC service providers in New South Wales and HCS is the largest. HCS in 2003-04:

- received about 34 per cent or $130.4 million out of the $382.2 million total for the HACC program in NSW
- provided about 90 per cent of all HACC domestic assistance and personal care services.

DADHC advised that the next largest service provider received $5.5 million from the HACC program

1.4 Increasing demand

HCS operates in a difficult environment.

Service demand is continuously rising

There is increasing demand for assistance because of the ageing population. A dramatic increase is expected in the 21st century in the ratio of people aged 70 years and over. Older people tend to have higher levels of need and more complex care requirements.

Reforms are proposed to the HACC Program

The Commonwealth Government has also recognised that substantive policy reforms are required to meet the needs of this changing demographic.[3]

The Commonwealth Government has recently reviewed community care and has recommended a package of reforms to address:

- access to services
- the need for a common approach to determining client fees
- the need for improvements in service quality and accountability
- better coordination between various programs providing care and support in the community.

Changes will start in 2004-05 and continue over the next four years. In NSW DADHC is responsible for implementing these reforms for all providers.

[2] The Home and Community Care Program Amending Agreement 1999.
[3] A New Strategy for Community Care - The Way Forward, Commonwealth of Australia, August 2004.

2. Access to services

Accessing services at a glance

Chapter 2 examines whether eligible people requiring assistance actually receive services from HCS.

HCS is under considerable pressure as care needs far exceed available resources. In 2002 03, half of all applicants eligible for a HACC service received a service from HCS. This declined to one in four applicants in 2003 04.

The current approach to allocating priority to clients is not equitable. Access to a service will depend on when the applicant calls and whether or not this coincides with service hours becoming available at the local branch.

In addition, clients remain with HCS until they choose to leave, move to full-time residential care or die. HCS does not assess individual's needs to determine if they have changed over time and may be better met in a different care setting. In effect, HCS may be masking demand for other care programs by retaining clients indefinitely.

Within the continuum of community care, DADHC needs to determine the service types and intensity that HCS will provide.

Within these parameters, HCS can better manage demand by introducing:

- eligibility criteria for allocating service priority
- a system of referral to alternative providers where HCS cannot meet the immediate needs of an eligible applicant
- a waiting list for eligible applicants most at risk of not accessing services elsewhere
- a service exit policy and a process of referral to other care programs where HCS can no longer meet an individual's needs.

2.1 Allocating priority

HCS has not always achieved its service mix

The 1996 Review (see *section 1.2)* expressed concern about the focus of HCS shifting from traditional domestic assistance to providing personal care services. The Government set a HACC service mix target following the 1996 Review to maintain a balance between the two service types.

The current service mix targets are:

- minimum 46.6 per cent of total service hours to be spent on domestic assistance
- maximum 41.4 per cent of total service hours to be spent on personal care.

During 2000-01 to 2003-04, HCS:

- only achieved the domestic assistance target in 2000-01
- exceeded the personal care target in 2003-04.

Exhibit 2: Service Mix Target Achievements 2000-01 to 2003-04

Year	Domestic Assistance Target Minimum 46.6 % of Service		Personal Care Target Maximum 41.4 % of Service	
	Hours of Service	% Total Hours Service	Hours of Service	% Total Hours Service
2000-01	1,723,643	47.0	1,434,409	39.1
2001-02	1,663,846	45.4	1,470,075	40.1
2002-03	1,527,101	46.1	1,331,524	40.2
2003-04	1,547,299	45.0	1,480,966	43.1

Source: Department of Ageing, Disability and Home Care - HCS Management Information System

Having to meet the service mix target has a major impact on how HCS allocates priority and on the resultant client profile. About 85 per cent of HCS clients receive less than 2 hours domestic assistance a week.

Exhibit 3: HCS HACC Services 2002-03

Service Intensity (hours per week)	Clients	%
Low: < 2	39,698	84.4
Low Medium: >2 to < 7	5,809	12.4
Medium: > 7 to < 12.5	935	2.0
High: > 12.5 to < 15	186	0.3
Very High: > 15	406	0.9
Total	47,034	100.0
Service Type	**Clients**	**Hours**
Domestic Assistance	41,756	1,707,506
Personal Care	10,781	1,212,970
Respite and Other Services	7,658	236,400
Total	60,195	3,156,876

Source: Department of Ageing, Disability and Home Care - HCS HACC Minimum Data Set

Notes:

1. Total client numbers differ because under Service Type a client may receive more than one type of service
2. Hours of service in Exhibit 3 do not correspond to data in Exhibit 2 due differing definitions and data sources

HCS should base service priority on need

HCS should give priority to people most in need of assistance. HCS interprets need as those people most at risk of being unable to remain living at home. However, this at risk group is generally people requiring high levels of personal care. This interpretation skews the client profile away from the service hours mix targets towards fewer clients and increasing personal care hours.

Assigning assistance priority in this way occurred before the 1996 Review, then again after HCS's functional screening tool was introduced in November 2003.

In April 2004, HCS tried to address this shift by capping service to 28 hours per 4 weeks for all new clients. It also widened the range of eligible applicants that could proceed to assessment.

These changes are significant because before April, the service cap was 59 hours per 4 weeks for all new clients. In effect, the change reduced the service cap by 31 hours, thus restricting the ability of applicants with complex care needs to access services.

Applicants requiring 60 hours or more of service will still be placed on the High Needs Pool waiting list but would receive a maximum of 28 hours service in the interim.

Despite these changes, about 50 per cent of all applicants eligible for a HACC service will still be unable to receive a service from HCS.

Recommendations

We recommend that DADHC:

- reconsider and clarify where HCS should sit as a provider of home care services in the community care continuum
- develop eligibility criteria that direct resources to those most in need based within the boundaries set for HCS services and aligned to resource levels.

