

Evaluation of the new Working With Children Check

Office of the Children's Guardian

13 August 2015



Building a better
working world

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13 August 2015

Private and confidential

Evaluation of the new Working With Children Check

Dear Kerryn

We are pleased to present the final report outlining our findings of the evaluation of the new Working With Children Check.

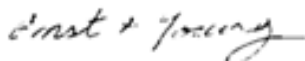
Our final report has been provided to the Office of the Children's Guardian (OCG) pursuant to the terms of our contract dated 11 February 2015 and the evaluation plan agreed.

In carrying out our work and preparing our report, Ernst & Young has worked solely on the instructions of the OCG and has not taken into account the interests of any other party. Our report has been constructed based on information received as of 7 August 2015 and provided to us by the OCG or WWCC Interagency Committee representatives. Material events may have occurred since this date that are not reflected in our report.

Our team has appreciated the opportunity to work with the OCG on this important project. We hope that the findings in our report assist the office in providing information to assist with future planning for the administration of the Working With Children Check.

If you have any questions in regards to the content of this report please do not hesitate to contact Chris O'Hehir on 02 9248 5435.

Yours sincerely



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1. Glossary

Phrase	Definition
Annual Compliance Plan	An internal OCG document which describes how the OCG will meet its obligations to the Child Protection Act (2012) and Regulation (2013), the Corporate Plan (2014-2017) and the principle functions of the Children's Guardian as outlined in section 181 of the Children and Young Persons (Care and Protection) Act 1998.
Automatic clearance	Where there is no match between an applicant's name and a name on the CrimTrac database the WWCC application receives an automatic clearance.
AVO	An Apprehended Violence Order (AVO) is an Order made by a court against a person who makes you fear for your safety, to protect you from further violence, intimidation or harassment.
Bar	A Working with Children Check Bar prevents employees or volunteers from working with children for five years, anywhere in NSW.
Business case	A proposal to the NSW Government for capital allocation and/or resource allocation.
CCYP	Commission for Children and Young People. Independent regulator responsible for administering the previous program.
Charitable service	A charitable organisation is a type of non-profit organisation (NPO). It differs from other types of NPOs in that it centres on non-profit and philanthropic goals as well as social well-being.
Child Protection Register	Under this Act, persons convicted of a nominated violent or sexual offence against a child will be recorded in the Child Protection Registry.
Child Safe Policy Framework	Child safe policies and practices that reduce potential environmental risks and keep kids safer in those environments.
Clearance	A Working With Children Check Clearance will be valid for any child-related work or volunteering for five years, anywhere in NSW.
Compliance	The OCG Compliance Program gathers information and analyses how organisations administer the new Working With Children Check. The risk based and random audits, including site visits, will look at child-related workers and volunteers in these sectors who have not applied for, and employers who have not verified, a new Working With Children Check.
Continuous check	The Working with Children Check incorporates continuous monitoring for serious sex, violence or other related offences or disciplinary records within NSW.
CrimTrac	CrimTrac is the national information-sharing service provider for Australia's police, wider law enforcement and national security agencies.
Customer Survey	OCG WWCC User Experience Survey May 2015 sent to 15,000 applicants.
DEC	NSW Department of Education and Communities.
DSR	NSW Department of Sport and Recreation.
Employee check	A WWCC for an individual in a paid employment role. A fee is currently payable for this check.
FACS	NSW Department of Family and Community Services.
GSE	The Government Sector Employment Act 2013 provides a new and streamlined statutory framework devoted solely to the NSW Government Sector Employment and Workforce Management.
Health	NSW Department of Health.
iASK	Operational Information Agency system for external information requests.
IRA	Industry Risk Analysis. An internal document produced by the OCG for targeted compliance.
Interim Bar	An interim bar is used to prevent high risk individuals from working with children while a risk assessment is conducted and until a final decision is made. A person who is subject to an interim bar must not engage in child-related employment while it is in force. An interim bar may be imposed for up to 12 months.
NCAT	NSW Civil and Administrative Tribunal.
NCRC	National Criminal Record Check.

Phrase	Definition
NGO	A non-governmental organisation (NGO) is any non-profit, voluntary citizens' group which is organised on a local, national or international level.
OCG	Office of the Children's Guardian.
Phase-in schedule	Schedule specifying the years over which employees or volunteers currently in child-related work will be phased in to the WWCC over a five year period, according to their industry sector.
Private sector	The private sector refers to the part of NSW's economic system that is run by individuals and companies, rather than the government.
Police	NSW Police Force.
Professional Judgement Model	A goal oriented decision-making or problem solving process carried out in the interest of one's client wherein one gives reasoned consideration to relevant information, criteria, methods, context, principles, policies and resources.
Records review	Where there is a match between an applicant's name and a name on the CrimTrac database, state and territory police agencies must investigate more closely.
Risk assessment	Applicants referred from records review with a relevant criminal or misconduct record, or notification of concern that is considered to be an assessment requirement trigger.
RMS NSW	Roads and Maritime Services NSW. RMS provides proof of identity services under the new WWCC system.
Royal Commission	Royal Commission into Institutional Child Sexual Abuse established in 2013 by the Australian Government.
Sex Crimes Unit	The Sex Crimes Squad is a specialist adult sexual assault and child protection service which supports Local Area Commands across NSW.
SLA	Service-level agreement. Part of a service contract where a service is formally defined.
The Act	NSW Child Protection (Working with Children) Act 2012.
Triage	The process of determining the priority of incoming Working with Children check application based on the severity of their risk to children.
Verification process	Employers verify their employees and volunteers online to confirm that they have a valid WWCC application or clearance for their work in child related roles.
Volunteer check	A WWCC for an individual in a volunteer role. No fee is charged for this check.
Weekly decision panel	OCG internal panel to approve decisions on all cases except for those clearances made at Records Review or Triage under prescribed business rules.
WWCC	Working With Children Check.

2. Executive summary

"Safety and security don't just happen, they are the result of collective consensus and public investment. We owe our children, the most vulnerable citizens in our society, a life free of violence and fear."

Nelson Mandela, Former President of South Africa

The sentiment expressed above is in line with the principles that underpin the need for the Working with Children Check (WWCC) as part of a holistic child safe framework. The need to ensure the safety and protection of children is central to the WWCC program, and the ability to build on the successes and learnings from the WWCC program to date is one of the key drivers for this evaluation.

WWCCs are an integral part of constructing a protective environment for children and young people. It is therefore essential that the WWCC program is robust and efficient, that all relevant organisations comply with the necessary WWCC requirements, and that WWCCs are embedded into a broader child safe framework. If not, the credibility of the checks and their effectiveness is compromised.

This evaluation of the WWCC program is based on the first two years of the new program's operation and will support the Office of the Children's Guardian (OCG) by informing process and resource adjustments for the next stage of the program's implementation.

2.1 Background

The WWCC is a prerequisite for paid and unpaid child-related work and is one of the tools available to keep children safe. The check is administered by the OCG in line with the *Child Protection (Working With Children) Act 2012*. Changes were made to this legislation in 2013 to deliver a more efficient and flexible policy and practice framework, as well as offering greater protection to children.

On 15 June 2013 a new model for the WWCC program was established. A number of substantial changes were made from the previous WWCC requirements in NSW to provide greater protection for children. This included establishing a portable clearance check for child-related workers and volunteers valid for five (5) years. The system also incorporated a new process to undertake continuous review of NSW Police records and workplace records (conduct matters) for the purpose of updating any decisions based on new information during the five year period. The new program also included the design of a compliance program and provision of child safe training and education programs which also confirm the importance of using the WWCC as one approach within a broader child protection and child safe framework.

The OCG commissioned EY to undertake an independent evaluation of the WWCC program. The requirements were to undertake both an economic and program evaluation to understand both the financial and processes areas most impacting on the delivery of the program. Given this EY identified, in consultation with the OCG and the WWCC Interagency Committee (see Appendix B), a number of assessment elements to define the evaluation parameters and ensure coverage across the whole WWCC system and to provide focus on four key areas:

1. Financial sustainability
2. Program effectiveness
3. Customer and stakeholder acceptance and compliance
4. Implementation of WWCC as part of holistic risk management

2.2 Key findings

The OCG requested that this evaluation examine the implementation, growth and system design of the WWCC program to better understand:

- **Cost drivers** - understanding of variability in delivery of service, fees and charges imposed as part of the checking process, comparison of expenditure to budget, cost per unit of effectiveness both pre and post reform, comparison with other jurisdictions, scope and impost of the monitoring process
- **Financial impacts** - fees vs cost and sensitivities, pricing strategy implications, financial sustainability, analysis of the extent to which the current model is self-funding under different scenarios

- ▶ **Demand drivers** - historical and current demand levels, excess demand, unmet demand and unknown demand, variability in the application of the WWCC requirements, potential impacts on future demand
- ▶ **Program effectiveness** - coverage of market, effectiveness of monitoring and risk assessment, outcomes of the WWCC, demand management strategies, process times
- ▶ **Service implementation** - system design and operation, efficacy of the IT systems for internal processing and at the customer interface, extent to which data capture is sufficient, risk assessment and decision tools and processes are valid for their intended purpose, education program supports awareness and understanding, risk management processes and reliance on the WWCC
- ▶ **Customer relationship management, compliance and acceptance** - understanding of legislative requirements, reducing “red tape” for employers, employees and volunteers, quality of customer service, compliance with requirements (and in particular evidence of non-compliance)

Our findings against the evaluation criteria are summarised below:

Evaluation criteria	Does the WWCC meet the criteria?	Report Section
1. Core Evaluation Question 1: Is the new WWCC financially sustainable?	NO <ul style="list-style-type: none"> ▶ The WWCC is not financially sustainable assuming the continued trend or levels of volunteer demand, processing unit costs and anticipated government funding levels. 	Section 5
2. Core Evaluation Question 2: Does the WWCC deliver a policy and practice framework that is efficient and effective and covers all required persons?	PARTLY <ul style="list-style-type: none"> ▶ The program’s internal operations, systems and capacity of all stakeholders to complete and comply with requirements have been stretched by significantly higher than expected demand to date which has impacted on the efficacy and efficiency of the overall WWCC system. ▶ The effectiveness of the policy framework is less where the entities involved are decentralised, small (limited resources available) or have difficulty in determining whether a person requires a check. ▶ The practice framework, whilst effective where demand is within expected levels, can make efficiency gains. These are particularly related to IT systems, risk management systems and the gradual shift from a heavily senior hierarchical assessment practice (as the OCG becomes more confident in the processes implemented). 	Section 6
3. Core Evaluation Question 3: Is the WWCC understood, accepted and complied with by all members of the community?	PARTLY <ul style="list-style-type: none"> ▶ A greater level of understanding and compliance is achieved for those in easy to identify child related positions and state based or regional level providers. However more work needs to be undertaken to be able to reach the large volunteer sector, private sector and those in decentralised and localised services. 	Section 7
4. Core Evaluation Question 4: Does the WWCC provide the basis for an employer to manage their operations within a holistic risk framework?	PARTLY <ul style="list-style-type: none"> ▶ Large and centralised organisations have incorporated the WWCC into a holistic risk framework. ▶ Small, local and volunteer organisations appear to be using the WWCC as their only child safeguard. ▶ This can be attributed to difficulties in informing this sector of their obligations, coupled with resource constraints faced by small and isolated service, sport or recreational groups 	Section 8

2.3 Conclusions and recommendations

The overall conclusion from our evaluation is that the WWCC program requires change in a number of focus areas (as can be seen by the above table) in order to achieve financial sustainability, overall system efficacy, and improve the level of understanding, compliance and holistic child safe practices across NSW.

Is the new WWCC financially sustainable?

The program is not financially sustainable in its current form given current levels of volunteer demand, processing unit costs and government funding levels. While the employee check fee is currently sufficient to cover employee check processing costs, government contributions are required to fund the costs for volunteer checks as no fee is charged for these checks. The number of volunteer checks to date and the ratio of volunteer to employee checks are significantly higher than anticipated and are expected to continue at these levels, leading to a net program deficit over 2014 and 2015 and future expected financial shortfalls for the program. The evaluation has also found that demand levels and resource constraints are likely to contribute to a sustained risk assessment backlog and its associated risks. Given these results, it is unlikely that financial sustainability will be achieved in the future without increased government contributions, changes to pricing structure, costs and/or operating processes, or demand management strategies.

Does the WWCC deliver a policy and practice framework that is efficient and effective and covers all required persons?

It is important to note that this new WWCC program has only been in place for two years and that the OCG has undertaken to review and refine processes and systems on an ongoing basis. The evaluation has found, however, that due to significantly higher than expected demand and the limited controls in place to influence the external drivers of demand, that the OCG has not been able to keep pace with the volume of applicants through the system once they require a risk assessment to determine a WWCC clearance or bar. This has had an impact on the budgetary and resource requirements to deliver the services, given that the higher the demand levels, the more resources are needed to support the internal processes. The evaluation has found that the internal systems have not changed enough to adequately meet the continued workload or streamline the processes around records review and risk assessment to provide improved direction and support tools for staff to make more timely decisions commensurate to the level of child related risk inherent in the applicants that proceed to risk assessment.

Is the WWCC understood, accepted and complied with by all members of the community?

A great deal of efforts has been undertaken by the OCG to facilitate awareness and understanding of the new WWCC and its associated legislative obligations. They have developed a range of easily accessible resources and training materials which have been tailored to meet the needs of the different sectors. These resources also align with the OCG's "Child Safe Organisation" mandate by stressing the importance of incorporating the WWCC into a holistic child safe strategy. Larger, more centralised agencies have the facilities and communication systems to disseminate these materials to their employees; however, smaller, decentralised organisations may not have mature communication channels and so are less able to use these materials effectively.

Does the WWCC provide the basis for an employer to manage their operations within a holistic risk framework?

This evaluation has found that work needs to be undertaken to be able to reach all other sectors and be mindful of those groups that do not have internal capacity or systems to manage messaging and delivery. This applies to a large number of small, disparate service providers which have a higher proportion of volunteers and casual workers and so tend to have a more transient workforce (i.e. higher workforce turnover). Limited understanding in these sectors has unfortunately led these services towards a more resource intensive implementation process, oversubscription for the check and sporadic compliance. Meanwhile the message of a child safe risk framework appears to have been lost and these groups appear to be using the WWCC as their only safeguard. Given that these groups represent the highest risk to children, this non-compliance with the WWCC and "Child Safe Organisations" should be of great concern to the community.

Based on our evaluation we have made the following key recommendations to support the ongoing development and enhancement of the WWCC program:

Overall Recommendations:

- ▶ Develop a Reform Plan with consideration to all the recommendations (see Section 9) relating to each evaluation criteria from the WWCC Evaluation Plan

- Put in place the identified controls raised in this report which are required to drive behaviour change across the WWCC system to improve compliance in line with the intent of the legislation

Core Evaluation Question	Recommendation	Section
Is the new WWCC financially sustainable?	<ul style="list-style-type: none"> ► Develop a business case for additional government funding for the next five year period, including demand projections, measures around record review / risk assessment staff capacity and risk assessment backlogs. We would also suggest making some allowance for expected indexation for CrimTrac and RMS NSW fees, as well as salary and operating costs and any anticipated efficiency gains over the period in question (including potential investment required to achieve those efficiencies) ► Perform a thorough investigation of the continuous check process and its impact on records review workloads. This is particularly important given that continuous checks will increase in line with the growing WWCC population and will represent a greater proportion of records review work over time. 	5
Does the WWCC deliver a policy and practice framework that is efficient and effective and covers all required persons?	<ul style="list-style-type: none"> ► Undertake a comprehensive review of OCG internal processes and systems to identify areas where potential efficiencies can be achieved in the longer term. This should then inform future resource and budgetary requirements. In the medium to longer term we recommend that the OCG review the Weekly Decisions Panel to be more in line with the delegation responsibilities reflective of the seniority of the Management Team ► Review the systems in place with a view to supporting the capacity of small, decentralised and volunteer / casual worker dominated services to manage their WWCC requirements. ► Investigate options for an eligibility assessment system built into the front end IT system prior to people applying ► Design the 5 year renewal process incorporating changes made to the system based on the recommendations from this Evaluation and deliver targeted training and support to all sectors to understand the changes for Cycle 2 ► Develop a range of tools to support staff as part of risk management which would include (but not necessarily limited to): <ul style="list-style-type: none"> ► Risk prioritisation ► Risk rating tools ► Variable risk assessment framework commensurate with risk rating level ► Establishing a concurrent process for clearing the backlog whilst still maintaining day to day operations is required given the significant volume of applicant matters yet to have a final determination. It is estimated (based on 1400 currently in backlog and an average of 50 completed risk assessments per staff member) that this may require up to 18 months and approximately 28 positions ► Formalise MOU's with all agencies in relation to mutual obligations to implement a robust WWCC Program ► Capital funding be made available to design and build a more longer term and sustainable automated system for the Continuous Checking function managed by NSW Police ► Undertake a review of NSW Police requirements be undertaken to consider the need for and resources required to establish a centralised WWCC Information Exchange Unit 	6
Is the WWCC understood, accepted and complied with by all members of the community?	<ul style="list-style-type: none"> ► Repeat the customer survey at regular intervals to gauge community understanding and acceptance of the WWCC 	7

Core Evaluation Question	Recommendation	Section
Does the WWCC provide the basis for an employer to manage their operations within a holistic risk framework?	<ul style="list-style-type: none"> ▶ Consider increasing the number of compliance audits, targeting employers and areas with low rates of verification ▶ Investigate alternative methods to reach detached groups of the community, in particular volunteers to reinforce the importance of verification and the necessity for child safe practices 	8

A complete set of detailed recommendations is set out in section 9.

3. Introduction and background

The new Working With Children Check (WWCC) was established in New South Wales in June 2013. It was agreed that an evaluation of the new system would be performed after a two year period. In February 2015, The Office of the Children's Guardian (OCG) engaged Ernst & Young (EY) to conduct this evaluation of the WWCC program.

3.1 Evaluation purpose

The purpose of the evaluation is to evaluate the following outcomes of the WWCC from an economic and program perspective:

Core Evaluation Question		
1	Is the new WWCC financially sustainable?	Economic Evaluation
1.1	► What are the drivers of the cost of the new WWCC program?	
1.2	► What is the financial sustainability of the new program?	
2	Does the WWCC deliver a policy and practice framework that is efficient and effective and covers all required persons?	Program Evaluation
2.1	► What are the drivers of current and future estimated demand for WWCCs?	
2.2	► Are checks being provided to all required persons (allowing for persons in exemption categories)?	
2.3	► Are program processes efficient and effective?	
2.4	► Are the program enablers (data, systems design and operations, interfaces) efficient and effective?	
2.5	► Do the OCG's risk assessment tools and processes facilitate an effective approach to risk assessment?	
2.6	► Has the new program reduced red-tape for customers, compared to the previous program?	
2.7	► Has the new program impacted other Government agencies' probity checking and associated costs?	
3	Is the WWCC understood, accepted and complied with by all members of the community?	
3.1	► Is the new program understood, accepted and complied with by the community?	
3.2	► What are the enablers to promote understanding and acceptance of the program and are they effective?	
4	Does the WWCC provide the basis for an employer to manage their operations within a holistic risk framework?	
4.1	► To what extent do employers and voluntary organisations employ a holistic approach to the management of child safety risk?	
4.2	► Does education lead to an understanding of broader child safety considerations?	

3.2 Background

The NSW WWCC is a requirement for paid and unpaid child-related work and is administered by the OCG. Initially envisaged as a scheme for those in the paid workforce, it is now undertaken by all individuals working with children or children's data in both an employed or voluntary capacity.

In response to concerns identified by the NSW Auditor General in February 2010 and the review of the (then) *Commissioner for Children and Young People Act 1998* in April 2010, changes to the previous WWCC were enacted through the following legislative instruments which commenced on 15 June 2013:

- *Child Protection (Working With Children) Act 2012*
- *Child Protection (Working With Children) Regulation 2013*

The aim of the new WWCC is to deliver a more efficient and flexible policy and practice framework, and offer greater protection to children, by requiring that all persons working with children undergo a check, irrespective of their employment status.

The new program intended to improve on the previous model in the following key ways:

- ▶ it provides the same WWCC for all categories of worker, including paid workers, volunteers, self-employed people and authorised carers, including those who work in an ad hoc capacity
- ▶ it accesses full criminal histories instead of a defined subset of records, and continuously monitors new NSW records to manage risks that occur after a person has received a clearance to work with children
- ▶ it has only two outcomes: a clearance, allowing the worker to be offered employment, or a bar, so employers can no longer engage the worker in a child-related position
- ▶ it is easier to operate, with streamlined online systems and centralised delivery; this process affects agencies and is intended to line up with agency policies

The table below summarises the key changes to the program.

Area	Previous program	Current program
Applicant	Positional requirement - fixed	Individual Clearance - Portable
Validity period	Time in position	5 years with Continuous checking process in place
Risk determination	Employer	OCG
Risk decisions	Variable - related to work requirements in role	Clearance or bar
Scope	Employees and Statutory Declaration for all others	All child related work (some exemptions identified)
Extent of check	Criminal records and completed disciplinary proceedings	Criminal records, Workplace records, Information of concern
Authentication of person ID	with provision of relevant ID documentation	RMS ID check and employer verification of WWCC number
Information gathering	Agencies gathered and assessed information available from criminal records, internal systems and individual applicant	OCG identification and assessment of all information available from criminal records, workplace records (conduct matters), child protection reports and individual applicant

Since the introduction of the new program, the OCG has responded to a much higher number of applicants than initially projected in the 2011 NSW Treasury forecasts. This increase in volumes has led to a stretch for all aspects of the program and has been identified as one of the critical areas for this evaluation.

3.3 The new WWCC model

The new program commenced in June 2013 with clearances valid for 5 years. A substantial component of the new check is the provision of a new streamlined online facility for application and clearance determination in the first instance. This front end system is reliant on the provision of services from Roads and Maritime Services (RMS) for identification check and fee payment, and CrimTrac for the identification of any relevant criminal records and charges.

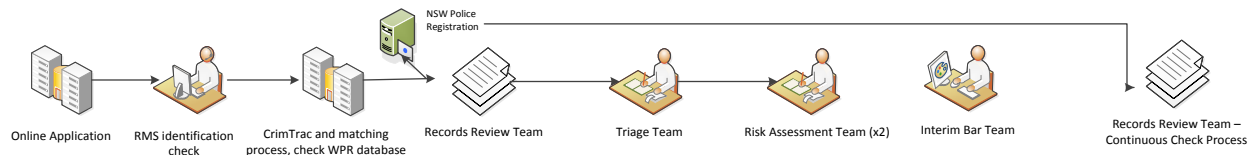
Any records identified in this initial process are submitted to the OCG for records review, where again a determination of a clearance or a requirement for a more comprehensive risk assessment is made. If the OCG find that there are significant areas of concern then an interim bar is applied while this risk assessment is being performed.

It should be noted that certain offences automatically exclude a person from child related work, and that other offences and concerning information trigger a thorough assessment of the potential risk to children before the applicant can be granted a clearance.

The OCG considers a wide range of information to assist in reaching final determination. Sources include:

- ▶ NSW Police
- ▶ Attorney General and Courts Administration
- ▶ Child protection records
- ▶ Workplace records
- ▶ NSW Ombudsman

The OCG is required to record all the information used to make a determination and the rationale in regard to the decisions made. These files can sometimes be required to submit to the NSW Civil and Administrative Tribunal (NCAT) should an applicant appeal the rationale for the decision. The following graphic represents the above process and illustrates the flow of applications through the WWCC system. See Appendix C for more detail.



Currently, the OCG receives revenue of \$80 per employee check. External service provider costs associated with an employee check include an RMS fee of \$11.73 and a CrimTrac fee of \$23. There is no fee for a volunteer check, however it attracts an RMS fee of \$11.73 and a CrimTrac fee of \$7.45.

According to information provided from the OCG we understand that there are currently 26 staff in the records review team, 18 staff in the risk assessment team and 43 staff in other roles, such as compliance and systems. The OCG WWCC program operated on a total salary budget of \$9.3m over the 2015 financial year.

4. Approach and methodology

Our evaluation approach has incorporated a multi-data source strategy, using a range of methods and techniques to bring both qualitative and quantitative elements to derive key findings.

Information sources are shown in the table below (see appendices for the detailed methodology of each research modality).

Source	Brief description of methodology	Evaluation area	Evaluation question
Administrative systems data	Analysis of demand by: <ul style="list-style-type: none"> ▶ Employee / volunteer check type ▶ Sector ▶ Clearance type (i.e. cleared, barred, in process) ▶ Assessment type (automatic clearance, records review, risk assessment) ▶ Volunteer to employee upgrades ▶ Number of applications per individual ▶ Verified flag Analysis of processing timelines by assessment type	Economic evaluation	1, 2
Customer survey	2,021 responses were recorded from a 16 question survey emailed to 15,000 WWCC applicants in May 2015. The responses were a combination of free text, drop down lists and Likert scales.	Process evaluation	2, 3
Review of internal and external documents	Research topics from the review were: <ul style="list-style-type: none"> ▶ Internal OCG operations (across compliance, records review and risk assessment teams) ▶ Operating models for working with children checks in other jurisdictions, including reviews and annual reports ▶ Agency WWCC policies ▶ Research on NSW workforce and volunteer statistics (e.g. registered teachers and health professionals) 	Economic evaluation Process evaluation	1, 2, 3, 4
Process walkthroughs	<ul style="list-style-type: none"> ▶ Records Review ▶ Risk Assessment ▶ Interim Bar ▶ Bar Decisions 	Process evaluation	2
Stakeholder consultations	OCG Executive WWCC Management Team WWCC Interagency Committee <ul style="list-style-type: none"> ▶ NSW Department of Early Education ▶ NSW Department of Family and Community Services (FACS) ▶ NSW Department of Police ▶ NSW Department of Health ▶ NSW Department of Education ▶ NSW Attorney General ▶ NSW Ombudsman 	Economic evaluation Process evaluation	1, 2, 3, 4
Case study reviews	<ul style="list-style-type: none"> ▶ Nippers club (determining child related roles) ▶ Example applications subject to delayed risk assessments 	Economic evaluation Process evaluation	1,2

4.1 Evaluation scope

The scope of the evaluation included a review of the program:

- ▶ **Cost drivers** - This includes the costs associated with processing checks, the drivers of cost outcomes, and an efficiency analysis of the process and any potential implications of the monitoring of accreditation.
- ▶ **Financial sustainability** - This includes analysis of fees vs cost and sensitivities around potential outcomes, pricing strategy implications, financial sustainability of the program - analysing the extent to which the current model is self-funding under different demand estimates and at different price points
- ▶ **Demand drivers** - This includes consideration of: Historical and current demand, excess demand, unknown demand, variability in the application of policy on WWCC requirements across the community, and potential impacts on future demand.

- ▶ **Efficiency/effectiveness of processes** - This includes coverage of the market, the effectiveness of monitoring, employee/employer feedback on the change, and the actual application processing times compared with the previous program.
- ▶ **Service implementation** - This includes: system/program design and operation, the efficacy of the IT systems, the extent to which data capture is sufficient for the purposes of managing risk and measuring the effectiveness and efficiency of the check, the extent to which the risk assessment and decision tools and processes are valid for their intended purpose, the extent to which education of companies / volunteers promotes understanding and acceptance of WWCC requirements and risk management approaches.
- ▶ **Customer relationship management** - This includes employee and employer understanding, the extent to which the process has reduced “red tape” for employers, employees and volunteers, the extent to which client service levels are monitored, and the extent of compliance with requirements (and in particular any evidence of non-compliance) based on information collected by the OCG.

4.2 Evaluation limitations

This evaluation has not considered or included:

- ▶ **Policy and legislation** - This evaluation does not include an assessment of the policy or legislation associated with the WWCC, other than compliance with those regulatory arrangements that impact on the operational aspects of the WWCC that are within scope.
- ▶ **Process mapping** - The current scope of the project does not include detailed process mapping as part of the program evaluation. We relied on existing process mapping and documentation of business processes provided by OCG.
- ▶ **Willingness to pay data** - We used costing and volume data from other jurisdictions provided by OCG to form assumptions around customers’ “willingness to pay” and implications on demand at different fee levels. The OCG specifically did not want to conduct market testing as it posed a risk that it may set up an expectation in the market.
- ▶ **Stakeholder consultations** - The evaluation does not include the conduct of widespread stakeholder consultations. We relied on information provided by the OCG and the members of the Interagency Steering Committee.
- ▶ **Outcomes for children** - The evaluation does not measure outcomes for children. Instead we looked at coverage of the program for all individuals working with children.

Our evaluation findings are partly based on internal program documents and systems data provided by the OCG and customer survey data. We have relied upon and consider that the OCG information provided to us was accurate.

For our evaluation of the level of compliance within agencies and the community, we relied on information provided by the OCG and interagency committee member representatives. The evaluation did not include any audits of compliance or consultation with other external stakeholders (e.g. private sector, religious, non-government or volunteer organisations).

We also considered cost data from other jurisdictions. However we found that several jurisdictions were unable to provide program-specific unit costs for comparison; for those that did provide high level unit costs, there were substantial differences in the size, legislation and operating structure for each scheme which strongly influenced their cost effectiveness and resulted in a wide variation of unit costs. Given that a formal benchmarking process was not within scope for this Evaluation and that the information that was available was limited then this was an insufficient basis on which to draw reasonable comparisons.

5. Core Evaluation Question 1

Economic evaluation

Key findings and observations

Q1. Is the new WWCC financially sustainable?

The WWCC is not financially sustainable in its current form with current levels of volunteer demand, processing unit costs and government funding levels. While the employee check fee is currently sufficient to cover employee check processing costs, government contributions are required to fund the costs for volunteer checks as no fee is charged for these checks.

The number of volunteer checks to date is nearly 5 times higher than initially forecast and the ratio of volunteer to employee checks is significantly higher than anticipated. These differences have led to a net program deficit over 2014 and 2015.

Summary findings

The employee check fee is sufficient to cover current external fees, allocated staff costs and overheads associated with processing checks for these cohorts (i.e. it is self-funding). Volunteer checks, however, require government contributions to fund the associated costs, because no fee is charged for these checks.

Demand for the check has been significantly higher than forecast over the last two years, particularly for volunteer applications. Nearly 800,000 applications had been completed as at 30 June 2015, with employee checks 39% higher than budget (i.e. around 118,000 additional checks) and volunteer checks nearly 5 times higher than budget (i.e. around 292,000 additional checks). The difference in volumes and volunteer to employee check ratios has led to significant shortfalls for the program for 2014 and 2015 after anticipated government contributions.

Based on our analysis of demand levels to date and comparison with long term demand in other jurisdictions, we estimate that around 21% of the NSW population (1.686m) will have a WWCC by the end of the transition period and that demand volumes will average around 360,000 per year over the next 5 year period (2019 - 2023). Based on the actual emerging data to date, demand for the check is expected to be approximately even between employees and volunteers.

Our estimated total population of persons with a WWCC is around 50% higher than the initial forecast of 1.1m in the 2011 Treasury business case.

On this basis, the program would be expected to experience an average annual shortfall of around \$9m over the next 5 year period 2019 to 2023 (before government contributions), assuming that current fees, costs, operating structures and legislative requirements remain unchanged. Future financial results are particularly sensitive to variations in the ratio of volunteer to employee checks as well as fee structure changes.

For the remainder of the transition period, continued financial shortfalls are likely to contribute to a sustained risk assessment backlog and its associated risks (discussed further in section 6).

Given these results, it is unlikely that financial sustainability will be achieved in the future without:

- ▶ increased government contributions, and/or
- ▶ changes to pricing structure, costs, operating processes or
- ▶ implementing demand management strategies

Context

For the WWCC program to be financially sustainable:

- ▶ Fees charged and government contributions made should cover costs;
- ▶ Activities to provide and monitor checks to all required persons should be effective and efficient in service delivery; and
- ▶ Where the financial outcome is sensitive to variance in assumed levels or mix of demand (or other features not within the control of the OCG), there is reasonable recourse to additional funding

This section considers the program inputs, activities and outputs to assess whether financial sustainability is being achieved with the current pricing structure, cost of delivering services and government funding. The following economic aspects of the program are discussed below:

5.1 Cost drivers

5.2 Financial sustainability

6.1 Demand drivers (discussed in section 6)

We note that this evaluation only considers the financial sustainability of the program from the OCG's perspective, and does not take into account the costs and impacts borne by agencies outside the OCG in respect of the program. For Police and Attorney Generals we were told that these were considered material (section 6.7 discusses these impacts in detail). Any estimate of the whole-of-government program cost would need to take into account the costs and impacts borne by all government agencies in addition to the OCG.

It is also important to note that this evaluation is limited to the WWCC program and does not include an assessment of the financial position of other OCG services or the OCG as a whole entity. All financial position, cost and revenue estimates shown below relate only to the WWCC program.

5.1 Cost drivers

The program's main outputs are processed checks whereby individuals receive a clearance or bar for working with children. The program also delivers services around auditing organisational compliance with WWCC requirements, as well as support for organisations and individuals who are fulfilling their WWCC requirements (i.e. through the WWCC Helpline, WWCC email address and community engagement activities).

The cost of delivering these program services can be separated into three categories:

Category	Description	Driver
External costs	The OCG's program delivery is supported by two external service providers, both which impose a fee for each application processed: <ul style="list-style-type: none">▶ RMS / Service NSW, which verifies the identity of individuals applying for a check and processes payments for employee checks▶ CrimTrac, which provides details of any criminal records linked to applicants Fees are also imposed by NSW and interstate courts when requesting information for risk assessments. We note that this is a very small portion of external costs given the low number of risk assessments performed each year (<2,000).	Employee and volunteer check numbers (CrimTrac charges a higher fee for employee checks)
Staff costs	Covers salaries, insurance and other employee-related expenses. Staff can be categorised into broad areas: <ul style="list-style-type: none">▶ Record review team (record review officers, co-ordinators and team leaders)▶ Risk assessment team (risk assessment officers and team leaders)▶ Strategy and services (covering roles not related to records review or risk assessment; e.g. community engagement, Child Safe training, compliance)▶ Support staff (incl. business and customer support officers)	Staff numbers Check numbers (indirect driver for record review and risk assessment team costs)
Operating costs and other overheads	Covers smaller expenses such as rent, corporate overheads and depreciation, which are relatively fixed in the short term.	Overheads

Staff costs are directly linked to staff numbers but also partially driven by check volumes, as the number of record review and risk assessment staff is influenced by the level of record reviews and risk assessments that need to be performed. Additional staff costs were incurred in both 2014 and 2015 as temporary staff were contracted to help process record reviews and risk assessments at much higher numbers than originally forecast.

The program's operating environment (e.g. processes, staff structure) also influences staff and operating costs.

Comparison of total and unit costs to date

A comparison of actual and budgeted costs for the first two years of the program's operation is shown in the table below. It can be seen that the two main cost categories are external costs (just under 40%) and employee costs (just under 50%), both of which are directly or partially driven by check volumes and so are considerably higher than initially planned.

Category (\$m)	Budget 2013-14	Actual 2013-14	Estimated 2014-15
External costs	5.7	11.6	9.7
Employee costs	6.2	9.1	9.4
Operating costs and other overheads	3.5	3.3	3.7
Total costs	15.4	24.1	22.8

Source: OCG 2013-14 actual to budget cost comparison, 2015 application data and employee cost estimates

We observe that around half of the program's staff costs belong to teams who focus specifically on time intensive record reviews and risk assessments. These check types represent a small portion of applications (11% for records review, 0.4% for risk assessment) but require significant time and effort. The majority of applications are automatically cleared with little need for OCG staff intervention.

The calculated unit costs for employee and volunteer check types and for different clearance types (automatic clearance, record review or risk assessment) are shown in the table below. These unit costs are based on current demand volumes.

Category (\$)	Budget 2013-14	Actual 2013-14	Estimated 2014-15
Average unit cost	86	57	64
<i>Unit costs by check type</i>			
1. Employee checks	89	64	72
2. Volunteer checks	71	49	56
<i>Unit costs by clearance type</i>			
3. Automatic clearance			49
4. Record review			114
5. Risk assessment			2,470

Source: OCG 2013-14 actual to budget cost comparison, 2015 employee and operating cost estimates, 2015 application data

We observe that:

- ▶ Actual unit costs are currently lower than budgeted. This is due to the economies of scale resulting from fixed and stepped overheads being spread over higher than expected check volumes. This variance is expected to decrease over time as year-on-year demand levels stabilise following the transition of all sectors to the new check.
- ▶ Costs are higher for employee checks (compared to volunteer checks) due to the higher fee charged by CrimTrac.
- ▶ Unit costs are significantly higher for record reviews and risk assessments compared to automatic clearance. This is expected due to the time intensive nature of information gathering and assessment activities. The online system has also been designed to minimise staff intervention for applicants with no criminal or disciplinary conduct records.

As part of the evaluation plan, the program's cost effectiveness relative to schemes in other jurisdictions was to be considered. However we found that several jurisdictions were unable or unwilling to provide program-specific unit costs for comparison. Those that did provide information only provided high level unit costs. There are substantial differences in the size, legislation and operating structure for each scheme which strongly influenced their relative cost effectiveness and resulted in a wide variation of unit costs. These were not considered to be sufficiently similar to the NSW WWCC to drive a reasonable comparison or draw reasonable conclusions and have therefore not been shown.

Cost drivers – findings

Costs are heavily influenced by the volume and ratio of employee and volunteer check numbers. External costs are driven directly by check numbers and are higher for employee checks, while record review and risk assessment staff numbers are influenced by the number of record review and risk assessments that need to be performed.

We found that unit costs are significantly higher for applications referred to record review or risk assessment as these require significant effort from staff (as distinct from automatic clearances with little staff involvement).

The program's operating environment (e.g. processes, staff structure) also impacts staff and operating costs. Refer to section 6 for discussion around program efficiency and effectiveness and the impact this has on costs.

5.2 Financial sustainability

5.2.1 Current financial position

A comparison of fees to the historic unit costs shown above (section 5.1) shows that:

- ▶ For employee checks, the \$80 fee is sufficient to cover unit costs at their current level (\$64 in 2014, est. \$72 in 2015). Currently there is a small margin on costs due to economies of scale from higher check volumes; however this appears to be reducing over time as yearly demand stabilises. In 2014 and 2015 this margin was available to support the OCG's total operating budget.
- ▶ For volunteer checks, there is no fee to cover their unit costs (\$49 in 2014, estimated to be \$56 in 2015) and so these costs need to be funded by revenue and government contributions.

Demand for the check has been significantly higher than expected over the last two years. In particular:

- ▶ Nearly 800,000 applications had been completed as at 30 June 2015
- ▶ Employee checks were 39% higher than budget (at around 118,000 additional checks), and
- ▶ Volunteer checks are nearly 5 times higher than budget (i.e. around 292,000 additional checks)

This has led to increased external and staff costs without a commensurate increase in revenue or government funding. These factors have led to significant shortfalls for the program for 2014 and 2015 after planned government contributions. These shortfalls are expected to continue for the remainder of the transition period (2016 to 2018) given that planned government contributions are fixed for this period.

As a consequence, the OCG has had to re-allocate resources from other funded areas to partially cover these gaps, but notes that this is not a suitable solution in the long term.

A backlog of risk assessments has also arisen over the last two years due to assessment numbers exceeding the capacity of existing funded assessment staff. The average processing timeline for completed risk assessments is around 7 months, however the true timeline is likely to be longer as this average does not include the 1,402 risk assessments (41% of the total) which are still open. As at 9 July 2015, around 21% of risk assessments have been or were previously open for more than 1 year (refer to section 6.5 for analysis of assessment duration). This gives rise to a risk that persons currently working or volunteering with children on application numbers may subsequently be barred.

	FY14	FY15	Total to 9 July 2015
Applications referred to risk assessment	2,353	1,042	3,395
Risk assessments completed	790	1,203	1,993
Risk assessments open (cumulative)	1,563	1,402	1,402
Risk assessments open (cumulative), as % total assessments	66%	41%	41%

Source: OCG application data by initial completion time (i.e. from RMS verification to initial completion date) for applications referred to risk assessment. Note that this time does not include periods where an application is re-opened as a result of a continuous check event or NCAT appeal.

This risk is partially mitigated by the prioritisation process performed by the OCG when applications are first referred to risk assessment. Applications that are initially assessed as being “high” risk are prioritised and so these assessments should be completed in a shorter timeframe. In addition, if there is a concern about the risk a person may pose to children, the OCG can apply an Interim Bar to the person while the assessment is being completed.

For further discussion around the risk assessment backlog, refer to the observations for evaluation question 2 (section 6).