If DADHC accepts and implements the recommendation in the first bullet point above this may have implications for other HACC program service providers in New South Wales.

2.2 Eligibility

Many are eligible for HCS services but demand exceeds resources

Eligibility and access were consistent issues raised by peak bodies during the audit. HCS cannot satisfy all requests received as demand far exceeds available resources.

DADHC co-ordinates the HACC program across the State.

Between 1999-2000 and 2003-04, HACC services provided by HCS increased by 316,000 hours or 10.1 per cent to 3.4 million hours. In this same period, HACC grants increased by $16.7 million or 14.6 per cent to $130.4 million, while expenditure increased by $23.1 million or 17.8 per cent to $153.4 million.

DADHC advised that in some years the indexation of funds from the Commonwealth did not compensate for cost increases, especially where award increases were involved. Accordingly, service outputs do not necessarily match changes in funds.

The level of eligible applicants not assisted is increasing but this will decrease with the April 2004 "cap" changes

The demand for HACC services far exceeds HCS's resources. In 2002-03 53 per cent (one in two) of the 26,249 eligible HACC applicants received a service. However, in 2003-04 only 26 per cent (one in four) of applicants received a service from the 23,762 eligible applicants.

This was in part due to:

- priority being given to applicants with more complex needs (requiring more hours of care)
- the policy of replacing only one in four clients exiting the service to prevent possible budget overruns.

HCS strategies to manage demand include:

- capping hours of service offered to new clients
- closing intake at particular branches. At 9 June 2004, 8 out of 33 HCS branches had reached capacity and could not offer new services
- referring eligible applicants to other providers.

GOOD PRACTICE

DADHC advised that sector-wide demand management strategies for HACC clients have now been implemented that should also relieve the pressure on HCS. These include alternative options such as additional carer support and early intervention and prevention strategies.

Another factor influencing HCS's ability to offer services to new clients is the turnover of existing clients. From 1999-2000 to 2003-04, 3.1 per cent of clients on average exited HCS (about 1,200 per month). Clients moving into residential care or dying were the major reasons cited.

However, HCS does not routinely review and refer existing clients to other programs that may provide more appropriate care[4]. Clients remain with HCS until they choose to leave, move to full-time residential care or die. HCS does not assess individual need to determine if this has changed over time and may be better met in a different care setting. HCS may be masking demand for other care programs by retaining clients indefinitely.

HCS should have a service exit policy

The reason that HCS does not routinely refer clients to alternate programs is that it does not have a service exit policy. HCS does not have criteria to assess when a client's needs exceed its capacity or may be better met by another program.

[4] Such as Community Aged Care Packages funded by the Commonwealth or the Attendant Care Program funded by New South Wales.

The 1996 Review recommended HCS have a service exit or capping policy to operate effectively. While no service exit policy was established the Government in 1998:

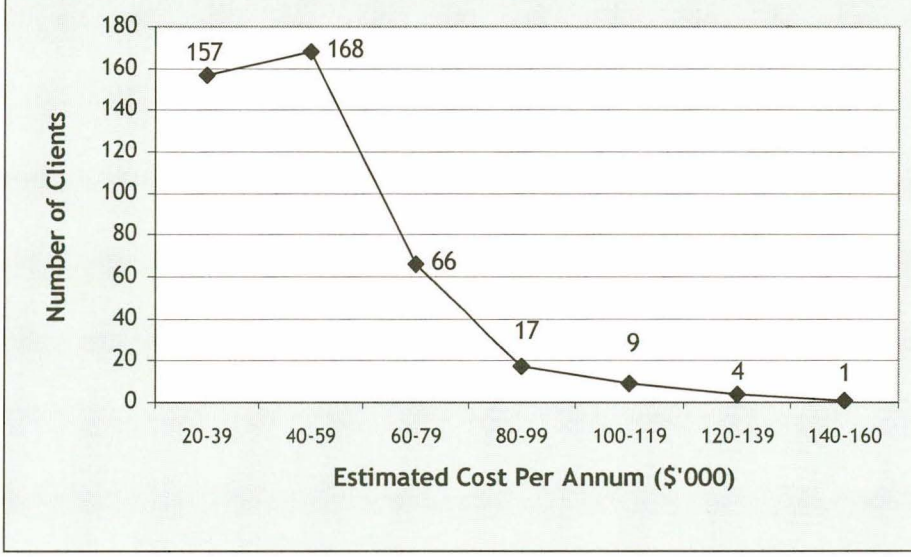
- created the High Needs Pool (HNP) for clients requiring 60 hours or more of services per 4 weeks
- capped service provision by HCS branches at 59 hours per 4 weeks.

The HNP has a separate funding allocation that is only increased by indexation. The HNP funding in the 2003-04 HACC State Plan was $19.2 million.

As at October 2003, the HNP had 422 clients. The HNP service hours are limited to funds available. Within the HNP, no capping exists on the service hours an individual client can receive.

There is no limitation on the service hours a HNP client can receive

Exhibit 4: HNP Service Profile 2003-04



Source: Department of Ageing, Disability and Home Care

The current issues regarding the HNP are:

- the waiting list. The HNP waiting list has grown from zero in June 2000 to 346 people as at December 2003 (which includes 93 people already in the HNP wanting extra services)
- the pressure on branch budgets by providing up to 59 hours of service per four weeks for those clients waiting to enter the HNP. Some of these clients are also receiving additional hours of service from other HACC providers to meet their care needs
- there is a risk that HCS is maintaining clients in the community who may be better served by other care arrangements.