5.2.2 Future expected financial sustainability

To explore what the program’s financial position and outputs might look like in the future, we developed estimates of future demand, costs and net shortfalls for the years 2016 to 2023 (i.e. years 3 to 10 of the new program) based on experience from schemes in other jurisdictions, analysis of demand trends to date and qualitative information from agency consultations.

Appendix I sets out details on the key assumptions and approach used in determining these estimates.

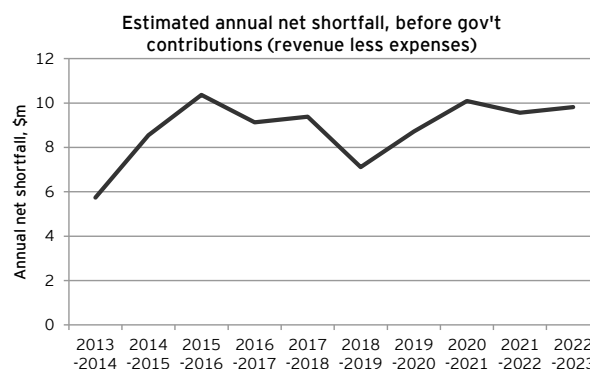
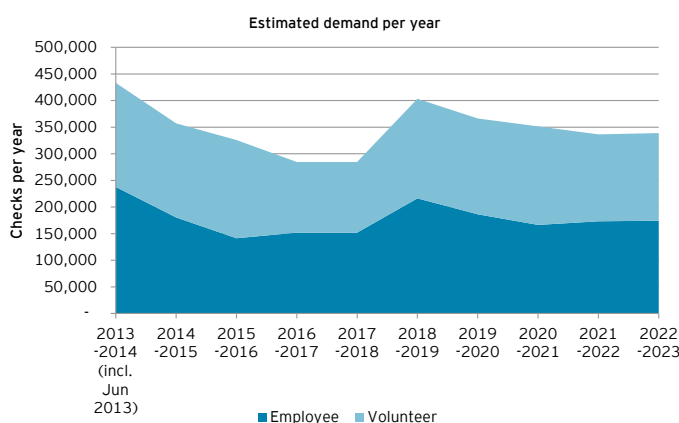
Based on these estimates:

- ▶ **It is expected that around 21% of the NSW population (1.686 million) will have a valid check by the end of the 2018 financial year** and that a similar proportion will have a check in 2023. This is around 50% higher than the original 1.1 million checks anticipated in the 2011 Treasury business case.
We have assumed that demand will be similar to levels sustained in Victoria over recent years after allowing for differences in positions not covered by Victoria (e.g. registered teachers), as Victoria’s scheme is established and is considered to be the most comparable to NSW (similar legislative requirements, check validity period, demographic profile etc.). In particular, Victoria has also experienced demand levels substantially above budget with a component of “excess” (i.e. out-of-scope) demand.
- ▶ This suggests that **around 895,000 checks are expected for the remainder of the transition period**, or an average of 298,000 for each remaining transition year.
- ▶ Experience from the last two years and from other jurisdictions (see Appendix H for detail) suggests that **volunteer checks will represent around 50% of checks at 2018 and over the longer term**. This has important implications for the program’s financial sustainability as the OCG is reliant on government funding to cover volunteer check costs. Existing government contributions have been set on the assumption that volunteer checks only represent 32% of total demand.¹
- ▶ We expect that around 50% of existing applicants will renew their WWCC in years 6 to 10. This is in line with experience in Victoria and similar to renewal rates in other jurisdictions (QLD, WA). Assuming that the proportion of the NSW population which has a check remains stable, just over half of the expected demand over this period will come from new applications.
- ▶ **This suggests that an average of 360,000 checks per year can be expected over the 2019 to 2023 post-transition period**. This will include both new applications and renewals. Renewals should be weighted towards years 6 and 7 reflecting the pattern of demand in the initial transition period.

If the program continues with no change to existing fees (except for a CPI increase at the start of year 6), costs, permanent and temporary staffing levels or operating structures, then on this basis the program is expected to experience an average annual revenue shortfall (before government contributions) of around \$9.6 million over the remaining transition period and \$9.1 million over the next 5 year period (2019 - 2023)². This is illustrated in the graphs below.

¹ OCG Report - Budget Arrangements for the New WWCC - Sept 2013.xlsx

² As noted earlier, these estimates relate to the WWCC program only and do not include other programs or services delivered by the OCG.



In practice, the program operations have evolved since it commenced and we expect that fees, costs and operating structures will change over time, particularly after the transition period is complete. This means that there are a range of potential outcomes for the program's financial position depending on the profile of longer term demand, fee structures, staffing numbers and operating practices.

To explore the impact of these parameters we performed several scenario and sensitivity analyses around demand and financial sustainability. Our results are summarised in the table below and detailed in the following sections.

	Estimates for years 6 to 10 (2019 - 2023)			
	Total demand ('000)	Average annual net shortfall (\$m) (revenue less expenses)	Impact on total demand	Impact on average annual net shortfall
Base estimate	1,797	9.1		
Scenarios				
Reduction in "excess" volunteer demand				
▶ Scenario 1a - volunteer checks reduce by 5 p.p.	1,707	8.7	-5%	-4%
▶ Scenario 1b - volunteer checks reduce by 10 p.p.	1,617	8.3	-10%	-8%
Increase in employee fee or introduction of volunteer fee				
▶ Scenario 2a - Employee fee increases by \$10	No change	7.2	n/a	-20%
▶ Scenario 2b - \$10 notional volunteer check fee introduced	No change	7.3	n/a	-19%
▶ Scenario 2c - \$21 volunteer check fee introduced (to cover external costs for volunteer checks)	No change	5.3	n/a	-41%
Additional temporary staff (28 FTE) to address the current risk assessment backlog in 2016	No change	n/a - one-off increase is to complete backlog during transition period	n/a	n/a
Non-renewal of 8 temporary records review positions after transition	No change	8.2	n/a	-10%
Sensitivities				
▶ Sensitivity 1a - Employee proportion of demand lower by 5% (46% of total checks)	No change	10.3	n/a	14%
▶ Sensitivity 1b - Employee proportion of demand lower by 10% (41% of total checks)	No change	11.6	n/a	28%
▶ Sensitivity 2a - WWCC population higher by 2 p.p. (23% of NSW population)	1,965	8.6	+9%	-6%
▶ Sensitivity 2b - WWCC population lower by 2 p.p. (19% of NSW population)	1,628	9.6	-9%	+6%

5.2.3 Scenario analysis around future financial sustainability

The scenarios below were developed in discussions with OCG staff. Our analysis has focused on the post-transition period as we were advised that any changes to program fees or operations would likely only be implemented after June 2018.

Note that all scenarios assume that all assumptions and parameters remain unchanged except for the parameters being flexed under the scenario (i.e. external fees per check, staff numbers, costs and

capacity and operating overheads remain unchanged). Appendix I sets out our key assumptions and approach in detail.

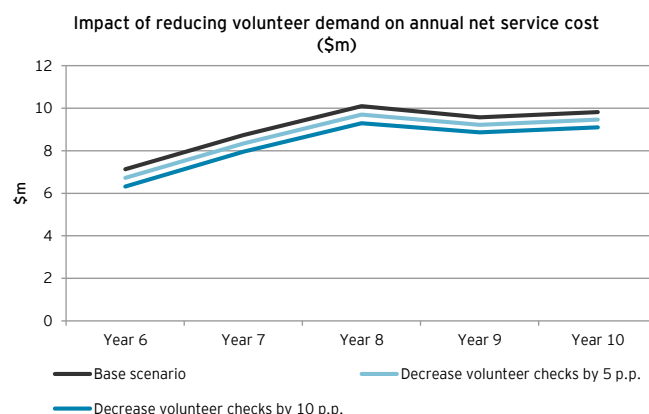
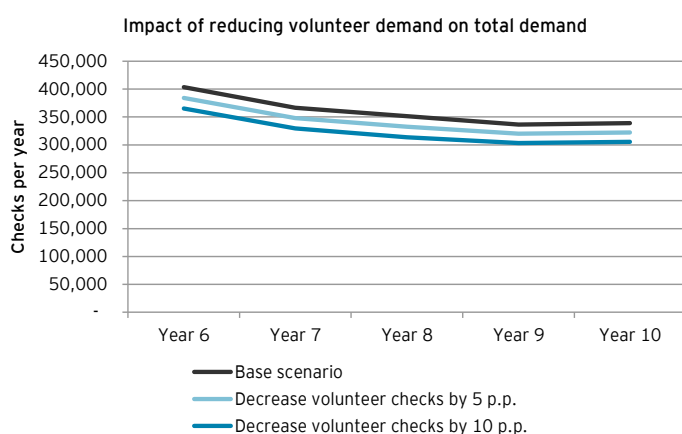
Scenario 1 – A reduction in “excess” volunteer check demand through implementing demand management measures

Section 6 identifies one of the key drivers of higher than expected demand as “excess” volunteer checks (i.e. those not required under legislation, such as parent volunteers). This scenario seeks to illustrate the impact of a possible reduction in “excess” checks that might be achieved with initiatives to manage volunteer demand, all other parameters held equal. Potential options could include introduction of screening staff, pre-application tools, heavier compliance initiatives or other measures to help manage volunteer demand.

Estimated results shown below indicate that a 5 to 10 percentage point reduction in volunteer checks with no change to employee check levels would lead to a reduction of 90,000 to 180,000 in checks over years 6 to 10. This would improve the financial sustainability over the period, with a reduction in the annual average net shortfall (before government contributions) of between \$0.4 million to \$1.8 million.

	Estimates			Change (as % base estimate)	
	Base estimate	Scenario 1a - Volunteer checks reduced by 5 p.p.	Scenario 1b - Volunteer checks reduced by 10 p.p.	Scenario 1a - Volunteer checks reduced by 5 p.p.	Scenario 1b - Volunteer checks reduced by 10 p.p.
Demand					
Average annual demand	359,000	341,000	323,000	-5%	-10%
Total demand over years 6 to 10 (i.e. number of persons with a valid WWCC as at June 2023)	1,797,000	1,707,000	1,617,000		
Fees, expenses and net shortfall (\$m)					
Average annual fee revenue	16.2	16.2	16.2	-	-
Average annual expenses	25.3	24.9	24.5	-2%	-3%
Average net shortfall*	9.1	8.7	8.3	-4%	-8%

*Note: Net shortfall excludes the impact of government contributions (funding for 2019 - 2023 has not yet been agreed). Net shortfall relates to the WWCC program only and does not include other programs or services delivered by the OCG.



It is important to note that these results ignore costs that may be associated with the introduction of measures to manage volunteer demand. While options for the application front-end are relatively low cost (e.g. introducing a pre-application questionnaire for potential applicants), other options requiring extra staff to screen applications or monitor compliance would lead to additional annual costs.

Further investigation into these potential options would be needed to form a view as to expected impacts on volunteer demand and costs of associated programs. Options that rely on soft compulsion (e.g. online questionnaires, information etc.) are likely to have a smaller impact than those that enforce or monitor compliance, given that demand for checks appears to be largely driven by instructions from employers or volunteer organisations.

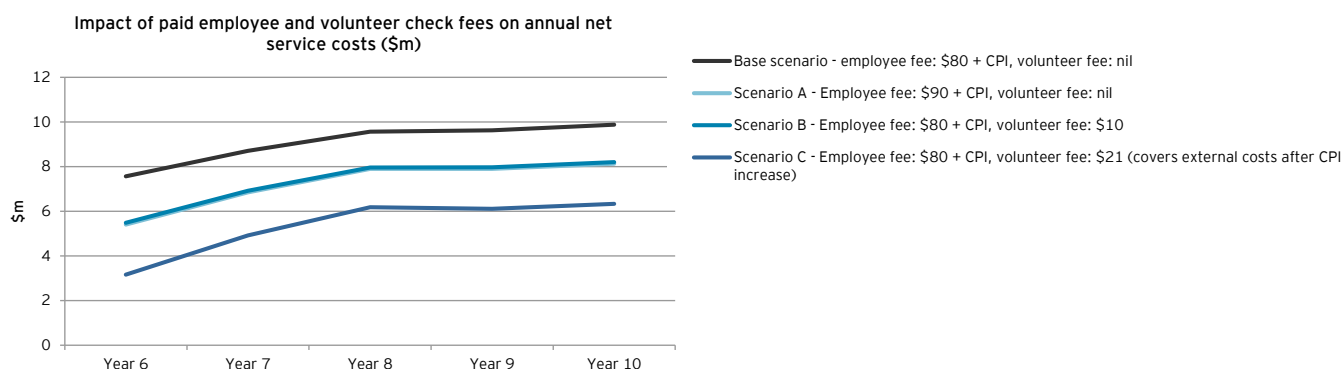
Scenario 2 – Increase in employee fees or introduction of volunteer fees

This scenario seeks to illustrate the impact of possible fee increases on expected revenue and overall financial sustainability. Fee increases could apply to either employee checks (which are currently \$80) or volunteer checks (which are currently free) after the transition period is completed.

- **Base scenario:** For our base estimate we assume that the employee fee increases to \$88 at the end of the transition period to allow for CPI increases over this time. This is consistent with check pricing in other jurisdictions.
- **Scenario 2a:** Under scenario 2a, an extra \$10 is added to the employee fee to make it a \$98 fee. Estimated results suggest this would lead to an average annual revenue increase (and decrease in net shortfall before government contributions) of \$1.8 million, improving financial sustainability. However, this option is associated with the risk that the OCG is perceived as using employee fees to “subsidise” volunteer checks; this could lead to employee / volunteer equity issues and potentially significant opposition from agencies.
- **Scenario 2b:** Under scenario 2b, a \$10 notional volunteer check fee is introduced so that volunteer checks make some contribution to cost recovery. This is expected to have a similar impact to scenario 2a of a \$1.8 million increase in revenue and a \$1.8 million decrease in average annual net shortfall, assuming that volunteer demand is unaffected by the fee.
- **Scenario 2c:** Under scenario 2c, a \$21 volunteer check fee is introduced with the aim of covering the external service provider fees in respect of volunteer checks (i.e. RMS and CrimTrac fees, indexed for CPI). This is expected to increase average annual revenue by an estimated \$3.7 million per year, assuming that volunteer demand is unaffected by the fee – a reduction of approximately 40% on the average annual net shortfall.

	Estimates				Change (% base estimate)		
	Base scenario	Scenario 2a - \$10 increase in employee fee	Scenario 2b - \$10 notional volunteer fee	Scenario 2c - \$21 volunteer fee (covers external costs)	Scenario 2a - \$10 increase in employee fee	Scenario 2b - \$10 notional volunteer fee	Scenario 2c - \$21 volunteer fee (covers external costs)
Demand							
Average annual demand	359,000	No change	No change	No change			
Total demand over years 6 to 10	1,797,000	No change	No change	No change			
Fees, expenses and net shortfall (\$m)							
Average annual fee revenue	16.2	18.0	17.9	19.9	11%	11%	23%
Average annual expenses	25.2	25.2	25.2	25.2			
Average annual net shortfall*	9.1	7.2	7.3	5.3	-20%	-19%	-41%

*Note: Net shortfall excludes the impact of government contributions (funding for 2019 - 2023 has not yet been agreed). Net shortfall relates to the WWCC program only and does not include other programs or services delivered by the OCG.

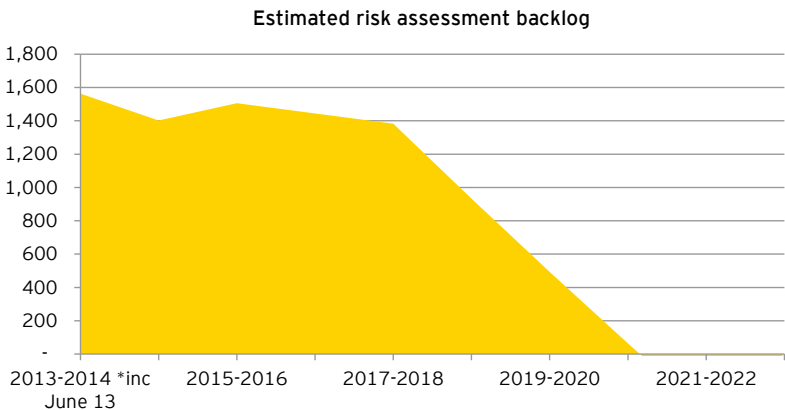


As information on customer ‘willingness to pay’ was not available, we have assumed that fee increases have no impact on employee or volunteer demand. Employee demand is likely to be less sensitive to fee changes as the check is required for their child-related employment. However, it is possible that a volunteer check fee might act as an incentive to reduce demand, particularly from those not required to obtain checks under legislation. Some other jurisdictions (e.g. Western Australia, South Australia) do currently apply a fee for volunteers. However we note that there may be significant opposition from NSW volunteer organisations and the wider community to the introduction of a volunteer fee, which may make this option impractical to consider.

Scenario 3 - One-off staffing to address the risk assessment backlog

A backlog of open risk assessments has developed over the last two years (1,402 at 9 July 2015). We estimate that with existing staff numbers, assessment completion rates and expected demand levels this backlog will continue at around 1,500 cases up to the end of the transition period before decreasing to zero over the following four years (2019 to 2022). This implies an average processing timeline of roughly 12 months for the remainder of the transition period.

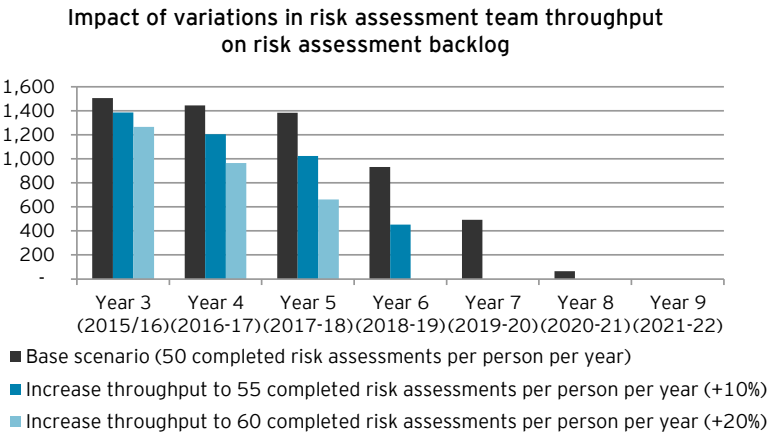
This processing timeline is considered to be much longer than ideal and leads to risk around persons working or volunteering with children on application numbers who may subsequently be barred.



One potential option for the OCG is to seek funding for and then apply additional temporary staff to work through the current backlog over a 12 month period.

We estimate that around 28 extra risk assessment staff would be required to work through the 1,402 assessment backlog at a cost of \$4.1 million over a 12 month period, assuming that they achieve the same levels of throughput as existing staff (that is, around 50 completed risk assessments per person per year) and that the ratio of risk assessment officers to team leaders remains similar to current levels (around 4 to 1). Our estimate allows for a proportionate increase in overheads as we understand that additional office space, IT equipment etc. would be required. However, the cost and time period for this option will be higher if the extra staff need to undergo training and carry lower workloads during this period.

Another potential option for the OCG would be to review current risk assessment processes and identify areas where the process can be streamlined or where assessment tools, system improvements and/or support staff can help reduce the time required from risk assessors for each assessment, with the aim of increasing the number of risk assessments the team that can be completed per year. For example, OCG staff believe that newly provided access to Police databases will help reduce the time spent on information requests in the future.



If the number of risk assessments completed per person per year increased, for example to 55 or 60 (a 10% or 20% increase on current completion levels), then we estimate the backlog would clear by the end of year 7 (FY2020) or year 6 (FY2019) on existing staffing levels and expected future demand volumes.

The cost of this option would depend on the scope and type of process and systems improvements that were identified.

We note that:

- ▶ For the post-transition backlog, we have assumed that little additional work is required from the risk assessment team for renewals. This is on the basis that these individuals have been subject to continuous monitoring over the clearance period, so the only new information for the OCG to process should be interstate records that have arisen over the clearance period (which are outside the current continuous monitoring system). Experience in Victoria and Queensland suggests that few applicants are linked to new interstate records. For individuals previously subject to risk assessment, the OCG believes that the only work required will be an update to their previous file note.
- ▶ A portion of risk assessments will arise as a result of continuous checks. We have not allowed for this as there is not enough information to date to indicate the proportion of clearance holders this will apply to, or the time required to complete a continuous check assessment. However, we expect that the time required should be considerably less than that currently required for initial risk assessments as there should be a smaller amount of information to assess.

A more detailed discussion of continuous checks and their potential impact on the risk assessment backlog is set out in scenario 4 (below).

The risk assessment backlog is discussed further in section 6.

Scenario 4 - Varying staff numbers after transition

As discussed in section 5.1, the number of record review and risk assessment staff is partly determined by the number of record reviews and risk assessments that need to be performed. A number of additional record review staff and risk assessment staff were contracted during 2014 and 2015 to assist with significantly higher than expected demand, as shown in the table below.

Team	Staff numbers as at 30 June 2015		
	Permanent	Temporary	Total
Record review staff*	17	8	25
Risk assessment staff*	12	12	24
Strategy and services (covering roles not related to records review or risk assessment; e.g. community engagement, Child Safe training)	27	4	31
Support officers	8	5	13
Total	64	29	93

Source: OCG 2013-14 actual to budget cost comparison, 2014 and draft 2015 employee costs by position, 2015 confirmed staffing numbers (via email)

*Note: Record review and risk assessment staff numbers include record review officers, record review co-ordinators, risk assessment officers and team leaders. Other staff (e.g. support officers, managers, executive assistants and directors) are not included in these numbers as we understand they do not work directly on risk assessments or record reviews.

For the risk assessment team, our modelling indicates that permanent and temporary staff are not expected to have available capacity until after the backlog is cleared. At expected future demand levels and with unchanged staffing levels and throughput, we expect that this will not occur until year 9 (2022), indicating that temporary risk assessment staff will need to be retained well into the future.

For the records review team, our modelling indicates that record review staff capacity should gradually increase over the transition period assuming that their current throughput levels stay the same as in 2014 (2,085 completed record reviews per person per year, or just over 40 per week). By the end of the transition period we estimate that around 16 to 19 staff will be needed to complete initial record reviews, with remaining staff available to assist with continuous checks as well as other activities that the OCG will increasingly focus on (e.g. continuous check processing, compliance).

Alternatively, this result might indicate that some temporary record review positions will not need to be renewed after the end of the transition period. If the 8 temporary record review staff positions were not renewed in the post-transition period, this would reduce staffing costs (and reduce the average annual net shortfall) by around \$0.9 million per year.

Note on continuous checks

It is important to note that our modelling estimates do not include continuous checks. Limited data on continuous check volumes and time requirements was available over the evaluation period and the continuous check process and measures are still being developed, refined and reviewed by the OCG.

2015 was the first year for which a sizeable number of continuous checks were received. OCG estimates³ indicate that:

- ▶ Around 1,550 continuous check events occurred over the year (approximately 0.2% of cumulative WWCC applications between 1 July 2014 and 30 June 2015).
- ▶ Out of these, 234 were referred to risk assessment (approximately 15% of continuous check events, or 0.03% of cumulative WWCC applications).

It is not yet known whether these observations are representative of future expected continuous check volumes. If these trends continue then the OCG could expect to process around 3,400 continuous checks p.a. over years 6 to 10 with roughly 500 referred to risk assessment each year. This could have a significant impact on resourcing requirements, workloads and timelines for records review and risk assessment, depending on the time and effort required to complete a continuous check at each stage:

- ▶ At the start of the program it was envisaged that continuous checks would require a similar (or lower) time to complete compared to initial records reviews and risk assessments due to the smaller amount of information to review.
- ▶ However, we have been advised that continuous checks are currently more time consuming than initial records reviews (due to the format and level of duplication in Police continuous check data) and a greater proportion of these were referred to risk assessment compared with initial records review (approx. 15% vs. 4% in 2015 respectively). This cannot be verified from the systems information as these measures are still being developed and reviewed by the OCG.

The records review team completed around 2,000 initial records reviews per staff member in 2014 (50,000 records reviews in total). In comparison, a team of 4 staff was established to process around 1,550 continuous check events over the 2015 year. The difference in throughput suggests that there may be significant efficiency differences between the two processes.

- ▶ If continuous check risk assessments require a similar level of time to complete as initial risk assessments, then without additional staffing or process improvements it is possible that the risk assessment backlog will take longer to complete and that timelines will be stretched further.

We recommend that a thorough investigation of the continuous check process and its impact on records review and risk assessment workloads be performed. This is particularly important given that continuous checks will increase in line with the growing WWCC population and will represent a greater proportion of records review and risk assessment work over time.

³ The OCG notes that these figures are estimates only and the following should be considered:

- ▶ The figures were obtained after a manual review of the records and involved the removal of records identified as duplicates.
- ▶ Due to the volume of records released by NSW Police, some records are still being reviewed.
- ▶ The above figures include continuous check events received for applicants who are already barred; these are not reviewed by staff.
- ▶ The above figures also include some events that relate to existing charges but with new court dates or additional charges.

5.2.4 Sensitivity analysis around longer term demand

Forecasts of future financial sustainability are sensitive to a number of key assumptions, particularly the ratio of volunteer to employee checks and the overall size of the population with a valid check. The following sensitivities illustrate the potential impact of future experience varying from our assumptions.

All sensitivities assume that all assumptions and parameters remain unchanged except for the parameters being sensitivity tested. Appendix I sets out our key assumptions and approach in detail.

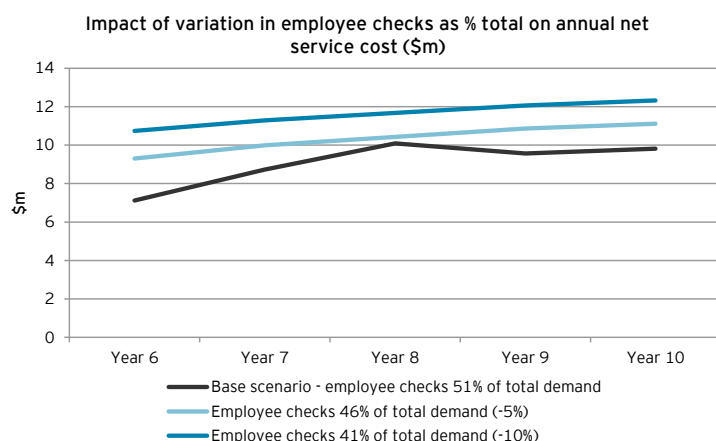
Sensitivity 1 - Variations in paid checks as a proportion of total checks

Longer term financial sustainability is particularly sensitive to the ratio of employee to volunteer checks as fees are only collected for employee checks, whereas expenses are incurred for both types of check and so are much less sensitive to a change in demand profile. Our current estimates assume that employee checks will represent around 50% of longer term demand, but if the true proportion is less than this then the program net shortfall would be greater than originally estimated:

- **Sensitivity 1a** indicates that a 5 percentage point decrease in employee checks' proportion of total demand (i.e. from 51% to 46% of all checks) is estimated to increase the average annual net shortfall by around 14% (\$1.3 million).
- **Sensitivity 1b** indicates that a 10 percentage point decrease in employee checks' proportion of total demand (i.e. from 51% to 41% of all checks) is estimated to increase the average annual net shortfall by around 28% (\$2.6 million).

	Estimates			Change (as % base estimate)	
	Base estimate	Sensitivity 1a - Employee proportion of demand reduces by 5%	Sensitivity 1b - Employee proportion of demand reduces by 10%	Sensitivity 1a - Employee proportion of demand reduces by 5%	Sensitivity 1b - Employee proportion of demand reduces by 10%
Demand					
Average annual demand	359,000	No change	No change		
Total demand over years 6 to 10 (i.e. number of persons with a valid WWCC as at June 2023)	1,797,000	No change	No change		
Fees, expenses and net shortfall (\$m)					
Average annual fee revenue	16.2	14.6	13.0	-10%	-20%
Average annual expenses	25.2	24.9	24.6	-1%	-2%
Average net shortfall*	9.1	10.3	11.6	+14%	+28%

*Note: Net shortfall excludes the impact of government contributions (funding for 2019 - 2023 is yet to be agreed). Net shortfall relates to the WWCC program only and does not include other programs or services delivered by the OCG.



Sensitivity 2 – Variations in longer term demand levels and size of WWCC population

We have assumed that around 21% of NSW's population will have a valid check post-transition. Although this is informed by demand to date and experience in other states, it is possible that this assumption could be lower or higher in practice:

- ▶ There is little information on the number of volunteers from the sporting and clubs, health and education sectors who have yet to transition, and these are particularly uncertain given the combined impact of oversubscription, variation to transition arrangements, and the fact that individuals who volunteer often act in more than one role.
- ▶ It is also unclear what proportion of employees in these sectors will be considered to have "child-related" roles and required to obtain a check.
- ▶ It remains to be seen whether demand trends from transitioned sectors continue (as we have assumed) or whether demand reduces further over the remaining period.
- ▶ Finally, it is believed that the ongoing Royal Commission into Child Sexual Abuse has influenced some of the demand to date by potentially increasing risk awareness and/or averseness from organisations. It is unclear as to whether this effect will remain in the longer term, or decrease over time.

This sensitivity analysis estimates the potential impact of higher or lower demand levels with all other parameters (volunteer to employee check ratios, staffing levels, overheads etc.) held equal.

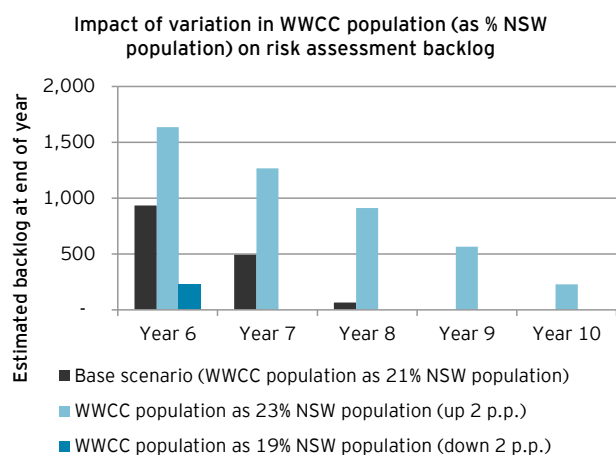
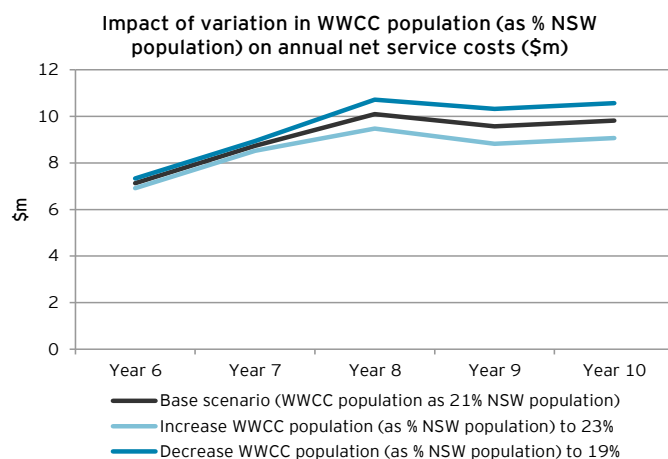
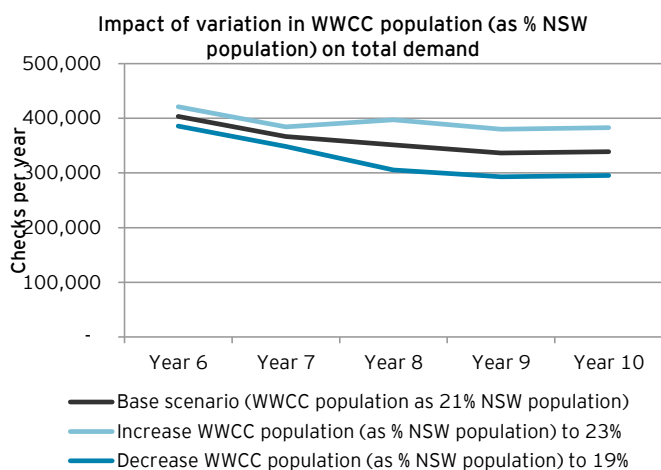
- ▶ **Sensitivity 2a** illustrates the impact of the population with a valid check being 2 percentage points higher than our base estimate (i.e. 2.0 million people at June 2023, or 168k extra checks over years 6 to 10). Estimated results indicate that the average annual net shortfall would reduce slightly by \$0.5 million. This is because there is a small margin in employee fees (largely as a result of economies of scale) which can be used to support OCG's overall operating budget.

Our estimates also show that without an accompanying increase in risk assessment staff, the risk assessment backlog would increase over the transition period (to around 2,000 at June 2018) and take longer to complete, further lengthening processing timelines.

- ▶ **Sensitivity 2b** illustrates the impact of the population with a valid check being 2 percentage points lower than our base estimate (i.e. 1.6 million people at June 2023, or 169k fewer checks over years 6 to 10). Estimated average annual net shortfall would increase slightly due to reduced economies of scale, but the forecast risk assessment backlog for 2016 to 2018 would reduce (to around 800 at June 2018) as risk assessment staff would have more capacity to complete the backlog with shorter processing timeframes.

	Estimates			Change (as % base estimate)	
	Base estimate	Sensitivity 2a - WWCC population increased by 2 p.p.	Sensitivity 2b - WWCC population decreased by 2 p.p.	Sensitivity 2a - WWCC population increased by 2 p.p.	Sensitivity 2b - WWCC population decreased by 2 p.p.
Demand					
Average annual demand	359,000	393,000	326,000	9%	-9%
Total demand over years 6 to 10 (i.e. number of persons with a valid WWCC as at June 2023)	1,797,000	1,965,000	1,628,000		
Fees, expenses and net shortfall (\$m)					
Average annual fee revenue	16.2	17.7	14.7	9%	-9%
Average annual expenses	25.3	26.3	24.2	4%	-4%
Average net shortfall*	9.1	8.6	9.6	-6%	6%

*Note: Net shortfall excludes the impact of government contributions (funding for 2019 - 2023 has not yet been agreed). Net shortfall relates to the WWCC program only and does not include other programs or services delivered by the OCG.



Financial sustainability – recommendations

We recommend that the OCG:

- 5.2.1 Develop a business case for additional government funding for the next 5 year period, including demand projections, measures around record review / risk assessment staff capacity and risk assessment backlogs. We would also suggest making some allowance for expected indexation for CrimTrac and RMS NSW fees, as well as salary and operating costs.
- 5.2.2 Investigate possible options for pricing structure changes for the post-transition period, including increases and/or regular indexation for employee check fees and the introduction of a smaller volunteer check fee to recover some of the allocated costs.
- 5.2.3 Undertake a comprehensive review of internal processes and systems to identify areas where potential efficiencies can be achieved in the longer term. This should then inform future resource and budgetary requirements. Refer to section 6 for further details.
- 5.2.4 Continue to monitor risk assessment backlog and processing timelines, and update future resource requirements to reflect longer term expectations around the risk assessment backlog and processing timelines.
- 5.2.5 Perform a thorough investigation of the continuous check process and its impact on records review workloads. This is particularly important given that continuous checks will increase in line with the growing WWCC population and will represent a greater proportion of records review work over time.

6. Core Evaluation Question 2

Program evaluation

Key findings and observations

Q2. Does the WWCC deliver an effective and efficient Policy and Practice framework which covers all required persons?

The program's internal operations, systems and capacity of all stakeholders to complete and comply with requirements have been stretched by significantly higher than expected demand to date which has impacted on the efficacy and efficiency of the overall WWCC system.

The effectiveness of the policy framework is less where the entities involved are decentralised, small (limited resources available) or have difficulty in determining whether a person requires a check.

The practice framework, whilst effective where demand is within expected levels, can make efficiency gains. These are particularly related to IT systems, risk management systems and the gradual shift from a top down driven hierarchical assessment practice (as the OCG becomes more confident in the processes implemented).

Overview findings

Significant work has been undertaken to establish, design and implement all requirements of the WWCC pursuant to the obligations identified in the legislation.

The WWCC system is being driven by the behaviours of others which in turn is driving demand and impacting on the capacity to deliver an effective and robust checking process and verification regime. The evaluation identified that agencies are making decisions about who needs a WWCC outside of the intent of the legislation and that collectively this has a significant impact on the volume of applications being submitted to the OCG. This issue has been noted across government, non-government and volunteer sectors.

The OCG has (due in part to the increased volume) accumulated a backlog of risk assessments (approx. 1,400) that are yet to be finalised. The OCG has established their internal systems, structures and processes during this initial two year period of high demand and has set up internal mechanisms to manage issues as those arose.

The demand and the building of the internal systems to meet the demand have impacted on the capacity to achieve completion of all risk assessments in a timely manner.

Overall recommendations

We recommend that the OCG develop a Reform Plan with consideration to all the recommendations (see Section 9) relating to each evaluation criteria from the WWCC Evaluation Plan.

We also recommend that the OCG takes the responsibility to put in place the identified controls contained in this report that are required to drive behaviour change across the WWCC system to improve compliance in line with the intent of the legislation. Some examples of this include introducing an accountability framework for government agencies, establishing mechanisms to divert non eligible/exempt applications, formalising Memorandums of Understanding)

Context

The OCG has the responsibility to deliver the WWCC System that is outlined in the *Working with Children Act*⁴. As stated in the Act it is also the responsibility of every employee and volunteer working in child related employment to ensure that they have a clearance to engage in child related employment and for those employing people in child related work (paid or volunteer) to ensure people have a NSW WWCC Clearance.

As part of the delivery it is essential that the objects of the Act are met and underpin the system to ensure the intent of the Act is being achieved and to ensure the accountabilities of all stakeholders aligns with their legislative requirements⁵.

The Act also identifies other areas that need to be considered in determining which positions require a NSW WWCC or where exemptions may apply. The Act defines roles as both direct child contact as well as child related roles and exemptions⁶.

This section outlines the findings and observations from undertaking a review of systems, processes, methods and frameworks in place to support the design and delivery of the new WWCC that has been in place since June 2013. The following issues have been appraised as part of the overall Evaluation of the effectiveness and efficiency of the WWCC service delivery model:

- 6.1 What are the drivers of current and future estimated demand for the WWCC program?
- 6.2 Are all required persons are receiving checks (allowing for persons in exemption categories)?
- 6.3 Are program processes efficient and effective?
- 6.4 Are program enablers (data, systems design and operations, interfaces) efficient and effective
- 6.5 Do risk assessment tools and processes facilitate an effective approach to risk assessment?
- 6.6 Is there reduced red-tape for customers to participate in the new WWCC program compared to the previous program?
- 6.7 What is the impact on other Government agencies' probity checking and associated costs for implementation?

Given the new WWCC program has only been operational for two years then the ongoing focus on continuous improvement from the OCG to inform both strategic and operational changes and refinements is commendable. The OCG have sought stakeholder input and customer feedback, undertaken internal reviews and have revised their communication and resource strategies to more appropriately target the needs of the community.

Constraints

As part of the scope for this project it was agreed to undertake stakeholder interviews to inform the process. These stakeholder interviews were limited to discussion with Government agencies (see Appendix B for detail). All information therefore contained in this section is based on these interviews and covers off the knowledge of both the employment and volunteer sectors aligned to these agencies. We have assumed a level of similarity therefore across like stakeholders in each sector. We have undertaken some scenario modelling on the demand data to test some of our assumptions about similarity within the sectors.

⁴ NSW Child Protection (Working with Children) Act 2012

⁵ NSW Child Protection (Working with Children) Act 2012 Part 1 Section 3 Object of Act and Section 4 , Part 2 Section 8 and 9

⁶ NSW Child Protection (Working with Children) Act 2012 Part 1 Section 3 Object of Act and Section 4 , Part 2 Section 6 and 7

6.1 What are the drivers of current and future estimated demand for the WWCC program?

The level of demand experienced for the WWCC since its commencement in June 2013 is significantly higher than originally projected.

The Program Evaluation has considered the issues that have driven demand since the new WWCC has been introduced. It has been important to understand what drivers or behaviours have raised the expected number of applicants in order to inform system change in the future that may divert demand that is not in line with requirements or those that should be exempt as stated in the Act.

In scope demand

A phase-in approach⁷ (see table below) was established prior to implementation to transition different sectors on to the new program at different years, to assist with managing the extent of the estimated demand and to support sectors to prepare for the implementation. This schedule covered existing employees and volunteers within each sector but required all new workers and volunteers to apply for a check prior to commencing their role, regardless of the sector phase-in period.