Recommendation

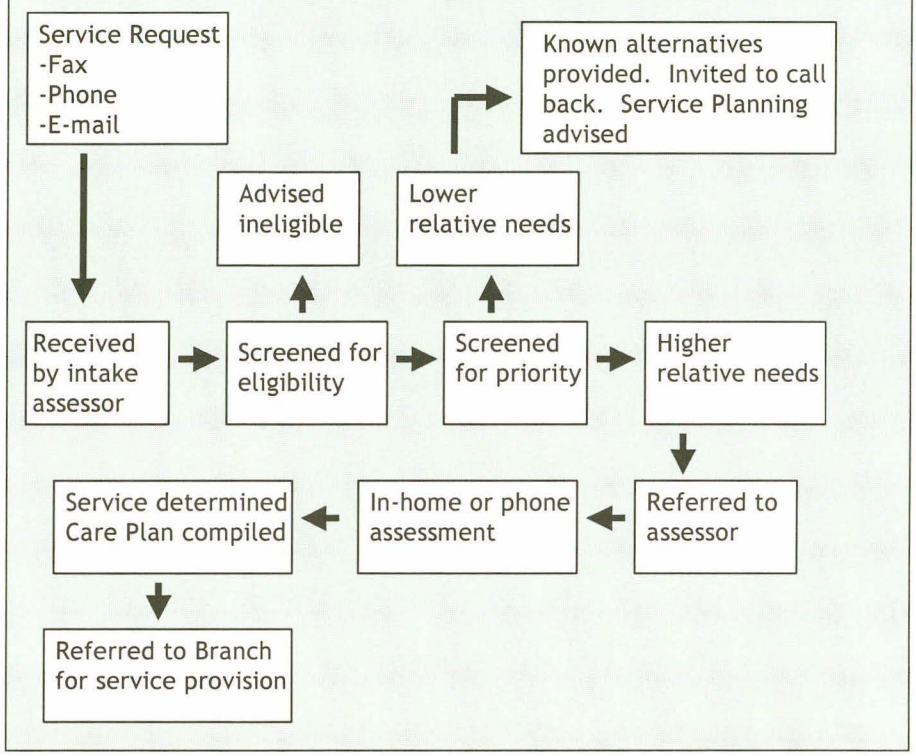
We recommend that DADHC develop an HCS exit policy and a process of referral to other care programs.

2.3 Assessing applicants

HCS derived benefits from centralised assessment

HCS developed a new service delivery model following the 1996 Review. One initiative was to centralise assessments which lead to the Referral and Assessment Centre (RAC) being established.

Exhibit 5: Overview of the Assessment Process



Source: Department of Ageing, Disability and Home Care - HCS RAC

HCS advised that centralising assessments by removing the process from branches had a variety of benefits including:

GOOD PRACTICE

- reducing administrative costs by about $2.7 million. HCS now only conducts service assessments when it has the capacity to deliver services and the actual assessment is now done by telephone wherever possible
- improving the quality of assessments and better documenting of outcomes
- enabling easy collection of data to facilitate service planning.

Awareness of service alternatives lost

However, in centralising the process the RAC is not as aware as the Branches may have been of alternative providers for eligible applicants who will not receive a service.

Recommendation

We recommend that DADHC refer applicants, assessed as eligible, to alternative providers where HCS cannot meet their needs.

HCS has processes in place to assess client needs

Another service initiative was the introduction in November 2003 of the functional screening tool (FST) to determine eligibility. HCS advised that the new tool had major advantages over the previous approach including:

- its validity as an indicator of a person's ability to live independently
- reduced subjectivity in initial screening
- more effective selection of applicants to proceed to assessment.

The FST ranks the applicant based on the applicant's capacity to live independently and their carer status.

Those applicants ranked with high immediate needs are then assessed to determine the intensity and type of service the person needs to remain living at home.

The new screening tool caused HCS to not achieve the service mix targets in 2003-04

The introduction of the FST saw applicants with the most complex needs being allocated priority. However, these clients often require more hours of service than those clients exiting from HCS.

Allocating priority using the FST bears no direct relationship to the service mix target. As a result, as discussed in section *2.1*, the service mix targets have not been met in 2003-04.

2.4 Waiting list

HCS does not keep a service waiting list

Under the current system, the ability of an eligible person to receive a service depends on when they call, where they live, and if this aligns with service hours becoming available in their local branch. People who have been previously judged as eligible for service will not be considered and need to reapply. HCS does not maintain a waiting list for clients other than those requiring the HNP.

Peak bodies raised this as a problem.

As indicated in section 2.2, the demand for services exceeds resources. There seems little point in HCS maintaining a waiting list for all eligible people, as many may never receive a service unless their circumstances change significantly.

HCS is often the first, and only agency approached by those in need. As indicated in section *2.3*, HCS should refer applicants assessed as eligible for HACC services, to alternative providers where HCS cannot meet their needs.

DADHC proposes to introduce a range of measures to address the concerns raised regarding access to HCS services. These measures will include a review of demand management practices and a review of the RAC. These projects are both due for completion by December 2004.

DADHC also proposes a new approach to better deal with clients who cannot be assisted by HCS. This will include reviewing sources of information to the RAC to facilitate better referral on to other providers and better communication of available options.

In addition, HCS will possibly:

- refer the applicant to a professional case manager if they do not already have one who can broker care arrangements for the individual from another provider, or
- place the remaining applicants on a waiting list pending service capacity becoming available.

Recommendation We recommend that DADHC maintain a HCS waiting list for eligible applicants most at risk of not accessing services elsewhere.

3. Ensuring service quality

Ensuring service quality at a glance

Chapter 3 examines whether HCS has adequate mechanisms to ensure service quality.

HCS relies primarily on client feedback and complaints to ensure service quality.

Annual client reviews are not effective. Branches use different approaches to conduct annual reviews and document results. They do not clearly link client reviews to changes in service design or delivery.

While HCS collects complaints centrally, it does not analyse complaints for systemic issues.

Clients consistently report high levels of satisfaction with HCS services. However, the design of the client survey prevents the collection of ad hoc comments on service delivery that may be more revealing.