	15 Jun 13 - 31 Mar 14	Apr 14 - Mar 15	Apr 15 - Mar 16	Apr 16 - Mar 17	Apr 17 - Mar 18
Child, family and community services (incl. child protection, disability, youth and community services, child development and family welfare)					
Justice					
Religious					
Transport					
Clubs and recreation					
Entertainment					
Education					
Health					

Source: Child Protection (Working with Children Check) Regulation 2013

Variation from transition arrangements

Though the timing of the demand for sectors (child protection, justice and religious sector) planned to transition in the first two years appears roughly consistent with the transition arrangements it has also been found that a large number of applicants that have been processed are from sectors yet to be phased in. This includes volunteers, casual staff working between public and private sectors, staff on new contract arrangements or transferred between roles and individuals anticipating their entry into the workforce.

The customer survey⁸ highlights that applicants are potentially unaware of the phase-in times for sectors, with some not even clear about whether their role is child-related or whether they indeed need a check. A considerable proportion of respondents believed they did not work in a child-related role (or didn't know) (20% of employees and 29% of volunteers). This proportion was highest for those in Health (40%, mainly employees), Other (41%) and Parent volunteer (30%) categories. Applications also appear to be largely driven by employers / organisations, with most respondents (90%) applied after being told to.

Limited capacity to apply the requirements to identify and verify those requiring a WWCC

Interpreting the definition of "child-related" roles and exemptions is seen to be quite resource intensive for volunteers and organisations providing services in a decentralised environment. The stated reason is that this is due to the level of work required from agencies that do not have access to internal structures and infrastructure to determine and monitor the people who need to apply for a WWCC.

⁷ Child Protection (Working with Children) Regulation 2013

⁸ OCG WWCC User Experience Survey May 2015

At a local sporting club level, for example, it is usually a lead volunteer supporting volunteers to run weekend sporting activities. The lead volunteer needs to apply the WWCC requirements (including parent volunteer exemptions) across all those who may volunteer at any point in time and track their applications and results to ensure compliance (see Appendix J for a case study example). For many clubs, schools and other organisations focused on child activities, parent volunteers are a significant portion of their volunteer force. This task is stated to be complex and time consuming and the concern is that for these small, decentralised agencies it may be too big a task to manage effectively. Given that this is an area with little other regulation it is seen to be important for the WWCC program to be in place.

Variable interpretation of the Act driven by agency decisions to limit risk and streamline implementation

The Evaluation found that Government agencies have impacted on the volume of WWCC applications that have been received through the system. This has mainly been driven by variability in the interpretation of the legislation and a level of stated pragmatic decision making. Some examples provided through agency interviews include:

- ▶ Requiring all casual staff to obtain a WWCC on the basis that at some point they may be required to work in a children's service
- ▶ Requiring all staff to obtain a WWCC if they work in a large setting (e.g. hospital or school) where children may be present, regardless of their role
- ▶ Expectation that existing employees who are subject to a new or updated employment contract be considered as a "new" employee for the purposes of requiring a check
- ▶ Determining that parent or close relative exemptions may not apply for services provided by volunteers due to the level of internal risk, ease of implementation or interpretation of the Act (e.g. Relative and Kinship Carers, local school parent volunteers)

As one off decisions these may not have a high impact on demand but collectively it is deemed to be a substantial issue. Though agencies cited complexity of exemptions and legislative requirements, the OCG has rebutted that the legislative requirements are not that particularly complex for employers (as distinct from volunteers) and requires more effort from the agencies to correctly apply rules. It is assumed this behaviour will continue unless effective controls are put in place to drive behaviour, in order to achieve consistency in the application of legislative requirements.

We observe that the OCG currently does not have enforcement and/or penalty notice options to assist with limiting out of scope demand from organisations, which appears to be a key driver of the higher than expected demand. This could help to reduce oversubscription from both agencies, volunteer and other small, decentralised organisations, although significant compliance audit resources would be required from the OCG and penalties would also be likely to be viewed as controversial.

Demand drivers - Findings

We identified several demand drivers (with differing impacts) from a range of sources, including analysis of demand to date, agency consultations and external data sources:

Variation from transition arrangements. Evidence suggests that some of the demand to date has been driven by individuals obtaining checks in advance of the phase-in schedule for their sector. This is concentrated in sectors which are decentralised, have a larger non-government or private component and more volunteer involvement.

Limited capacity to apply the requirements to identify and verify those requiring a WWCC. Small and decentralised services (volunteer and employee) have identified difficulties in interpreting and applying the legislation in practice.

Variable interpretation of the Act driven by agency decisions to limit risk and streamline implementation. A number of agencies cited examples where they had made decisions knowing that it may fall outside of the intent of the legislation for ease of implementation, risk mitigation and internal compliance monitoring.

Limited controls are in place to divert demand outside of the scope of the WWCC requirements which are considered essential to gate keep against ongoing demand.

Demand drivers - Recommendations

- 6.1.1 Establish a formal system that requires all Government agencies to provide advice on their proposed decisions as part of an Agency Implementation Plan to submit for approval to the OCG.
- 6.1.2 Review the systems in place with a view to supporting the capacity of small, decentralised and volunteer / casual worker dominated services to manage the WWCC requirements. This could include:
 - ▶ consulting with small and decentralised agencies about areas for improvement and support.
 - ▶ simplifying the verification process and providing access to system reports for volunteer leaders to reconcile
- 6.1.2 Investigate options for an eligibility assessment system built into the front end IT interface prior to people applying. This may include a pre application structured screening tool built into the landing page which potential applicants can use to be guided about whether they need a WWCC or establishing a screening unit to undertake the function.
- 6.1.3 Refer to 7.2.4 - consider options for enforcing compliance with WWCC requirements (including the application of exemptions)

6.2 Are all required persons receiving checks (allowing for persons in exemption categories)?

As identified above, the Evaluation has looked at all the sources of WWCC demand and undertook an analysis of the administrative data, the customer survey results and stakeholder feedback to understand who was applying and why.

The evaluation identified that greater than expected numbers of people were applying for a WWCC and that many sat outside of the eligibility criteria or potentially would be covered by the exemption clauses.

Child-related roles in government agencies

The information available highlighted that for those sectors where is clearly defined child related roles (e.g. child protection, youth work, disability support, juvenile justice paediatrics, teaching), that individuals and organisations are clearer about the WWCC requirements and how they apply to their work. For roles which are not so clearly identifiable as child related, there appears to be greater variability in the application of WWCC requirements. (Refer to section 6.1 for details.)

A number of government agencies (FACS, Health) have put in place tracking systems across their staffing and volunteer cohorts to ensure that all people that require a check have a valid WWCC. To assist in this these agencies have “hard coded” the information into their HR IT systems. Some agencies (Sports and Recreation) have developed comprehensive Implementation Plans to assist in managing the decentralised and localised service systems that fall within their jurisdiction.

It was also noted that there is a level of interagency support and sharing of lessons learned to form best practice approaches for those sectors still to be phased in.

Additional child-related work

One area identified as an issue is the definition and identification of additional child related roles as per the definition in Section 7 of the legislation:

“The employer or proposed employer of a worker engaged in work for which a working with children check clearance is not required that involves access to confidential records or information about children may, by notice in writing to the worker, require the worker to obtain a clearance for the purposes of engaging in the work concerned.”

Agencies who define a role where individuals have potential access to confidential child records are required to submit an application to the OCG requesting that the work performed in the identified position is deemed child related for the purpose of protecting access to children’s personal information.

The information provided by the OCG suggests that this deeming process has been underutilised by most sectors and that now requiring agencies to retrofit this process to any decisions already made outside of the deeming provision may not be appropriate.

Child-related roles in private, volunteer and non-government sectors

This Evaluation did not include any direct consultation with private sector, volunteer or non-government organisations. However, agency consultations and information provided by government agencies in regard to these services indicate that there is potential variability in how these organisations are defining and interpreting the requirements, and areas of potential undersubscription to the check. Specific examples identified by agencies included:

- Self-employed persons
- Family day care providers (including adult household members)
- Small organisations subject to limited or no regulatory oversight – for example, small volunteer groups, independent schools, private tuition providers and local private health practices

Required persons are receiving checks – Findings

Agencies believe that all employees and volunteers in roles that are clearly child related (direct and face-to-face contact), such as child protection workers, teachers and paediatric workers, have a WWCC where required under the transition arrangements. This includes permanent, temporary and casual roles.

For those positions that are not so clearly identifiable as child related, there appears to be greater variability in the manner by which the roles are identified and required to hold a valid WWCC. As per the findings in section 6.1 (demand drivers) there are a large number of people who now have a check that may not require a check.

Variability also occurs due to limited understanding of how to identify and seek OCG approval for positions to be deemed “additional child related roles” (i.e. child related by virtue of the individual having access to confidential child-related records).

Agencies identified specific areas of potential undersubscription to the check, including self-employed workers, family day care providers and small organisations subject to limited or no regulatory oversight.

6.3 Are program processes efficient and effective?

The OCG has received 790,500 applications for a WWCC since June 2013 that have been verified at a Service NSW or RMS registry centre. Of these applications approximately 89% are automatically cleared through the joint CrimTrac and OCG integrated IT system, with the remaining 11% of all applications referred for further review. Most of these are dealt with at the initial records review stage (see Appendix C for detail) with approximately 5% of referred applications requiring a more comprehensive risk assessment to determine if a Clearance or a Bar is warranted.

Automatic clearance, records review and risk assessment processes

The automatic clearance process is highly efficient with little or no manual intervention and an average processing timeline of within 24 hours. The records review process is also considered to be effective and efficient given that 95% of these applications are cleared and that the average processing timeline is around 3 weeks. These results have been achieved despite unexpectedly high demand.

The proportion of applications subject to risk assessment is similar compared to rates under the old program; however, higher than expected demand has led to an increase in the volume of applications referred to risk assessment, impacting the efficiency of the assessment process and leading to much longer processing timelines than expected. Discussion of risk assessment processing timelines and efficiency is set out in sections 6.4 and 6.5.

Upgrade process

No issues were identified with the volunteer to employee check upgrade process efficiency, with the OCG establishing mechanisms to identify and progress this upgrades in a timely manner.

Verification and monitoring process

Police operate the continuous check process for individuals with a valid check and notify the OCG if any trigger events occur. Updates are performed on a weekly basis.

To ensure that the OCG is able to track where people are employed or volunteering for the purpose of OCG contact should a person be barred or subject to a review as a result of a continuous check event, employers and volunteer organisations are required to verify that each person who submits a WWCC number is in fact the person associated with that WWCC clearance.

The OCG has developed an IT solution for the purposes of verification. The system requires each employer or volunteer agency to register and then validate the owner of the WWCC on the system by confirming identification data that the WWCC Clearance owner provides.

During the evaluation the OCG identified that it expects organisations to not only be validating the details of the individual on the verification system but authenticating the individual through an identification check that would require submission of personal identification documents (such as a drivers licence or passport) at that time. This type of authentication was not raised by agency representatives when describing their processes; rather, most representatives described the use of a simpler confirmation of individual details to validate checks on the system.

Renewals process

The Evaluation has been unable to assess the proposed renewal program (Cycle 2, July 2018 to June 2023) as this is yet to be documented. However it is assumed that Cycle 2 of the WWCC Program will achieve a level of efficiency in undertaking the review of applicants that have already been risk assessed in the first cycle. This is due to the fact that extensive assessment has been undertaken to determine the clearance for these applicants as part of Cycle 1, so with the ongoing continuous check system and monitoring of workplace records databases it is understood that clearance would be continued into Cycle 2 with limited work required.

The exception to this would be where new interstate records are identified by the renewal process. The WWCC renewal process is required to undertake a further National Criminal Record Check, since interstate Police and workplace conduct records are not covered by the continuous check system.

Budget and forecast process

As described in section 5 (economic analysis) and 6.1 (demand drivers) the program has experienced significant variation between budgeted and actual demand and in the ratio of volunteer to employee checks. These variations have driven higher staff workloads, resource constraints and net financial shortfalls over the last two years and are expected to continue to diverge from initial Treasury forecasts.

The new program is different from the previous program in many ways (e.g. wider scope, different definitions). With no comparable historic experience, predicting customer behaviours acting as key drivers of unexpected demand would have been difficult in the initial budgeting process.

For future forecasting processes, the OCG should be able to reduce variations between actual and budget experience by leveraging experience gathered to date as well as experience from other jurisdictions with comparable schemes. It is expected that year-on-year demand levels will become more consistent after the transition is complete.

Program processes are efficient and effective - Findings

The initial automated application process is very effective and efficient with 89% of all application receiving a clearance within an average of 24 hours. For the 11% of applications referred to records review, the initial records review process is also considered to be effective and efficient given that 95% of these applications are cleared in 3 weeks on average.

It is the last 5% of the referred applications (0.4% of all applications) for which the level of effectiveness and efficiency is lower than at any other time in the process. As detailed in section 6.5, risk assessment processing times are often longer than anticipated with the average time to completion currently 9 months and expected to increase over time. A significant risk assessment backlog has developed as a result. In FY 2013-14 175 applications received a Bar which equates to 0.04% of the total applications over that period.

No issues were identified with the volunteer to employee check upgrade process efficiency, with the OCG establishing mechanisms to identify and progress this upgrades in a timely manner.

The Continuous Checking process is in place and operational across the NSW Police and the OCG. An issue identified by Police is the capacity of the current Continuous Check data system to be reliable and robust into the future, given the larger than expected size of the cleared applicant population.

The Verification system is recognised by all stakeholders to be essential in identifying the location of individuals should new information require action by the employer or volunteer organisation.

Streamlining the current system to make it easier to verify has been requested across all sectors. The main issue raised regards organisations not being notified when an application number is upgraded to a

WWCC clearance number, as it means that organisations have to check on a daily/regular basis to see if the clearance has been granted (which in some instances can be several months or more).

Program processes are efficient and effective - Recommendations

- 6.3.1 Development of “push notifications” or emails to inform applicants/employers when the upgrade has occurred as well as a mechanism to download agency level reports to reconcile who have been verified at any point in time.
- 6.3.2 Streamline the Verification system in line with the above recommendation and then proceed to educate agencies on the requirements to achieve best practice as defined by the OCG (including identification authentication, verification systems management).
- 6.3.3 Design the 5 year Renewal process incorporating changes made to the system based on the recommendations from this Evaluation, and deliver targeted training and support to all sectors to understand the changes for Cycle 2.

6.4 Are program enablers (data, systems design and operations, interfaces) efficient and effective?

External systems and operations

The online application process and system appears to be working well for external users (i.e. individuals and employers) with 88% of customer survey respondents agreeing that the online system was easy to use and 85% of respondents agreeing that results were processed and provided promptly.

The IT system for storage of external application data has handled the higher than expected demand.

Internal systems and operations

Since the start of the new WWCC in June 2013 the OCG has been reviewing the internal records review and assessment processes to be able to address the higher than expected demand. In this time they have reconfigured teams and support structures, amended process and business rules and increased the level of resources available from within the OCG budget. This has enabled the OCG to try to proactively manage the incoming demand and attempt to complete tasks in a timely manner.

However, given the significant and unexpected volume that has needed to be managed in this time, a review of the current operating systems and structures suggests that a range of changes and enhancements to OCG internal practices is required to make the necessary efficiencies to establish systems and mechanisms that can enhance decision making (risk assessment) and increase productivity (case load).

Over this time the OCG has added in different functional teams to address areas of need as they arose. This means that there are currently 6 teams performing application related tasks:

- ▶ Records Review team
- ▶ Risk Assessment teams:
 - Triage team, for triaging applications referred to Risk Assessment
 - (Two) general Risk Assessment teams
 - Interim Bars team, for assessing and applying Interim Bars
- ▶ NCAT (NSW Civil and Administrative Tribunal) team, for preparing and responding to NCAT appeal. (Refer to Appendix C for process diagrams and an organisational chart)

The Evaluation has found that the structures developed by the OCG to attempt to manage the impact of high work volumes and issues have unintentionally created a level of duplication of some activities (e.g. file management and requests for information), cumbersome application transfer processes between teams, and a fixed risk assessment process applied regardless of the application's relative risk level. This is except for the process undertaken in Records Review and Triage that enables a targeted assessment (for the purpose of determining clearances) in line with prescribed business rules. See Appendix C.

In relation to above, the areas of team structures and internal processes that were found to need further assessment include:

- ▶ Number of staff per team (are the teams adequately resourced for function?)

- ▶ Number of management positions per function – is there a case for management positions to cover cross functional teams and free up positions to establish other functional areas (training, business management and systems)?
- ▶ Need for a case prioritisation system
- ▶ Need to develop a risk rating tool to support decision making as part of risk assessment
- ▶ Requirement for a variable risk assessment process dependent on initial risk rating (i.e. low, medium, high)
- ▶ Introducing version controlled procedural guidance

We found that the OCG has established a hierarchical decision making tree for approval of all matters apart from automatic clearances/clearances during records review and triage. (Refer to Appendix C for details). This is due to the level of inherent risk in determining who receives a clearance or a bar combined with the impact of NCAT decisions, influence of the Royal Commission on community expectations and general media attention. This is identified as a policy position taken by the OCG to address the above risks and is considered appropriate in the short term.

Discussions with WWCC staff highlighted a need to strengthen some areas of practice and system supports that will build a more productive and constructive environment across all teams and management levels. A number of other issues were raised by the WWCC Team Leaders as part of discussing continuous improvement opportunities. In particular, there was a clear view that more operational staff input would be beneficial in forums where business processes and system changes were being discussed as well as in areas like the intersection of work programs across functional areas (Operations and Compliance and Education), to better inform the strategic directions and reform agenda.

The following are areas that the OCG should consider as part of the ongoing development of the strong and loyal culture that is being advanced in the workplace:

- ▶ Creation of internal training capacity to support professional development
- ▶ Establishment of a regular staff forum to share new research and practice guidance in regard to risk identification and the impact on children for assessment consideration
- ▶ Invest in an upgrade of the internal IT system to be repurposed as a case management support tool
- ▶ Review the governance and feedback mechanisms currently in place to strengthen the voice of WWCC staff in decision making and improve input into operational matters

The IT interface between the OCG and CrimTrac has been a highly effective system and has enabled automatic clearances to be completed within short timeframes (i.e. within 24 hours) without need for review or assessment.

NSW Police also registers applicants on a database for the purpose of continuous checking to provide the OCG with any newly identified criminal information for review during the 5 year clearance period.

Data capture

A sufficient level of data appears to be captured by the external applications system which records details around customers and their applications. System data fields are granular enough to allow reports to be generated around aspects such as applications by sector, clearance status, assessment flags, number of applications per person and upgrade flags. We observe that this information is contained in multiple tables within the system database and that knowledge of this structure and data field definitions appears to be limited to a few key persons. This gives rise to key person risk should one or all of these staff change roles or leave the agency.

Program enablers are efficient and effective – Findings

The OCG has tried to address a significant and unexpected increase in the demand for services for a WWCC.

The OCG was resourced to provide services in line with the projections stated in the original Business Case and all systems and processes were established according to the original projections. A level of process duplication and inefficiency has occurred as a result of the immediacy and extent of the higher workload being managed since the commencement of the new program.

The current IT system is not designed to be reflective of the workflows in place and so teams are establishing their own team level databases and tracking systems.

The decision making structures in place to approve clearances or bar decisions are very structured and

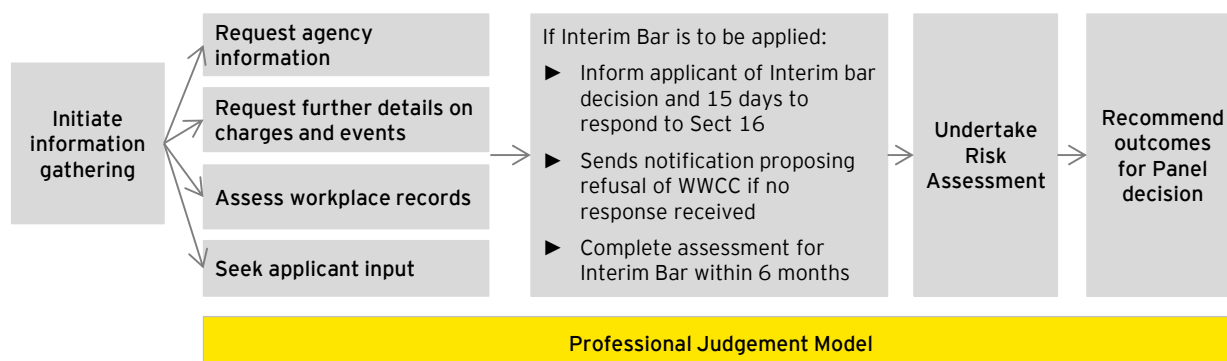
hierarchical. Though the rationale for this as a short term approach is understandable, the evaluation has found that the processes in place have an impact on workload. This is due primarily to the level of information and analysis required of all matters regardless of risk level and to a lesser extent the administrative and grammatical corrections required. The panel meets weekly to ratify decisions and is constituted of the Children's Guardian, Senior Legal Counsel and Directors.