HCS also does not survey clients who were assessed as eligible, but did not receive a service, to determine satisfaction with the assessment process.

HCS does not have an inspection program to assess the quality of services in the home. It relies on clients or carers complaining if services are not up to standard.

3.1 Client review

HCS may not know when client's needs are changing

The annual client review and client satisfaction survey are the primary means for HCS to receive feedback on service quality, and whether the right level of service is being provided.

However, there are problems with both instruments.

HCS does not adopt a standard approach to conducting the annual review. Some Branches review a sample of clients rather than all clients. The records of client review were often incomplete or non-existent.

The annual client review also does not trigger referral of existing clients whose needs have become more complex to other specialised programs or other forms of care.

There is no clear link between client responses and service design or improvement.

Recommendations

We recommend that DADHC introduce a standard approach for HCS regularly conducting client reviews that assesses individual need and satisfaction with services.

3.2 Service review

Customer complaints are not routinely analysed to find ways to improve the service

There are standard procedures for handling complaints. Branch staff handle complaints they receive directly. There is also a toll-free number for lodging complaints centrally. The NSW Ombudsman in 2002 found HCS's complaint handling system adequate.

Clients also directly complain to the NSW Ombudsman, Members of Parliament, and advocacy services.

Branches dealt with about 6,500 client complaints in the six-months from June to November 2003. This represents around 2.5 per cent of all clients lodging a complaint each month. Nearly 60% of these related to fees and accounts (the billing process).

GOOD PRACTICE

Our sampling of Branch files showed that complaints about the quality of direct service provided were generally handled promptly and well at Branch level, principally by supervision and support sessions with staff directly involved.

Summaries of the complaints received by branches are sent to head office, but then nothing happens with them. The lack of response to issues raised with the billing process is an indication of the risk of not analysing complaint data.

Recommendation

We recommend that HCS routinely analyse service wide complaint data to identify systemic issues.

Clients receiving services are generally satisfied

HCS surveys client satisfaction annually (other than Aboriginal and Torres Strait Islander clients). The target response rate is 10 per cent. Specific surveys were conducted for HNP and culturally and linguistically diverse clients in 1999 and Aboriginal and Torres Strait Islander background clients in 2000 and 2003.

HCS client satisfaction surveys generally show high levels of satisfaction. In 2002-03, over 97 per cent of clients were satisfied with the service provided. These results have been widely used as an indicator of HCS's effectiveness.

HCS could improve the surveys

All surveys limit client responses to areas that HCS wishes to investigate. The survey is done by phone by independent staff. It does not use open-ended questions to encourage clients to make additional comments and state their opinions.

The 1996 Review recommended that Branches survey clients who stopped getting services. Ad hoc annual surveys were done. This survey was discontinued in May 2004 because the data was not being used for service improvement.

HCS does not survey eligible applicants who did not receive a service on their experience with the RAC.

Recommendations

We recommend that DADHC:

- improve HCS customer satisfaction survey and sampling methods
- sample unsuccessful RAC applicants as part of the satisfaction survey.

Other measures to improve service quality

There is a risk that if HCS services are not being done well in the home, it will not be reported. The system relies heavily on clients or carers lodging a complaint.

Recommendation

We recommend that DADHC conduct a regular program of assessing the quality of HCS services in the home.

GOOD PRACTICE

The Home Care Advisory Board did not operate during 2002 and 2003 as HCS transitioned to a DADHC business stream. In 2004, DADHC reinstated the Home Care Advisory Board under a revised charter that includes identifying priority areas for reform and improvement.

4. Managing the service

Managing the service at a glance

Chapter 4 examines HCS management arrangements including performance reporting and monitoring, risk management and value for money.

Since 2001, HCS has been part of DADHC. Previously, the HCS operated under a service contract that outlined resources, services and targets for 2000-01 only.

Now, HCS operates under a business plan. The business plan needs to be part of the performance and monitoring framework. And better public reporting on performance against the business plan is needed.

There are currently no means to assess the direct impact that home-based care has on helping people to remain living at home longer. Further work should be undertaken by DADHC to develop these measures for all HACC providers. In the meantime, it is not possible to judge the cost effectiveness of HCS services.

However, an hour of domestic assistance by HCS cost $38.64 in 2002-03 while personal care was nearly $45 an hour. These rates are around $4 more per hour than the sector average. Part of this may be due to the types of services HCS provides and the way the hourly cost is calculated, but there may also be opportunities to improve efficiency.

From 1999-2000 to 2003-04, the average contribution from fees clients paid towards the cost of HACC services fell from $4.05 to $3.75 per hour. HCS does not routinely adjust fees to reflect changes in costs or the indexation of pensions and allowances.

This may in part be because HCS does not have a common approach to determining consumer fees-for-services provided under the HACC program. As a result, the amount charged to clients on similar incomes receiving similar services differs across the state.

Finally, HCS has not always managed risk well. Some of HCS's clients are vulnerable, and yet its pre-employment screening did not check criminal records until February 2004.

It is also appropriate that pre-employment screening now include a working-with-children check.

4.1 Performance accountability

The 1999 HACC Amending Agreement between the Commonwealth and the State requires that there be a service contract before HACC funds are given to any provider. The contract includes:

- measurable outputs for the service
- target population and priority of access policies
- quality standards and how to measure and monitor them
- access for special needs groups
- data to be collected and reported.

In June 2001 DADHC and HCS entered into a service contract which will continue until it is replaced. The contract has not been reviewed or updated to reflect changes and to specify service output levels, targets for special needs groups, outcomes to be achieved or key performance indicators.

The business plan needs to be part of the performance and monitoring framework

DADHC considers it is no longer appropriate to have a formal contract with its own business unit. HCS now operates under a business plan.

Under the DADHC corporate structure 9 regional directors now manage HCS with central co-ordination by the Director Home Care. Position descriptions set out the accountabilities and include performance indicators.