Program enablers are efficient and effective – Recommendations

- ▶ Comprehensive review of OCG internal processes and systems to achieve efficiencies and then inform future resource and budgetary requirements with consideration to other recommendations. The review should include (but not be limited to):
 - ▶ Team structure
 - ▶ Delegations
 - ▶ Procedures and Business rules
 - ▶ Risk assessment requirements
 - ▶ Creation of internal training capacity to support professional development
 - ▶ Establishment of a regular staff forum to share new research and practice guidance in regard to risk identification and the impact on children for assessment consideration
 - ▶ Invest in upgrade of the internal IT system to be repurposed as a case management support tool
 - ▶ Review the governance and feedback mechanisms currently in place to strengthen the voice of WWCC staff in decision making and improve input into operational matters
 - ▶ Identify an owner for the internal procedures manual who will be responsible to authorise all updates and establish version control and ensure all staff are provided with notification of the updates
- ▶ Review the Weekly Decisions Panel to be more in line with the delegation responsibilities reflective of the seniority of the Management Team. This is a policy position taken by the OCG to address the above risks, however it is an area that needs to be revised in the medium term.
- ▶ Establish formal systems documentation setting out the structure of the databases and key data definitions.

6.5 Do risk assessment tools and processes facilitate an effective approach to risk assessment?

The assessment process is very time intensive and comprehensive and requires the OCG to gather and assess information from multiple sources in determining the decision. The following diagram illustrates the assessment workflow and requirements.



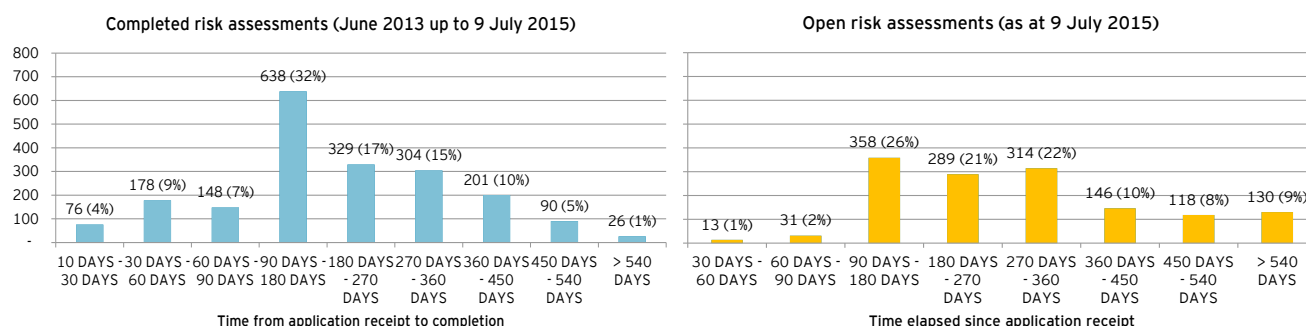
As described in section 6.4, the risk assessment process has some duplicated areas, inefficient application transfer processes and a fixed process applied to all assessments regardless of risk profile. There are currently no risk rating tools with decisions made using a hierarchical tree. It is noted that under the previous WWCC system a tool was used to assess the likelihood of future concern based on estimates of potential of future criminal or reportable events.

This current approach, combined with significantly higher than expected assessment volumes, has led to the development of a backlog of incomplete risk assessments which is a significant area of concern for the OCG. Our evaluation has found that application processing times can be longer than anticipated if an individual is subject to risk assessment, and in some instances a risk assessment can be open for a considerable period of time (up to 18 months or more) without a confirmed decision.

The following statistics provide a view of the current state of the risk assessment backlog. Examining the risk assessments received over June 2013 up to 9 July 2015⁹:

- ▶ 1,993 risk assessments have been completed (59% of total)
- ▶ 1,402 risk assessments are outstanding at 9 July 2015 (43% of total)
- ▶ The average time from verification to finalising assessment outcomes is currently around 7 months. However, the true timeline for risk assessments may be longer as this average does not include risk assessments which are still open; these assessments have been open for an average of 9 months.

As at 9 July 2015, around 21% of risk assessments have been (or were previously) open for more than 360 days. A small proportion of risk assessments in the backlog have been open for more than 18 months (c. 156 applications). This is shown in the graphs below.



Source: OCG application data by initial completion time (i.e. from RMS verification to initial completion date) for applications referred to risk assessment. Note that this time does not include periods where an application is re-opened as a result of a continuous check event or NCAT appeal.

Risk assessment - Findings

The risk assessment process is currently divided across four teams (Triage, Risk Assessment (2) and Interim Bar teams). Each team currently has a backlog of incomplete risk assessments ranging from low to high risk.

There is no formal internal process to review and reprioritise matters for risk assessment which creates a potential situation where matters not deemed to be urgent can be left for longer periods of time even though the risk may still be high. There is no support tool to assist risk assessment staff across all the teams to apply a consistent interpretation of the risks associated to the type and level of offence/conduct being assessed to determine a clearance or a bar.

Procedural guidance is in the form of extensive business rules which identifies the tasks and activities to be undertaken, the method for documentation and the types of offences that fall within certain categories as outlined in the legislation. However, there is no version control and the ability for all staff to effectively comply with every business rule is considered low.

The OCG has implemented a hierarchical decision making tree for approval of all matters apart from automatic clearances/clearances during records review and triage (refer Appendix C).

Risk assessment - Recommendations

6.5.1 Develop a range of tools to support staff as part of Risk management which would include but not necessarily be limited to:

- ▶ Risk prioritisation
- ▶ Risk rating tool
- ▶ Variable risk assessment framework commensurate with risk rating level

⁹ Provided by Office of Children's Guardian Data Management Team (9/7/15)

6.5.2 Establish a concurrent process of clearing the backlog whilst still maintaining day to day operations. We believe this is required given the significant volume of applicant matters yet to have a final determination. It is estimated (based on around 1,400 assessments currently in backlog and an average of 50 risk assessments completed per staff person per year) that this may require up to 18 months and approximately 28 temporary risk assessment staff

6.6 Has the new WWCC program reduced red-tape for customers compared to the previous program?

For customers who were required to obtain a check under the previous program, the new WWCC program represents a reduction in red-tape burden in two ways:

- ▶ The online application system appears to be faster and easier to use for external customers (i.e. applicants) with 88% of the customer survey respondents agreeing that the online system was easy to use and that the information provided was what they needed to know. 85% of respondents agreed that results were processed and provided promptly. Around 89% of applicants to date received an automatic clearance with an average timeline within 24 hours.
- ▶ The new WWCC is person-based and so is portable between roles. Under the old system, individuals were required to obtain a check for each role where a check was required. This means that the new program has reduced application times for the considerable number of individuals who will act in more than one child-related role over their 5 year clearance period (e.g. casual teachers operating in more than one school, contractors, individuals volunteering in multiple organisations).

For customers who were not required to obtain a check under the previous program and who were usually only required to complete a statutory declaration form, the new WWCC program represents a similar level or small one-off increase in red-tape. It is important to note that this is a result of the change to legislative requirements under the new program rather than any process or system change (more employees and volunteers are now required to obtain a check than previously). If these customers had been required to obtain checks under the previous program, the new WWCC would represent a reduction in red-tape (and a considerable reduction in costs and time requirements for their organisations).

These new customers will in many cases benefit from the portability of the new check over the long run as they will no longer need to complete multiple statutory declaration forms.

As mentioned in section 6.3 (process efficiency and effectiveness), most organisations would like to see some changes to the Verification system to make it more user-friendly. The volunteer sector in particular has a capability issue in that local organisations do not have internal resource capacity or infrastructure to support a verification system that is perceived to be onerous to operate and navigate. This is believed to contribute to lower volunteer verification rates compared to employees across all sectors, as discussed in section 7.1 (community compliance with the check).

Red tape reduction - Findings

The new program appears to be faster and easier to use for the majority of customers. The portability of the new check is an improvement on the previous program for individuals who will act in more than one child related role over their clearance period.

The Evaluation found that all Agencies are committed to the implementation of the new check and are working collaboratively to develop and resource the implementation of the new Working with Children Check.

Agencies suggested some improvements to the Verification system to reduce its red-tape burden and make it more user-friendly. (Refer to section 6.3 for details.)

Red tape reduction- Recommendations

6.6.1 See 6.3.1 and 6.3.2

6.7 What is the impact on other Government agencies' probity checking and associated costs?

Agencies acting as employers

FACS, Health and Education are the main government agencies which use the new program as part of their employee and volunteer probity checks. Under the previous program they were required to identify persons needing a check, collect their details and either perform the risk assessment themselves (Health and Education were approved screening agencies) or submit information to the CCYP for them to complete the assessment. Screening agencies had no access to records held by other agencies or the NSW Ombudsman. These activities are now performed by the OCG (except for deciding who requires a check) and assessments include all information held by government agencies.

As a result, from the perspective of their role as employers, the new program has reduced these agencies' time and costs associated with probity checks and incorporated more information into the assessment. The reduction will be significant for agencies that previously had a role as screening agencies, i.e. Health and Education.

The OCG has worked closely with Health and Education in particular to implement the new program. A bulk verification process has been established which provides a 'no probity flag' indicator back to these agencies to identify if an individual has any criminal records which the employer needs to access. A true response or 'no probity flag' response indicates that the applicant has consented to the release of information and that there is no additional criminal history information that the agency needs to obtain through a National Criminal Record Check (at a cost of \$23 per check). This process was designed to avoid the additional expenditure of time and resources in applying for a criminal history check where it is not required given it has already been undertaken as part of the WWCC process.

Since the practice was implemented it has resulted in significant time and cost savings to these agencies. Approximately 74,000 probity flags were issued resulting in an approximate saving of \$1.7m to these agencies with no additional criminal record checking required.

Agencies acting as information providers

Police, Attorney Generals, FACS and the Ombudsman act as key information providers for the OCG. Each of the frontline agencies (Police, Attorney Generals and FACS) raised the issues of internal workload and costs associated with fulfilling their requirements to respond to requests for information. The current approach had been agreed as part of the consultation and development of the new *Working With Children Check Act 2012* and concurred with by all parties as preferable to the old operational system.

As part of the process of Records Review and Risk Assessment the OCG undertakes a search for information from other agencies that may be relevant to assist in making a determination.

Under Section 31 of the Act the OCG has powers to compel the production of material. Specifically accordingly to Section 31 the following applies:

31.1 The Children's Guardian may, by notice in writing, require any government agency to provide the Children's Guardian with information (including documents) relevant to an assessment of whether a person poses a risk to the safety of children.

31.2 A notice under subsection (1) may be given for the purposes of:

(a) preparing submissions to the Tribunal under this Act or section 16 of the *Child Protection (Offenders Registration) Act 2000*, or

(b) determining an application for a working with children check clearance or an assessment of an applicant or the holder of a clearance.

31.4 The Children's Guardian may, by notice in writing, request a person other than a government agency to provide the Children's Guardian with a statement setting out information specified by the notice relevant to an assessment of whether a person poses a risk to the safety of children for the purposes of this Act.

31.5 A person other than a government agency to whom any such request is given is by this section authorised to provide the Children's Guardian with the information requested.

Every government agency has systems in place to manage the requests that are forwarded from the OCG and in the main most are managed in the designated timeframe. However given the unexpected volume of demand, Police, Attorney Generals and FACS stated they are feeling pressure on staff workloads, timelines and associated costs from the number of requests received as well as the broad nature of the requests seeking any and all information held by agencies (usually across multiple databases) that relates "to the person being assessed in the context of violence (including domestic

violence), child abuse, sexual offences, or inappropriate activity involving persons aged under 18 years”¹⁰.

Each of these agencies identified issues in being able to manage the level of requests and (specifically for Police and FACS) concern over the broad level of information requested. The agencies identified that there appeared to be some duplication of requests made to the agency, or follow-up requests seeking further information that was perceived as not being relevant to undertaking a risk assessment. The OCG has noted that each of the agencies is only aware of the information held by them and is unaware of the larger context of information being obtained. The OCG is required to obtain a broad level of information in order to identify factors that are relevant in the determination of each risk assessment.

Attorney Generals and Police raised specific issues:

- ▶ For the Courts Administration area of Attorney Generals Department, the main issue they raised is that there are significant costs associated with either scanning the records from the Government Records Repository or the internal court resources in order to provide the OCG with copies of district court files (estimated at approximately 6 staff positions statewide). Attorney Generals is less concerned about the scope of information requested, given that the alternative approach (unpacking court bundles and making decisions about what may be required) is considered too onerous to be practical.
- ▶ The NSW Police Service has three distinct areas that support the WWCC program: CrimTrac, iASK and an information exchange function initially added onto the Sex Crimes Unit to support an already extended CrimTrac and iASK service.

CrimTrac provides criminal records information to the OCG for the front end automated system and iASK provides more detailed information on charges and current events for reviews and assessments. Police also develop and maintain the Continuous Check database system, which supports the manual cross referencing required to identify cleared persons who are subject to new continuous check events. Information on any matched persons is sent to the OCG for review. Police's main concern is that they have insufficient resources to manage and maintain the Continuous Check database system post transition and in the long term, as the database will need to cover a considerable number of people.

The Sex Crimes Unit has taken on the role of providing narrative and historical information (with redaction), information on AVOs (including other agency information) and the cross referencing of all requests with the Child Protection Register. However the level of requests has now exceeded their capacity and this is leading to limited Sex Crimes Unit work being delivered while they focus on completing information requests within the required timeframes.

An area also identified through the Evaluation is the need to ensure that all agencies are providing the OCG with any information that they are aware of in regard to non-compliance with the WWCC requirements from NGOs or private sector providers. A number of agencies were unable to articulate the internal processes that were in place to support this function. One instance where this was raised was in relation to for-profit family day care providers where service audits were undertaken. It was identified that not all staff or adult household members had checks, however this information was not relayed to the OCG given there appeared to be no formal requirement to do so.

Probity checking and implementation costs – Findings

From the perspective of agencies as employers, the new program has reduced agencies' time and costs associated with probity checks by transferring this responsibility to the OCG. The reduction will be significant for Health and Education who previously were screening agencies.

From the perspective of agencies acting as information providers, the higher than expected demand has meant that most agencies identified a significant internal resource burden to manage the extra level of requests. OCG's requirement to seek requests for information from other agencies is an integral part of

¹⁰ OCG Section 31: Notice to produce information for the Working with Children Check Template letter March 2015

compiling a background, history and individual profile for the purposes of risk assessment.

The Evaluation team did not identify a dataset specifically established to be the source of truth on the number of Information Requests being registered by the various teams within the OCG. Each agency, however, has maintained some data records on the level of requests being sought with Attorney Generals identifying approximately 800 requests per month for Court documentation, the Police Sex Crimes Unit identifying approx. 900 per year and FACS receiving well over 600 per year.

The following agencies have identified some specific extra implementation costs that had not been fully understood prior to the new WWCC coming into place:

- ▶ Police - Build and maintenance of a Continuous Check system robust enough to manage the expected number of individuals with a clearance or bar at the end of transition and review of resources and internal structures required to support the level of information requests and provision of information
- ▶ Attorney General - The level of resource and costs associated with the extensive number of requests for court documentation

Probity checking and implementation costs – Recommendations

- 6.7.1 Formalise memorandums of understanding with all agencies in relation to mutual obligations to implement a robust WWCC Program. As part of this process the OCG should document the resources funded by each agency to deliver the WWCC Program and negotiate with each agency about longer term opportunities to reduce the cost to the agency and streamline practices, to ensure that all parties work toward providing the information required on a case by case basis for assessment purposes.
- 6.7.2 Establish a single source of data collection for all the requests for information that are sought from agencies and ensure that the system can identify when potential duplicate and follow up requests are being made for ongoing audit of these requests.
- 6.7.3 Capital funding is made available to design and build a longer term and sustainable automated system for the Continuous Checking function managed by NSW Police.
- 6.7.4 OCG and NSW Police work together to review the need for and resources required to establish a centralised Information Unit within NSW Police. This Unit could co-ordinate all requests for information across the agency as well as manage all the component parts of the Police WWCC system.

7. Core Evaluation Question 3

Program evaluation

Key findings and observations

Is the WWCC Program understood, accepted and complied with by all members of the community?

OCG stakeholder engagement and education activities have resulted in a high level of understanding, compliance and acceptance about the need for checks within state based or regional level service providers, particularly for positions that are easily identified as child-related. However more work needs to be undertaken to reach the large volunteer and private sectors and those in decentralised and localised services.

This section sets out our assessment of general community acceptance, understanding and compliance with the WWCC program. The findings of this review will be assessed against the themes covered by the evaluation criteria as noted below:

7.1 Community understanding, acceptance and compliance

7.2 Effective enablers of community acceptance

Summary findings

The OCG has developed a range of resources and training materials which has also been designed specific to each sector to support the roll out of the WWCC.

The information is accessible and training is scheduled regularly for sessions across the state.

Larger, more centralised agencies have the facilities and communication systems to disseminate these materials to their employees; however, smaller, decentralised organisations may not have mature communication channels and so are less able to use these materials effectively.

Work needs to be undertaken to be able to reach all other sectors and be mindful of those groups that do not have internal capacity or systems to manage messaging and delivery. This applies to smaller, disparate service providers which tend to have a higher proportion of volunteers and casual workers as well as higher workforce turnover.

Context

A revised and strengthened Working with Children Check began on 15 June 2013. This required the development of a communication campaign that would address the requirements under the new WWCC, identify the changes from the old WWCC to the new program and explain the operating practices that would define if and when a person should apply for the WWCC.

The task also required agencies to deliver messages internally to their staff, volunteers and stakeholders leveraging off the information and resources developed and distributed by the OCG.

The community engagement team supports relevant sector groups to better understand their WWCC requirements and obligations. They deliver presentations about the new WWCC legislation and provide additional support by attending community stalls, conferences and meetings, and by contributing articles and other information to industry newsletters.

Constraints

Our findings for this evaluation question are partly based on information provided by the OCG relating to stakeholder input, customer complaints and data held from other feedback mechanisms. In particular, information around general community views was sourced from the WWCC User Experience Survey open during May 2015.

The survey was emailed to 15,000 applicants and 2,021 applicants (13%) responded. We observe that the survey sample is not statistically significant given the actual size of the WWCC applicant population (790,500 to June 2015) but can provide useful insights and indicative measures of community perception and usage of the system.

7.1 Community understanding, acceptance and compliance

The WWCC customer survey identifies a number of positive comments from respondents that highlight acceptance for the need of a WWCC. Many respondents commented that the WWCC was an “important tool” for the community and there was positive feedback regarding the portability of the check.

Consultation with government agencies suggest that they too have readily accepted the WWCC, incorporating it into their existing child protection policies and procedures. Some agencies have hard-coded WWCC indicators in HR systems identifying positions that required WWCC which takes out the aspect of people making individual decisions based on their own interpretation.

Though there is general understanding of the need for a check and the importance of one for child related work there appears to be limited knowledge of the detailed requirements. Responses to the customer survey suggest that awareness of the new WWCC’s scope and monitoring process varies considerably. 90% of applicants applied only after having been told to, presumably by an employer/organisation. Despite this 20% of employees and 29% of volunteers believed they did not work in a child-related role (or didn’t know).

As discussed in detail in section 6.1, the Evaluation identified that both centralised and decentralised groups make decisions as to who needs a WWCC based on pragmatics and practicality of implementation. Pragmatic decision making often results in employers and organisations asking all employees/volunteers to get a WWCC given the stated view that the process of determining whether or not a role is child-related is considered too time consuming.