Service types, quantity and targets, performance indicators and accountabilities are included in the regional business plans for each of the four DADHC business streams, including HCS. HCS's Statewide targets are specified in the DADHC business plan. DADHC has advised that the performance agreements between regional directors and the Director General of DADHC include HCS service indicators derived from regional business plans.

During 2004-05 regional directors and the Director Home Care will report quarterly on performance against service delivery targets. However, better public reporting on performance against the business plan is needed.

Recommendation

We recommend that DADHC define resources, service types, service level targets, and key performance indicators and assign accountabilities in the business plan.

4.2 Value for Money

In 2003-04, HCS provided 3.4 million hours of HACC services to clients at a cost of $153.4 million.

HCS achieving specified outcomes can not be reliably determined

It is difficult to determine whether home-based care prevents premature or inappropriate institutionalisation. Limited and highly qualified research indicates assistance done effectively keeps people out of institutional care.[5]

In HCS's case just over one quarter of the 3.2 per cent of clients exiting HCS end up in a nursing home. This indicates that the services provided by HCS contributes to people to remaining at home for as long as possible.

There are currently no means to assess the direct impact home-based care has on helping people to remain living at home longer than if this assistance was not available. Further work should be undertaken to develop these measures. In the meantime, it is not possible to judge the cost effectiveness of services provided by HCS or other providers.

Recommendation

We recommend that DADHC develop measures of effectiveness to monitor the impact of services.

HCS has reduced costs

The 1996 Review also recommended that HCS analyse its unit costs and identify best practice service provision.

GOOD PRACTICE

One initiative was an action plan to reduce office overheads and improve occupational health and safety and rostering practices. By 2002-03 HCS saved $12.4 million, exceeding its target of $10 million. About half the savings came from reduced workers compensation premiums due to improved work practices.

But it still costs more than other providers

Despite these initiatives, HCS services still cost more than other providers and also exceed the sector average. HCS's costs for domestic assistance and personal care in 2002-03 were $38.64 and $44.94 per hour respectively compared to the sector averages of $34.88 and $40.70.

[5] Targeting in the Home and Community Care Program, A Howe and L Gray, Department of Health and Aged Care, 1999.
Community Care: The effects of low levels of service use, K Turvey and M Fine, Social Policy Research Centre, 1996.

DADHC considers that HCS costs more than other providers because it:

- acts as the front door to the HACC program in NSW providing screening and referral services
- serves clients with more complex needs, who often require more than one worker to deliver the service
- provides services after business hours and on weekends, while some providers only operate between 9 and 5 on weekdays
- provides services in rural and remote areas (15.2 per cent of clients in 2002-03)
- provides services to special needs groups, particularly Aboriginal and Torres Strait Islander clients, whose cultural requirements may make service more expensive
- uses a different method to non-government providers to calculate the cost of its services that inflates the hourly rate.

While these considerations may explain some of the cost differential, there may also be opportunities to improve efficiency.

Recommendations

We recommend that DADHC analyse HCS costs to:

- develop detailed cost profiles for services that differentiate the cost of services based on type and location
- benchmark the cost of services with other providers.

4.3 Fees-for-service

HCS has policies and procedures in place to fully recover the cost of services provided to:

- other government agencies and corporate clients
- clients who receive compensation as a result of an insurance claim.

HCS does not have an appropriate fees policy for HACC services

The HCS Act requires that any fee-for-service be based on the client's assessed capacity to pay. However, HCS does not have policies or procedures for assessing the capacity of HACC clients to pay for services. About 91 per cent of HCS's HACC clients receive some form of government pension or allowance.

The current basis HCS uses to set HACC fees is unfair. At the time of assessment, HCS will suggest an hourly fee for the service. HCS accepts whatever the client claims they are capable of paying. Staff are not allowed to interrogate the financial status of clients to confirm whether these claims are justified.

This means that different fees are charged to clients on similar incomes receiving similar services. A client's inability to pay does not impact on service delivery; HCS will continue to provide services where the client is unable to or refuses to pay.

The process for increasing HACC fees revenue is difficult

HCS continues to charge the client the agreed fee until it negotiates a new fee. However, negotiating a fee increase following a pension indexation is a cumbersome process. HCS must advise the client in writing of the new fee and get a signed agreement to any change.

As a result, HCS does not routinely increase client fees in line with inflation or rising service costs.

From 1999-2000 to 2003-04, the average contribution from fees to fund HACC services fell from nearly 10 per cent to 8.4 per cent of operating costs in 2003-04 (from $4.05 to $3.75 per hour).

Recommendation

We recommend that DADHC develop and implement a HACC client fees policy. The policy should allow automatic indexing of fees.

4.4 Reporting and monitoring performance

Public reporting on HCS performance is not adequate

Following the amalgamation with DADHC in 2001, HCS ceased to produce a separate annual report. From 2001-02, the DADHC annual report included comments on HCS. However, coverage is limited to brief statements of cost and hours of service.

Recommendation

We recommend that DADHC report publicly on HCS operations and performance against the business plan.

The 1996 Review found that much of the data HCS collects was not used in service design, planning or decision-making.

Available client data has not been used to project trends and design services accordingly. DADHC advises that data on the following can now be routinely monitored and will be used to prepare the business plan:

- hours of service by age
- number and percentage of clients receiving a particular service by funding source
- actual hours of service within defined bands (like high, medium and low)

No targets exist for completing assessments and providing service

There is no established target for the time taken to complete an assessment. Similarly there is no target for the time taken to start a service following an assessment. For July 2003 to February 2004, it took on average 3.6 weeks to complete a service assessment. No data is available before this period.

Data is not routinely collected on the time it takes from the assessment being completed to a service commencing.

Recommendation

We recommend that DADHC establish standard timeframes for HCS completing assessments and starting services, and monitor performance against these.