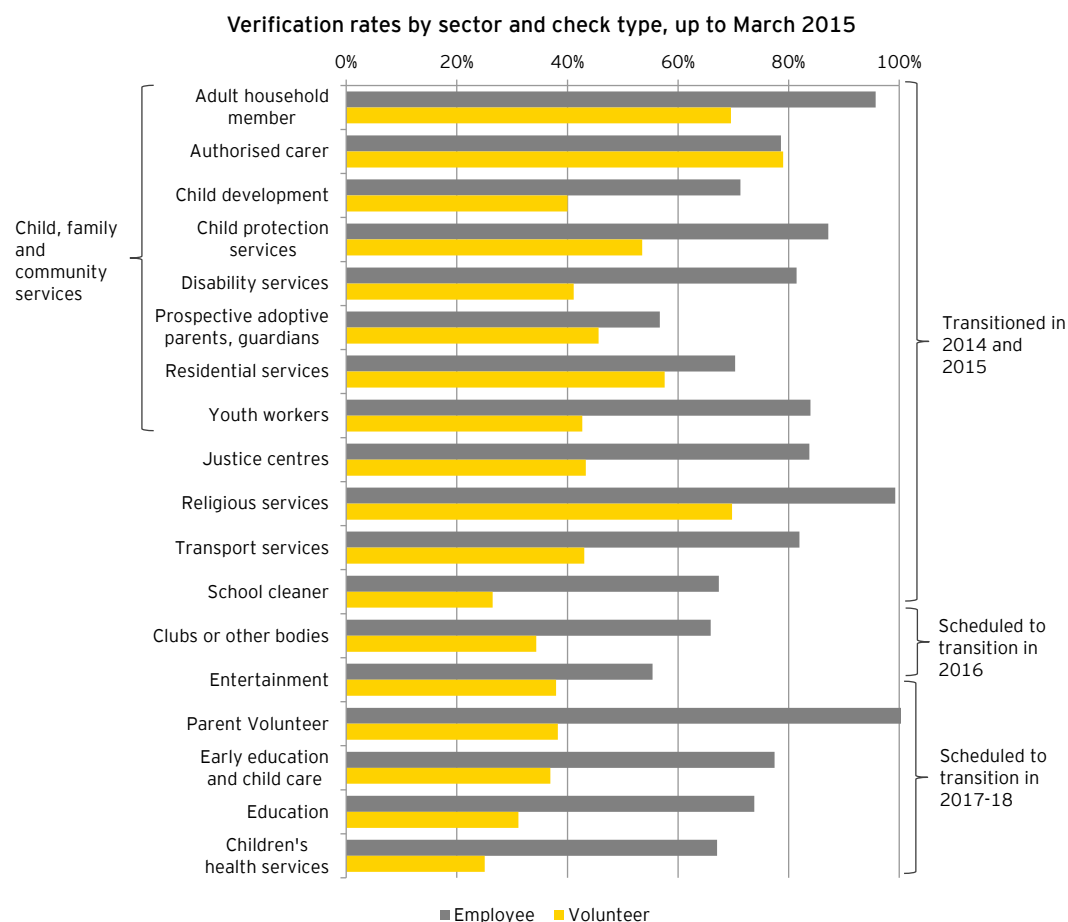
This decision making process also has an element of risk aversion with these groups preferring to oversubscribe for the check rather than undersubscribe and opening themselves up to risk. 70% of survey respondents agreed that “even people who are exempt from the WWCC should still get one, just to be safe”.

Evidence of this decision making can be found in both the volunteer and the paid sector. For example, Health requires all frontline employees working in hospital settings to get a WWCC as there is a possibility that they may treat/work with a child at some point. Statistical analysis performed in the OCG 2013-14 Activity Report highlights the high number of volunteer checks that have been processed for some schools across NSW (see below table), with more volunteers approved than teachers working in each school. This suggests that the majority of these volunteers are likely to be parents for whom the parent volunteer exemption is likely to be applicable.

Public school	School enrolment numbers	Number of paid employees verified	Number of volunteers verified
School 1	1,350	30	125
School 2	239	10	24
School 3	527	6	26
School 4	669	15	45
School 5	1,058	23	23
School 6	831	24	81
School 7	420	21	107
School 8	634	13	68
School 9	317	20	45
School 10	573	10	60
School 11	502	11	48
School 12	589	42	165
School 13	626	16	64
Total	8,335	241	881

Although we have seen evidence of oversubscription we cannot be sure that all required persons are captured under the check. Agencies noted that there is limited oversight and greater potential for non-compliance in the volunteer sector given its disparate and transient nature. Private and non-government sectors and organisations in decentralised environments (including public schools which are expected to become increasingly localised over time) also have limited or no agency oversight and potentially lower compliance.

Another component of compliance is the verification of the WWCC in order to link employees and volunteers to organisations. This enables the OCG to contact an organisation should a person's clearance be reversed following a continuous check event. The average verification rate for employees is around 75% compared with 48% for volunteers, indicating a strong level of compliance for employees but lower compliance for volunteers. Verification rates up to March 2015 are shown in the graph below.



Source: OCG application data by sector and flag indicating if the WWCC number has been verified at least once. Note that some persons will need to be verified by more than one organisation.

Volunteer groups often lack the internal resources and infrastructure to correctly identify all child-related roles and then to verify sometimes large numbers of WWCC clearances. An overview of a complex WWCC implementation for a local Surf Life Saving Nippers group (which is mainly made up of parent volunteers) can be found in Appendix J.

We observe that OCG education and communications can help organisations to clarify child-related roles and the implementation process. For example, during our research for the Surf Life Saving Nippers case study (Appendix J) we observed that the organisation's communications to organisers had changed from requiring parent volunteers to obtain WWCCs (an approach considered "best practice") to clear instructions specifying the roles and situations for which the parent volunteer exemption applies.

Verification rates are considerably higher for sectors that have transitioned on to the check and in some instances have been subject to OCG compliance audits, compared with those that are yet to transition. This also suggests that education and compliance efforts may help to increase understanding and verification rates.

Awareness of the limitations of the check's continuous monitoring system was also raised as an issue at Interagency Committee consultations. Many agencies were unaware the continuous monitoring only considers NSW based offences and reportable conduct matters. It is considered that knowing more about the check's limitations should encourage agencies to not solely rely on the WWCC and to undertake improved probity checking of people who transfer across from other states.

Understanding, acceptance and compliance - Findings

There has been broad acceptance for the check across the entire community including both volunteers and paid employees.

The collated evidence suggests that community understanding of the legislative requirements, including the definition of individuals required to obtain a check or exempted, is varied.

WWCC requirements appear to have been largely complied with by paid employees in centralised agencies. Compliance appears to be lower in organisations that are smaller, decentralised and/or with a high proportion of volunteers or casual workers, as these organisations tend to have higher workforce turnover and fewer facilities and systems to support implementation.

Understanding, acceptance and compliance - Recommendations

7.1.1 See 6.1.2, 6.3.1 and 6.3.2

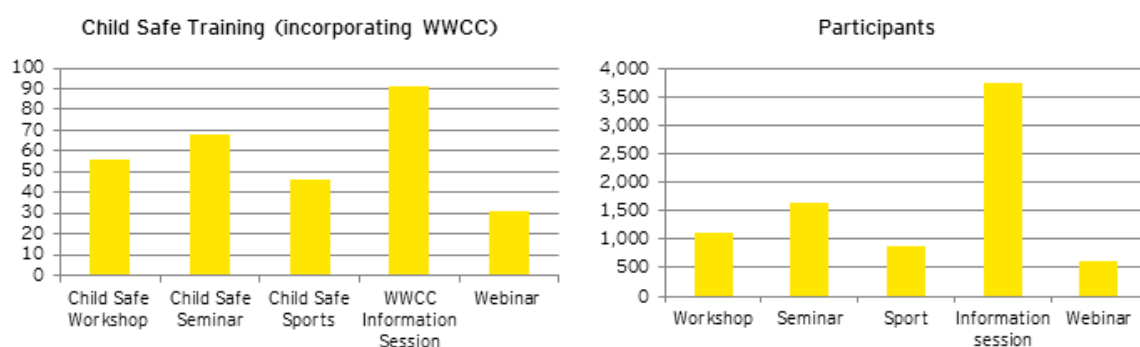
7.2 Effective enablers of community acceptance and understanding

Customer service

The WWCC customer survey showed positive feedback from customers on the online system's ease of usage, processing timelines and the general need for a WWCC. This is an excellent method to capture the concerns of the community and it is recommended that this process be repeated at regular intervals. Additional results from the survey are summarised in Appendix F.

Education

The extent of work that the OCG has undertaken in the development of resources, information and community engagement/development training is substantial. There are a number of resources available on the WWCC website and the OCG has had high attendance at their child safe training, as shown in the following graphs¹¹.



Survey respondents had lower awareness of the OCG's child safe organisations online resources (38% said they were aware). However this is to be expected as the resources are targeted at employers and volunteer organisers who apply WWCC requirements to their workforce, rather than individuals.

Stakeholder interviews revealed that many small, localised and disparate services in the volunteer and private sector have difficulty communicating and disseminating information to everyone that would require a check. They struggle to understand the check requirements and also to deliver messages in a clear and concise way in plain English that reflects the complexities these groups need to understand as part their responsibilities.

The audits performed by the OCG Compliance Team acts as a secondary enabler of community understanding and acceptance. They audit agencies in regard to their WWCC obligations including

¹¹ Information provided by OCG Compliance Team - Facts and Figures July 2013 - to March 2015

identification and understanding of who requires a WWCC, record keeping and documentation and finally verification of employee and volunteer WWCC numbers.

The audits are undertaken based on priorities determined by a review of a number of indicators and incorporated into an Annual Compliance Plan. The Indicators used to prioritise include:

- ▶ An assessment of locational risk areas by region. Risk data includes every instance of an applicant who is unverified, withdrew or barred.
- ▶ Information from an Industry Risk Analysis¹².

Risk ratings have been determined for all sectors based on an assessment of activity risks, governance risks and logistical risks using both an actuarial method and a consensus approach. The Risk analysis highlights potential areas to target for compliance programs across the transition period based on these ratings.

The process that has been established by the Compliance team is a manual process that requires agencies to respond to a set of questions and then talk through how the internal systems work and provide some documentation to demonstrate. Verification of WWCC clearances and statutory declarations is also reconciled manually.

Promotes understanding and acceptance of the program – Findings

Although the OCG provides substantial education material to facilitate acceptance and understanding of the change to the program, further work needs to be done to disseminate information to sectors with smaller, decentralised organisations or organisations with a high proportion of volunteers and casual workers and so higher workforce turnover. This applies particularly to employees and volunteers in Clubs and Education sectors.

There has been broadly positive feedback regarding customer satisfaction with the program and there is evidence that customer service levels are being monitored.

Promotes understanding and acceptance of the program – Recommendations

- 7.2.1 Repeat the customer survey at regular intervals to gauge community understanding and acceptance of the WWCC.
- 7.2.2 See 6.1.2, 6.3.1 and 6.3.2.
- 7.2.3 Consider the development of a specific examination tool to support a more rigorous process of audit program which can be used to identify benchmark levels and undertake comparative analysis across sectors
- 7.2.4 OCG compliance team to consider enforcement options and/or penalty notices for failed audits.

¹² OCG Industry Risk Analysis October 2013 (undertaken on behalf of the OCG by Gomes & Parkee)

8. Core Evaluation Question 4

Program evaluation

Key findings and observations

Do employers and agencies incorporate the WWCC into a holistic risk framework for promoting child safe environments?

Over-reliance on the WWCC as the only risk management tool to protect children is considered high in small and decentralised organisations.

This section sets out our assessment of the WWCC program in terms of its incorporation into organisations' holistic risk frameworks. The following evaluation criteria are discussed below:

8.1 Holistic child safety risk practices

8.2 Effective education on broader child safety considerations

Summary findings

Large and centralised organisations have incorporated the WWCC into a holistic risk framework.

Small, local and volunteer organisations appear to be using the WWCC as their only child safeguard.

This can be attributed to difficulties in informing this sector of their obligations coupled with resource constraints faced by small and isolated service, sport or recreational groups.

Context

The Office of the Children's Guardian has a focus on encouraging organisations to use a number of approaches and systems to identify, mitigate and manage for potential risks, including meeting their Working with Children Check legal obligations¹³.

While a criminal record check can be an important tool in an organisation's approach to being 'child safe', it cannot identify people who have not previously been caught or are yet to offend. Implementing effective child safe policies and practices is the best way for an organisation to protect the children they are involved with.

Constraints

The scope of the evaluation only encompassed child safe policies and did not include an audit of child safe practices. EY consulted with all members of the interagency committee but did not consult with external stakeholders such as NGOs or private sector organisations.

8.1 Holistic child safety risk practices

The majority of agencies have policies and systems in place which embed the WWCC into a child safe framework. FACS, Health and Education each have dedicated child protection policies, which have been updated to include the new WWCC.

The check has also been incorporated in their code of conduct and recruitment policies, and child protection training has been provided to their staff. However many Government agencies and Government funded NGOs are required to employ child wellbeing and child protection policies and with the exception of requiring a WWCC there has been no marked change to these since the introduction of the check.

¹³ <http://www.kidsguardian.nsw.gov.au/working-with-children/become-a-childsafe-organisation>

FACS and Health use a system flag to designate positions which are child-related or (for FACS specifically) have access to sensitive information and verify WWCC numbers at the point of recruitment. FACS will accept recruits with application numbers (i.e. WWCC application still in progress) while Health will only accept persons with WWCC numbers (i.e. application completed).

Health and Education have incorporated bulk verification into their recruitment processes.

The agency interviews revealed a consistent over-reliance on WWCCs as an organisational risk response across all sectors. Using Case Study 1 supplied in Appendix J, Sport and Recreation showed that for many local and volunteer groups the act of decoding the legislation can be more resource intensive than asking all participants to get a check. As discussed in sections 6.1 and 7.1, there appears to be some level of oversubscription within the Education sector and other sectors with a high proportion of volunteers (e.g. Clubs). These are likely to be parent volunteers who may in fact be exempt. Often these decentralised agencies prioritise their legal requirements for the WWCC over implementing a child safe environment.

Despite this sector-wide over-reliance on the WWCC, verification tends to be lower amongst the volunteer sector. The volunteer verification rates were as low as 18% (in children's health services) in FY14 but appear to have improved over time (see section 7.1 and Appendix E). To date, volunteer verification and employee verification are approximately 48% and 75% respectively. This demonstrates that despite high levels of demand the volunteer sector in particular are not applying the WWCC effectively as a risk mitigation strategy, which is a concern given that for many volunteer groups this is their only child protection tool.

In the WWCC customer survey 20% of survey respondents did not believe their organisation had clear policies and codes of practice to help protect children and 43% did not believe there were clear procedures for handling complaints or misconduct reports. This was higher for volunteers than employees, particularly those belonging to Clubs, Parent volunteers or Other groups. Early Education, FACS and Religious sectors had the highest proportion of respondents who believed their organisation had clear policies and practices, and Early Education, FACS, Health and Religious sectors had a high proportion who believed there were clear procedures for handling complaints.

Although we did not consult with the private sector or any volunteer groups, anecdotal evidence provided at stakeholder interviews suggests that although volunteer groups prioritise the WWCC, they are often not adequately resourced to carry out the verification. While government agencies benefit from bulk-verification processes, small volunteer groups are required to enter dozens or hundreds of WWCC numbers manually into the system.

The OCG compliance team is committed to auditing all organisations in child-related sectors within 2 years of their phase-in period to ensure that record keeping in regards to the collection and verification of WWCC are monitored. The compliance team focus their attention on high risk areas using an internal Compliance Plan and Industry Risk Analysis (IRA) tool coupled with system information on the prevalence of WWCC risk assessments and employee verification.

Despite the mandate of the compliance team to audit all organisations performing child-related work, many small, local groups can be hard to identify, and this results in a resource intensive discovery process.

In addition, the OCG compliance team lacks authority to enter a place of business and audit their child safe practices. Should they uncover irregular behaviour they have little capacity for enforcement options and/or penalty notices.

Holistic child safety risk practices - Findings

Large government agencies appear to have embedded the WWCC into child safe frameworks. Their policies, training, code of conduct and high rates of verification suggest that they comply

Small, local and volunteer groups are often resource constrained, and may issue "blanket checks" as their only risk mitigation strategy.

They also have low rates of verification which undermines the WWCC as a risk management tool and are often unaware of policies related to child safety or procedures for handling complaints. For this reason these groups do not comply.

Holistic child safety risk practices - Recommendations

- 8.1.1** Consider increasing the number of compliance audits, targeting employers and areas with low rates of verification.
- 8.1.2** Investigate alternative methods to reach detached groups of the community, in particular volunteers to reinforce the importance of verification and the necessity for child safe practices.
- 8.1.3** See 6.1.2, 6.3.1 and 6.3.2
- 8.1.4** Consider launching a Child Safe Marketing campaign which might include:
 - Child Safety Apps
 - Targeted advertising on Social Media such as LinkedIn
 - Direct marketing via regular emails or mail
 - A “Social Media Listening” strategy to identify key themes relating to the WWCC and Child Safety based on location and demographic

8.2 Effective education on broader child safety considerations

Our consultations with agencies revealed that the OCG’s child safe framework is not employed consistently across child-related sectors.

It was generally noted local or volunteer groups were less likely to be aware of child safety policies due to difficulties with dissemination of information. This is a particular issue for the Sport and Recreation volunteer sector due to its decentralised nature, and the fact that it is run by parents and other volunteers with a high turnover rate.

As part of their education program the OCG runs free seminars and workshops on child safe organisations and may also provide specific training at the request of an organisation. Our evaluation was not able to assess the efficacy of this training in increasing understanding of child safety; however we did receive positive stakeholder feedback from Sport and Recreation regarding the sports specific child safety training provided and the OCG addressing many of the sports sector concerns and creating child safe materials specific to the sports and recreation sector.

Sport and Recreation noted that since the introduction of the WWCC, Child Safe has been at the forefront of sector discussions; however some volunteer groups feel they are not adequately resourced to comply with their WWCC obligations and implement child safe policy.

Sport and Recreation and NSW Education advised that many employees and volunteers did not agree with the parent exemption, and that many parents were being asked to get checks regardless of the statutory requirements. This is in keeping with the survey findings where 70% of respondents agreed that “even people who are exempt from the WWCC should still get one, just to be safe”. With results slightly higher for volunteers compared to employees. It is assumed that this is similar for the Independent and faith based school sector.

As stated above the majority of government agencies have a range of child safe policies and systems in place. Early Education in particular was in the process of organising child protection training specific to their sector.

Discussions with FACS revealed that 900 casual disability workers were asked to get a WWCC because they may at a point in time work in a children respite. A similar policy decision was made by Health, who has broadly asked anyone working in hospital settings to get a WWCC given the likelihood that they may treat/work with a child at some point.

The repeated oversubscription for the WWCC across government, private and volunteer sectors suggests that either organisations do not fully understand the WWCC and its exemption categories, or that despite their understanding a level of risk aversion or pragmatism is driving the demand for the check.

The customer survey revealed that 20% of employees and 29% of volunteers believed they did not work in a child-related role (or didn’t know). 90% of the applicants were driven by employers / organisations, with most respondents applying after being told to.

Effective education on broader child safety considerations - Findings

Large government agencies appear to have good understanding of child safety, however they have applied this to the WWCC in a varied manner which may in part stem from risk aversion.

While there is evidence of education undertaken by volunteer groups and small organisations in regards to child safety it has been very sporadic. In highly disparate groups we have little to no understanding of their practices. Therefore we cannot conclude whether these groups have provided education leading to an understanding of broader child safety considerations.

Effective education on broader child safety considerations - Recommendations

8.2.1 See 6.1.2, 6.3.1 and 6.3.2

8.2.2 Provide sector specific aids to educate on exemption categories.

9. Recommendations

Based on our Evaluation of the WWCC program and with consideration to the core questions raised in the Evaluation Plan for review, we have found that the demand experienced for the new program has had an adverse impact on the ability of the OCG to deliver the program with current resources, in an efficient manner and to provide clear guidance and instructions to all sectors in relation to the WWCC requirements and broader child safe practices. It is important to note that the new WWCC Program has only been operational for two years and in that time the OCG has been attempting to refine and redevelop their internal systems, processes and structures to meet the increased and unexpected demand.

It is also important to note that the demand for WWCCs is driven by external factors and outside of the direct control of the OCG. The Evaluation has found that a proportion of this demand has come from decisions made by agencies known to be outside the intent of the legislation, or from smaller and more localised organisations who have limited capacity to interpret the requirements and exemptions and so err on the side of requiring all to have a WWCC.

The Evaluation Team has taken these major factors into consideration when defining areas for improvement or innovation given the need to drive behaviour change as part of the reform as well as drive practice, system and processes change. The following recommendations are aligned to the core Evaluation questions. In order to achieve a financially sustainable and efficient system, however, all the recommendations should be mutually considered. Therefore, it is recommended that the OCG:

- ▶ Develop a Reform Plan with consideration to all the recommendations (see Section 9) relating to each evaluation criteria from the WWCC Evaluation Plan.
- ▶ Put in place the identified controls required to drive behaviour change across the WWCC system to improve compliance in line with the intent of the legislation.