The overall HACC program identifies special needs groups. These are:

- people from culturally and linguistically diverse (CALD) backgrounds
- people from Aboriginal and Torres Strait Islander (ATSI) backgrounds
- people suffering from dementia or other related disorders
- financially disadvantaged people
- frail aged and other disabled people living in remote or isolated areas.

In 2002-03, HCS reported the percentage of HACC services provided to ATSI is 4.12%, Rural and Remote 15.22% and Financially Disadvantaged 91.61%. A judgement cannot be made about the proportion of services provided to CALD as the data is inaccurate or incomplete. While the Commonwealth Government does not require data to be maintained on services to people suffering from dementia.

GOOD PRACTICE

During 2003 DADHC established a Statewide Aboriginal Region to provide operational and strategic support for the 8 ATSI HCS branches. The region is headed by the Director Aboriginal Services and is responsible for service delivery, planning and co-ordination. The position also has Statewide responsibility for developing policy for all services to improve access and responsiveness of services to ATSI people.

There are no specified targets for special needs service levels

While the level of service provision to some of the target groups is reliably known, HCS cannot judge the appropriateness of these service levels. This is because DADHC has not established any performance targets for HCS to achieve.

Recommendation

We recommend that DADHC as part of the HCS performance accountability framework specify targets and establish service strategies for special needs groups and monitor HCS's performance against these targets and strategies.

4.5 Risk management

The management of risk is:

- recognised as better practice because it contributes to the efficient and effective use of limited resources
- an integral element of sound governance.

The type of services HCS provides and the characteristics of the majority of its clients represent a significant risk.

There is evidence of risk mitigation strategies being employed by HCS, for example client reviews and client service assessments.

GOOD PRACTICE

In 2003, DADHC conducted a risk assessment covering all operations. DADHC is now developing and implementing a comprehensive approach to risk management. This includes appropriate risk treatments, monitoring the effectiveness of the management of risk and reviewing risk.

HCS has viability risks

HCS faces a number of risks to its viability as a service provider. Firstly, the high cost of its operations compared to other providers may mean it receives less HACC funds. We have made a number of recommendations on this in section *4.2*.

Secondly, its approach to employee screening presents a risk. Only new care workers employed since 18 February 2004 have been subject to a criminal records check. DADHC is negotiating with the union about extending these checks to existing care workers.

Also, HCS employees are not currently required to undertake a working-with-children check to determine suitability to work with children and young people.

Recommendations

We recommend that DADHC:

- continue to require all new HCS employees to undergo a criminal record check
- conduct a criminal record check of all existing HCS employees
- develop in conjunction with the Commission for Children and Young People "child safe and child friendly" polices and procedures for HCS employees working-with-children.

So the Department can conduct working-with-children checks, we recommend that the Minister for Youth amend the definition of child-related employment in the Child Protection (Prohibited Employment) Act 1998 to include home-based care.

Appendix

Appendix 1 About the Audit

Objective

The audit's objective was to form an opinion on whether HCS's management (governance) arrangements deliver home care services that:

- are consistent with policy objectives
- comply with legislative, regulatory and any funding agreement objects/requirements
- represent value for money.

Criteria

The audit reviewed whether HCS:

Effectiveness

- obtains adequate information from customers on their needs, expectations, and perceptions of service delivery
- Advisory Board have appropriate Key Performance Indicators to monitor and report on performance and the outcomes being achieved
- conducts any evaluation of the service/program being delivered
- clients have their needs formally reviewed on a regular basis
- complies with Home and Community Care national standards
- is effective in delivering expected client outcomes, namely people are kept out of institutional care
- is effective in delivering services to specific target populations (ATSI, CALD, rural and remote populations, dementia and financially disadvantaged)
- has mechanisms/processes to ensure there is equity in the provision of services
- effectively manages the demand for services
- effectively communicates and jointly works with other organisations providing services or care packages to people living at home

Economy and Efficiency

- has in place risk management and corruption prevention strategies that are supported by current action plans
- loses minimal financial resources through administrative and corporate overheads
- achieved the stated benefits in the business case for the new service delivery model
- assessment of clients is undertaken in a timely manner
- has robust management information systems and procedures in terms of service inputs, outputs and outcomes
- approach to people management adequately supports service delivery
- has a strategy and supporting plans to promote service economy and efficiency improvements
- has appropriate policies and guidelines for the charging and collection of fees-for-services provided.

Exclusions

The audit did not:

- investigate complaints about specific cases of service provision as these should be dealt with through Home Care Service complaints handling and appeal arrangements
- make judgements on the merits of decisions made or actions taken on service delivery to particular individuals as the audit focus was on the system/process
- adjudge the adequacy of overall funding provided to HCS
- undertake an in depth review of ATSI service provision. Serving ATSI clients is essentially a separate business segment in HCS. Our audit focussed on mainstream, that is non ATSI, service provision.

Audit Approach

The audit acquired subject matter expertise through:

- research, review and analysis of relevant literature and related studies undertaken in other jurisdictions (nationally and internationally)
- review and analysis of HCS documentation and information relating to service provision
- interviews with representatives of DADHC and the HCS, Commonwealth Department of Health and Ageing and Department of Veteran Affairs, various peak bodies and advocacy groups and the NSW Ombudsman's Office
- holding two forums to obtain views about service provision by HCS from peak bodies, stakeholders and any other interested parties in the community sector not consulted face to face
- visits to four HCS Branches and also several visits to the RAC at Parramatta.

Cost of the Audit

Including printing and all overheads the estimated cost of this audit is $440,000.

Acknowledgement

We gratefully acknowledge the co-operation and assistance provided by DADHC, the Community Services Commissioner within the NSW Office of the Ombudsman and the Commonwealth Departments of Health and Ageing and Veteran Affairs.

We were also assisted by discussions with and/or submissions from a broad cross section of stakeholders in community care across NSW including: Council on the Ageing; Aged and Community Services NSW; Carers NSW; Community Care Industry Council; Disability Council of NSW; HACC NSW State Advisory Committee; NSW Community Options Incorporated; NSW Council of Social Services; NSW Ministerial Advisory Council on Ageing; Older Women's Network NSW; People with Disabilities; Physical Disability Council of NSW; and The Aged Care Rights Service.

Audit Team

Our team leader for this performance audit was Steve Sullivan, who was assisted by Rod Plant.

Direction and quality assurance was provided by Stephen Horne initially and then Jane Tebbatt.

Performance Audits by the Audit Office of New South Wales

Performance Auditing

What are performance audits?

Performance audits are reviews designed to determine how efficiently and effectively an agency is carrying out its functions.

Performance audits may review a government program, all or part of a government agency or consider particular issues which affect the whole public sector.

Where appropriate, performance audits make recommendations for improvements relating to those functions.

Why do we conduct performance audits?

Performance audits provide independent assurance to Parliament and the public that government funds are being spent efficiently and effectively, and in accordance with the law.

They seek to improve the efficiency and effectiveness of government agencies and ensure that the community receives value for money from government services.

Performance audits also assist the accountability process by holding agencies accountable for their performance.

What is the legislative basis for Performance Audits?

The legislative basis for performance audits is contained within the *Public Finance and Audit Act 1983, Part 3 Division 2A,* (the Act) which differentiates such work from the Office's financial statements audit function.

Performance audits are not entitled to question the merits of policy objectives of the Government.

Who conducts performance audits?

Performance audits are conducted by specialist performance auditors who are drawn from a wide range of professional disciplines.

How do we choose our topics?
Topics for performance audits are chosen from a variety of sources including:

- our own research on emerging issues
- suggestions from Parliamentarians, agency Chief Executive Officers (CEO) and members of the public
- complaints about waste of public money
- referrals from Parliament.

Each potential audit topic is considered and evaluated in terms of possible benefits including cost savings, impact and improvements in public administration.

The Audit Office has no jurisdiction over local government and cannot review issues relating to council activities.

If you wish to find out what performance audits are currently in progress just visit our website at www.audit@nsw.gov.au.

How do we conduct performance audits?

Performance audits are conducted in compliance with relevant Australian standards for performance auditing and operate under a quality management system certified under international quality standard ISO 9001.

Our policy is to conduct these audits on a "no surprise" basis.

Operational managers, and where necessary executive officers, are informed of the progress with the audit on a continuous basis.

What are the phases in performance auditing?

Performance audits have three key phases: planning, fieldwork and report writing.

During the planning phase, the audit team will develop audit criteria and define the audit field work.

At the completion of field work an exit interview is held with agency management to discuss all significant matters arising out of the audit. The basis for the exit interview is generally a draft performance audit report.

The exit interview serves to ensure that facts presented in the report are accurate and that recommendations are appropriate. Following the exit interview, a formal draft report is provided to the CEO for comment. The relevant Minister is also provided with a copy of the draft report. The final report, which is tabled in Parliament, includes any comment made by the CEO on the conclusion and the recommendations of the audit.

Depending on the scope of an audit, performance audits can take from several months to a year to complete.

Copies of our performance audit reports can be obtained from our website or by contacting our publications unit.

How do we measure an agency's performance?

During the planning stage of an audit the team develops the audit criteria. These are standards of performance against which an agency is assessed. Criteria may be based on government targets or benchmarks, comparative data, published guidelines, agencies corporate objectives or examples of best practice.

Performance audits look at:

- processes
- results
- costs
- due process and accountability.

Do we check to see if recommendations have been implemented?

Every few years we conduct a follow-up audit of past performance audit reports. These follow-up audits look at the extent to which recommendations have been implemented and whether problems have been addressed.

The Public Accounts Committee (PAC) may also conduct reviews or hold inquiries into matters raised in performance audit reports. Agencies are also required to report actions taken against each recommendation in their annual report.

To assist agencies to monitor and report on the implementation of recommendations, the Audit Office has prepared a Guide for that purpose. The Guide, *Monitoring and Reporting on Performance Audits Recommendations,* is on the Internet at www.audit.nsw.gov.au/guides-bp/bpglist.htm

Who audits the auditors?

Our performance audits are subject to internal and external quality reviews against relevant Australian and international standards. This includes ongoing independent certification of our ISO 9001 quality management system.

The PAC is also responsible for overseeing the activities of the Audit Office and conducts reviews of our operations every three years.

Who pays for performance audits?

No fee is charged for performance audits. Our performance audit services are funded by the NSW Parliament and from internal sources.

For further information relating to performance auditing contact:

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Performance Audit Reports

No.	Agency or Issue Examined	Title of Performance Audit Report or Publication	Date Tabled in Parliament or Published
64*	Key Performance Indicators	*Government-wide Framework* *Defining and Measuring Performance (Better practice Principles)* *Legal Aid Commission Case Study*	31 August 1999
65	Attorney General's Department	*Management of Court Waiting Times*	3 September 1999
66	Office of the Protective Commissioner Office of the Public Guardian	*Complaints and Review Processes*	28 September 1999
67	University of Western Sydney	*Administrative Arrangements*	17 November 1999
68	NSW Police Service	*Enforcement of Street Parking*	24 November 1999
69	Roads and Traffic Authority of NSW	*Planning for Road Maintenance*	1 December 1999
70	NSW Police Service	*Staff Rostering, Tasking and Allocation*	31 January 2000
71*	Academics' Paid Outside Work	*Administrative Procedures* *Protection of Intellectual Property* *Minimum Standard Checklists* *Better Practice Examples*	7 February 2000
72	Hospital Emergency Departments	*Delivering Services to Patients*	15 March 2000
73	Department of Education and Training	*Using Computers in Schools for Teaching and Learning*	7 June 2000
74	Ageing and Disability Department	*Group Homes for people with disabilities in NSW*	27 June 2000
75	NSW Department of Transport	*Management of Road Passenger Transport Regulation*	6 September 2000
76	Judging Performance from Annual Reports	*Review of Eight Agencies' Annual Reports*	29 November 2000
77*	Reporting Performance	*Better Practice Guide* *A guide to preparing performance information for annual reports*	29 November 2000
78	State Rail Authority (CityRail) State Transit Authority	*Fare Evasion on Public Transport*	6 December 2000
79	TAFE NSW	*Review of Administration*	6 February 2001
80	Ambulance Service of New South Wales	*Readiness to Respond*	7 March 2001

No.	Agency or Issue Examined	Title of Performance Audit Report or Publication	Date Tabled in Parliament or Published
81	Department of Housing	*Maintenance of Public Housing*	11 April 2001
82	Environment Protection Authority	*Controlling and Reducing Pollution from Industry*	18 April 2001
83	Department of Corrective Services	*NSW Correctional Industries*	13 June 2001
84	Follow-up of Performance Audits	*Police Response to Calls for Assistance* *The Levying and Collection of Land Tax* *Coordination of Bushfire Fighting Activities*	20 June 2001
85*	Internal Financial Reporting	*Internal Financial Reporting including a Better Practice Guide*	27 June 2001
86	Follow-up of Performance Audits	*The School Accountability and Improvement Model (May 1999)* *The Management of Court Waiting Times (September 1999)*	14 September 2001
87	E-government	*Use of the Internet and Related Technologies to Improve Public Sector Performance*	19 September 2001
88*	E-government	*e-ready, e-steady, e-government: e-government readiness assessment guide*	19 September 2001
89	Intellectual Property	*Management of Intellectual Property*	17 October 2001
90*	Intellectual Property	*Better Practice Guide Management of Intellectual Property*	17 October 2001
91	University of New South Wales	*Educational Testing Centre*	21 November 2001
92	Department of Urban Affairs and Planning	*Environmental Impact Assessment of Major Projects*	28 November 2001
93	Department of Information Technology and Management	*Government Property Register*	31 January 2002
94	State Debt Recovery Office	*Collecting Outstanding Fines and Penalties*	17 April 2002
95	Roads and Traffic Authority	*Managing Environmental Issues*	29 April 2002
96	NSW Agriculture	*Managing Animal Disease Emergencies*	8 May 2002
97	State Transit Authority Department of Transport	*Bus Maintenance and Bus Contracts*	29 May 2002
98	Risk Management	*Managing Risk in the NSW Public Sector*	19 June 2002
99	E-government	*User-friendliness of Websites*	26 June 2002

No.	Agency or Issue Examined	Title of Performance Audit Report or Publication	Date Tabled in Parliament or Published
100	NSW Police Department of Corrective Services	*Managing Sick Leave*	23 July 2002
101	Department of Land and Water Conservation	*Regulating the Clearing of Native Vegetation*	20 August 2002
102	E-government	*Electronic Procurement of Hospital Supplies*	25 September 2002
103	NSW Public Sector	*Outsourcing Information Technology*	23 October 2002
104	Ministry for the Arts Department of Community Services Department of Sport and Recreation	*Managing Grants*	4 December 2002
105	Department of Health Including Area Health Services and Hospitals	*Managing Hospital Waste*	10 December 2002
106	State Rail Authority	*CityRail Passenger Security*	12 February 2003
107	NSW Agriculture	*Implementing the Ovine Johne's Disease Program*	26 February 2003
108	Department of Sustainable Natural Resources Environment Protection Authority	*Protecting Our Rivers*	7 May 2003
109	Department of Education and Training	*Managing Teacher Performance*	14 May 2003
110	NSW Police	*The Police Assistance Line*	5 June 2003
111	E-Government	*Roads and Traffic Authority Delivering Services Online*	11 June 2003
112	State Rail Authority	*The Millennium Train Project*	17 June 2003
113	Sydney Water Corporation	*Northside Storage Tunnel Project*	24 July 2003
114	Ministry of Transport Premier's Department Department of Education and Training	*Freedom of Information*	28 August 2003
115	NSW Police NSW Roads and Traffic Authority	*Dealing with Unlicensed and Unregistered Driving*	4 September 2003
116	NSW Department of Health	*Waiting Times for Elective Surgery in Public Hospitals*	18 September 2003

No.	Agency or Issue Examined	Title of Performance Audit Report or Publication	Date Tabled in Parliament or Published
117	Follow-up of Performance Audits	*Complaints and Review Processes (September 1999)* *Provision of Industry Assistance (December 1998)*	24 September 2003
118	Judging Performance from Annual Reports	*Review of Eight Agencies' Annual Reports*	1 October 2003
119	Asset Disposal	*Disposal of Sydney Harbour Foreshore Land*	26 November 2003
120	Follow-up of Performance Audits NSW Police	*Enforcement of Street Parking (1999)* *Staff Rostering, Tasking and Allocation (2000)*	10 December 2003
121	Department of Health NSW Ambulance Service	*Code Red:* *Hospital Emergency Departments*	15 December 2003
122	Follow-up of Performance Audit	*Controlling and Reducing Pollution from Industry (April 2001)*	12 May 2004
123	National Parks and Wildlife Service	*Managing Natural and Cultural Heritage in Parks and Reserves*	16 June 2004
124	Fleet Management	*Meeting Business Needs*	30 June 2004
125	Department of Health NSW Ambulance service	*Transporting and Treating Emergency Patients*	28 July 2004
126	Department of Education and Training	*School Annual Reports*	15 September 2004
127	Department of Ageing, Disability and Home Care	*Home Care Service*	October 2004

* Better Practice Guides

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