Is the new program financially sustainable?









It is unlikely that financial sustainability will be achieved in the future without increased government contributions, and/or changes to pricing structure, costs, operating processes or demand management.

Recommendation	Short Term	Medium Term
5.2.1 Develop a business case for additional government funding for the next five year period, including demand projections, measures around record review / risk assessment staff capacity and risk assessment backlogs. We would also suggest making some allowance for expected indexation for CrimTrac and RMS NSW fees, as well as salary and operating costs and the impact of any anticipated efficiency programs (including investment required to effect those programs).	◆	
5.2.2 Investigate possible options for pricing structure changes for the post-transition period, including increases and/or regular indexation for employee check fees and the introduction of a smaller volunteer check fee to recover some of the allocated costs.	◆	
5.2.3 Comprehensive review of OCG internal processes and systems to identify areas where potential efficiencies can be achieved in the longer term. This should then inform future resource and budgetary requirements. Refer to section 6 for details.	◆	
5.2.4 Continue to monitor risk assessment backlog and processing timelines, and update future resource requirements to reflect longer term expectations around the risk assessment backlog and processing timelines.		◆
5.2.5 Perform a thorough investigation of the continuous check process and its impact on records review workloads. This is particularly important given that continuous checks will increase in line with the growing WWCC population and will represent a greater proportion of records review work over time.	◆	

Does the WWCC Program deliver an efficient and effective policy and practice framework which covers all required persons?

Due to the external drivers of demand and the impact of this demand on the OCG the evaluation found that reform of the WWCC Program policy and practice framework is required.

Recommendation	Short Term	Medium Term
6.1.1 Establish a formal system that requires all Government agencies to provide advice on their proposed decisions as part of an Agency Implementation Plan to submit for approval.	◆	
6.1.2 Review the systems in place with a view to supporting the capacity of small, decentralised and volunteer / casual worker dominated services to manage their WWCC requirements. This could include: <ul style="list-style-type: none"> ▶ simplifying the verification process ▶ providing access to system reports for volunteer leaders to reconcile ▶ consulting with a sample of small and decentralised organisations about areas for improvement and support 	◆	
6.1.3 Investigate options for an eligibility assessment system built into the front end IT system prior to people applying. This may include a pre application structured screening tool built into the landing page which potential applicants can use to be guided about whether they need a WWCC establishing a screening unit to undertake the function. It is considered an essential requirement to have as part of the system as a method of gatekeeping to against ongoing demand that may not require a WWCC.	◆	
6.3.1 Development of “push notifications” or emails to inform applicants/employers when the upgrade has occurred as well as a mechanism to download agency level reports to reconcile who have been verified at any point in time.	◆	
6.3.2 Streamline the verification system in line with the above recommendation and then proceed to educate agencies on the requirements to achieve best practice as defined by the OCG (including identification authentication, verification systems management)		◆
6.3.3 Design the 5 year renewal process incorporating changes made to the system based on the recommendations from this Evaluation and deliver targeted training and support to all sectors to understand the changes for Cycle 2 (2019 to 2023).		◆

Recommendation	Short Term	Medium Term
<p>6.4.1 Comprehensive review of OCG internal processes and systems to achieve efficiencies and then inform future resource and budgetary requirements with consideration to other recommendations. The review should include (but not be limited to):</p> <ul style="list-style-type: none"> ▶ Team structure ▶ Delegations ▶ Procedures and business rules ▶ Risk assessment requirements ▶ Creation of internal training capacity to support professional development ▶ Establishment of a regular staff forum to share new research and practice guidance in regard to risk identification and the impact on children for assessment consideration ▶ Invest in upgrade of the internal IT system to be repurposed as a case management support tool ▶ Review the governance and feedback mechanisms currently in place to strengthen the voice of WWCC staff in decision making and improve input into operational matters ▶ Identify an owner for the internal procedures manual who will be responsible to authorise all updates and establish version control and ensure all staff are provided with notification of the updates 		
<p>6.4.2 Review the Weekly Decisions Panel to be more in line with the delegation responsibilities reflective of the seniority of the Management Team.</p>		
<p>6.4.3 Formal systems documentation is put in place setting out the database structure and key data definitions.</p>		
<p>6.5.1 Develop a range of tools to support staff as part of Risk management which would include but not necessarily limited to:</p> <ul style="list-style-type: none"> ▶ Risk Prioritisation ▶ Risk Rating tool ▶ Variable risk assessment framework commensurate with risk rating level 		
<p>6.5.2 Establish a concurrent process of clearing the backlog whilst still maintaining day to day operations is required given the significant volume of applicant matters yet to have a final determination. It is estimated (based on 1400 currently in backlog and an average caseload of 50 per staff person) that this may require up to 18mths and approximately 28 positions</p>		
<p>6.7.1 Formalise MOU's with all agencies in relation to mutual obligations to implement a robust WWCC Program. As part of this process the OCG should document the resources funded by each agency to deliver the WWCC Program and to negotiate with each agency about longer term opportunities to reduce the cost to the agency and streamline practices to ensure that all parties work toward providing the information required on a case by case basis for assessment purposes.</p>		
<p>6.7.2 Establish a single source of data collection for all the requests for information that are sought from agencies and ensure that the system can identify when potential duplicate and follow up requests are being made for ongoing audit of these requests.</p>		
<p>6.7.3 Capital funding is made available to design and build a longer term and sustainable automated system for the Continuous Checking function managed by NSW Police.</p>		

Recommendation	Short Term	Medium Term
6.7.4 OCG and NSW Police work together to review the need for and resources required to establish a centralised Information Unit within NSW Police. This Unit could co-ordinate all requests for information across the agency as well as manage all the component parts of the Police WWCC system.	◆	

Is the WWCC Program understood, accepted and complied with by all members of the community?

The OCG has developed a range of resources and training materials which has also been designed specific to each sector to support the roll out of the WWCC. However more innovative communication strategies need to be developed to expand the reach and content for the large volunteer and private sectors.

Recommendation	Short Term	Medium Term
7.2.1 Repeat the customer survey at regular intervals to gauge community understanding and acceptance of the WWCC.		◆
7.2.3 Development of a specific examination tool to support a more rigorous process of audit program.		◆
7.2.4 OCG compliance team to consider enforcement options and/or penalty notices for failed audits.		◆

Do employees and agencies incorporate the WWCC into a holistic framework for promoting child safe environments?

The WWCC program partly meets this criteria. Large and centralised organisations have incorporated the WWCC into a holistic risk framework, however small, local and volunteer organisations seem to be using the WWCC as their only child safeguard.

Recommendation	Short Term	Medium Term
8.1.1 Consider increasing the number of compliance audits, targeting employers and areas with low rates of verification.		◆
8.1.2 Investigate alternative methods to reach detached groups of the community, in particular volunteers to reinforce the importance of verification and the necessity for child safe practices.	◆	
8.1.4 Consider launching a Child Safe Marketing campaign which might include: <ul style="list-style-type: none"> ▶ Child Safety Apps ▶ Targeted advertising on Social Media such as LinkedIn ▶ Direct marketing via regular emails or mail ▶ A "Social Media Listening" strategy to identify key themes relating to the WWCC and Child Safety based on location and demographics 		◆

Financial considerations to support the development of options

Following is an outline of financial implications that will assist in developing options to consider as part of resource preparation to inform and project required budget estimates. The information has been established through the scenario modelling undertaken in Section 5 and the details are specific to Scenario 3 and 4. See Appendix I for detail.

Management of backlog

The backlog of open risk assessments has developed over the last two years (1,402 at 9 July 2015). We estimate that with existing staff numbers, assessment completion rates and expected demand levels this backlog will continue at around 1,500 cases up to the end of the transition period before decreasing to zero over the following four years (2019 to 2022).

This implies an average processing timeline of roughly 12 months for the remainder of the transition period. However it is important to note that there is considerable variation in timeframes depending on the application's initial triage risk assessment outcome, with current timeframes ranging from a few months to 18 months or more. Processing priority is given to applicants that are judged as potentially needing an interim bar or who are considered to have a higher risk profile, meaning that risk assessments flagged as high or very high risk will tend to have shorter timelines while those flagged as low or moderate risk will tend to remain open for longer.

One potential option for the OCG is to seek funding for and then apply additional temporary staff to work through the current backlog over a 12 month period, as existing staffing numbers are expected to be sufficient to address future risk assessment numbers (i.e. from 2016 onwards).

We estimate that around 28 extra risk assessment staff would be required to work through the 1,402 assessment backlog at a cost of \$4.1m over a 12 month period, assuming that they achieve the same levels of throughput as existing staff (that is, around 50 completed risk assessments per person per year) and that the ratio of risk assessment officers to team leaders remains similar to current levels (around 4 to 1). The cost and time period for this option will be higher if the extra staff need to undergo training and carry lower workloads during this period.

Another potential option for the OCG would be to review current risk assessment processes and identify areas where the process can be streamlined or time requirements can be reduced, with the aim of increasing the throughput per risk assessment team member. If the number of risk assessments completed per person increased, for example to 55 or 60, then the backlog would clear by FY2019 or 2020 assuming staffing levels and demand at current levels.

Staff establishment and internal transfer

The number of record review and risk assessment staff is partly determined by the number of record reviews and risk assessments that need to be performed.

For the risk assessment team, our modelling indicates that permanent and temporary staff are not expected to have available capacity until after the backlog is cleared. At expected future demand levels and with unchanged staffing levels and throughput, we expect that this will not occur until year 9 (2022), indicating that temporary risk assessment staff will need to be retained well into the future.

For the records review team, our modelling indicates that record review staff capacity should gradually increase over the transition period assuming that their current throughput levels stay the same as in 2014 (2,085 completed record reviews per person per year, or just over 40 per week).

By the end of the transition period we estimate that around 16 to 19 staff will be needed to complete initial record reviews, with remaining staff available to work on continuous checks or to assist with other activities that the OCG will increasingly focus on (e.g. continuous check processing, compliance).

We note that continuous checks have not been included in our modelling and we have been advised that these are currently more time intensive than initial records reviews. We have recommended that a thorough review be performed on the continuous check process and its impact on records review workloads. This is particularly important given that continuous checks will increase in line with the growing WWCC population and will represent a greater proportion of records review work over time.

10. Other considerations

The following issues have been raised with the Evaluation Team on a number of occasions and it has been deemed appropriate to provide a response in terms of defining the issue and any findings to assist in informing any discussion going forward.

Issue	Description	Finding
Vulnerable people Check	<p>NSW currently does not have a Vulnerable Persons check similar to the WWCC. The WWCC is an essential part of assessing person risk within a child safe framework. One of the reasons is the power imbalance that is in play when children and young people are being supported by adults as well as the fact that abuse is more likely to occur where there is situational opportunity.</p> <p>It has been identified with the panel that the same protections should be afforded other vulnerable people in our community and in particular across the disability, aged and mental health sectors. One example provided to the panel reflected the need for a greater focus on these areas: A person barred from working with children in a disability setting was simply transferred into an adult disability setting where the residents had a significant intellectual delay and physical disabilities. No restrictions were placed on the person in these environments.</p>	States with a Vulnerable persons check are SA, ACT, TAS and Commonwealth Departments.
NCAT Appeals	<p>The OCG is guided by clear legislative and regulatory requirements in determining a clearance, interim bar or bar for people applying for a WWCC. These guides are incorporated into the Business Rules that the CG staff follow and the OCG Executive use in determining decision outcomes.</p> <p>The OCG is required to Automatically Bar an applicant if they have specific and identifiable convictions or charges against their name. It has been noted however that NCAT on Appeal from Applicants have overturned the decision for an Automatic Bar offence even though the legislation is clear and defined in this area. It has been stated that the OCG would be well within their rights to challenge the decisions on a point of law or merit based.</p>	<p>Section 18 of the Act defines the Determination of applications for clearances</p> <p>The current Amendment Bill 2015 will go some way to addressing this issues</p>
Backlog Risk Assessment and use of Chapter 16A	<p>Given the backlog of Risk Assessments that have not been finalised it is seen that the risk is high for agencies that are accepting of an APP NO as the minimum requirement pending WWCC Clearance to undertake child related work. Given that sometimes this can take 12- 18mths the concerns are perceived as valid if no determination is made sooner.</p> <p>It has been raised that the OCG should utilise Chapter 16A to provide agencies with any concerning information that may be at hand but where the Risk Assessment has not been complete.</p>	<p>Should the backlog be cleared then the need for providing concerning information in a timely manner may no longer be an issue. This may be worth further discussion (given the current backlog) in the context of child protection where the issue would be relevant to the safety of children.</p> <p>Issues of natural justice would also suggest informing the individual of any information held that may be released.</p>
Joint work with the NSW Ombudsman	<p>The work of the OCG and the NSW Ombudsman have some similar areas that could be more beneficially achieved through a formal agreed joint work program on issues such as sharing of information held by the OCG to assist the Ombudsman in considering Reportable Conduct matters more comprehensively</p> <p>The issue has also been raised about the need to support the OCG by incorporating Independence into the decision making process in particular when a Bar or Interim Bar is being finalised.</p>	Given that the NSW Ombudsman and OCG work closely together and have similar mandates to protect children then it may be useful to look at establishing an Independent Board to support the ongoing work of each agency where there responsibilities intersect.
Renewals Program	Given that NSW is now 2 years into the 5 year program and a continuous checking system is in place monitoring all cleared applicants then it is considered appropriate for the OCG to start planning the formal approach to the Renewals Program effective start in June 2018. This will enable time for consultation and development of systems alongside any reform program efficiencies achieved.	The OCG will need to factor in the range of all possible scenarios as part of the Cycle 2 to determine a variable response and develop KPI's to deliver on Risk assessment in a 6mth timeframe

Issue	Description	Finding
Government Sector Employees Act	<p>NSW PSC has put in place a new Government Sector Employees Act 2013. The transition to this new Act requires for all positions in the Public Sector to be GSE Compliant.</p> <p>The Evaluation team were informed that a number of agencies were requiring those staff transferring into the GSE compliant role or moving from temporary to permanent under the scheme to have a WWCC. This is considered to have an impact on the demand being experienced by the OCG but is difficult to quantify given the data is not collected by position.</p>	<p>Seek for the PS Commissioner to provide advice to the Sector about GSE compliance requirements.</p>
Length of time / period of WWCC	<p>One of the issues raised during this process was how the five year period was determined and is it the most realistic or cost effective approach. In discussion with the OCG it was identified that the rationale for 5 years was based on other models in place at the time that were the most similar to the NSW requirements.</p>	<p>The fee attached to the Employee check covers the cost of the external CRIMTRAC and RMS costs as well as the services provided by the OCG in management of the entire WWCC Program so the period of valid clearance is not a factor.</p> <p>The Continuous Check however does not include interstate records and so this may pose a risk to being able to capture this information in a timely way.</p>
User pays systems	<p>There has been some commentary around the need to incorporate some potential "user pays" aspects to the WWCC program. The following are examples:</p> <ul style="list-style-type: none"> ▶ Fee to have your application managed within an express timeframe ▶ A tiered payment system incorporating a smaller fee to have the automated clearance process (for those with no criminal or misconduct background) and a further fee should your application require risk assessment and further processing ▶ Payment for services for the provision of records, reports etc. 	<p>There is a real risk in implementing a cost for Express Services given the comprehensive and detailed nature of the Risk assessment that needs to occur to make a determination. The time taken to collect and assess the information is not within the control of the OCG alone and this may impact on achieving Express services. To consider this opinion would require new resources and different operational requirements as well as some testing of express suitability to occur so that it didn't impact on the other assessment pathway.</p> <p>A tiered payment system would assist in reflecting the true costs of performing the checks under the current system however if the Reform programmes to be implemented then the true costs of delivering the service may change and therefore any tiered payment approach should not be calculated until these changes have occurred.</p> <p>The other are to consider is that this will be seen to be penalising those that may have a history but upon assessment based on legislative thresholds may be cleared without penalty.</p> <p>The consideration of a Payment for Services scheme may require significant administrative support and systems to operate.</p>

11. Reliance and limitations

This report has been prepared solely for the purpose outlined in section 2 above, in line with the terms and conditions of our agreement dated 11 February 2015. The report outlines the findings and recommendations arising from our evaluation.

In accordance with our normal practice, we hereby expressly disclaim liability to any persons other than OCG. The information contained in this report may not be relied upon or used by anyone other than OCG in any matter whatsoever without the prior written consent of Ernst & Young.

In accordance with normal professional practice, neither Ernst & Young, nor any member or employee thereof undertakes responsibility in any way whatsoever to any person other than OCG in respect of this report. Neither the whole of this report or any part thereof or any reference thereto may be published in any document, statement or circular or in any communication to or with third parties without our prior written approval of the form and context in which it will appear.

The statements and opinions given in this report are given in good faith and in the belief that such statements and opinions are not false or misleading.

Our conclusions are based on the assumptions stated and on the information provided by management of OCG. Neither Ernst & Young nor any member or employee thereof undertakes responsibility in any way whatsoever to any person in respect of errors in this report arising from incorrect information provided by management.

In the preparation of this report we have relied upon and considered information believed after due enquiry to be reliable and accurate. We have no reason to believe that any information supplied to us was false or that any material information has been withheld from us.

We do not imply and it should not be construed that we have verified any of the information provided to us, or that our enquiries could have identified any matter, which a more extensive examination might disclose. We have however evaluated the information provided to us by OCG as well as other parties through enquiry, analysis and review and nothing has come to our attention to indicate the information provided was materially misstated or would not afford reasonable grounds upon which to base our report. The study does not constitute an audit of the Working With Children Check program.

Our evaluation is based on the data sources listed in the table below.

Data source	Description
OCG systems data	Analysis of demand by: <ul style="list-style-type: none">▶ Employee / volunteer check type▶ Sector▶ Clearance type (i.e. cleared, barred, in process)▶ Assessment type (automatic clearance, records review, risk assessment)▶ Volunteer to employee upgrades▶ Number of applications per individual▶ Verified flag Analysis of processing timelines by assessment type Continuous check estimates
Customer survey data	2,021 responses were recorded from a 16 question survey emailed to 15,000 WWCC applicants in May 2015. The responses were a combination of free text, drop down lists and Likert scales.
OCG internal documentation	<ul style="list-style-type: none">▶ Documentation of internal OCG operations (across compliance, records review and risk assessment teams), including staffing numbers
External documentation, including intranet resources	<ul style="list-style-type: none">▶ Operating models for working with children checks in other jurisdictions, including reviews and annual reports▶ Agency WWCC policies▶ Research on NSW workforce and volunteer statistics (e.g. registered teachers and health professionals)
Staff interviews and internal process mapping	OCG Executive WWCC Management Team <ul style="list-style-type: none">▶ Records Review▶ Risk Assessment▶ Interim Bar▶ Bar Decisions
Agency consultations	WWCC Interagency Committee <ul style="list-style-type: none">▶ NSW Department of Early Education

Data source	Description
	<ul style="list-style-type: none"> ▶ NSW Department of Family and Community Services (FACS) ▶ NSW Department of Police ▶ NSW Department of Health ▶ NSW Department of Education ▶ NSW Attorney General ▶ NSW Ombudsman
Case study reviews	<ul style="list-style-type: none"> ▶ Nippers club (determining child-related roles) ▶ Example applications subject to delayed risk assessments

Our estimates of future demand and financial positions are based on application data and other data sources listed in Appendix D. Details on key assumptions and modelling approach are set out in Appendix I.

A number of assumptions have been made in developing the economic analysis, as is commonly required in the development of forecasts and analysis. The OCG should monitor actual experience over time and adjust its forecasts, budgetary and resourcing requirements where experience indicates that this is required. Key assumptions that impact future expected demand levels and financial results include:

- ▶ Proportion of NSW population with a valid check at the end of the transition period (June 2018)
- ▶ Demand profile by sector and check type (i.e. employee or volunteer) at the end of the transition period
- ▶ Pattern of demand for the remaining years in the transition period (2016 - 2018) by sector and check type
- ▶ Renewal rate by check type, post-transition
- ▶ New applicant rate by check type, post transition
- ▶ Proportion of applications referred to records review
- ▶ Proportion of applications referred to risk assessment
- ▶ Average number of record reviews completed by each records review team member
- ▶ Average number of risk assessments completed by each risk assessment team member
- ▶ Average employee costs per person by team
- ▶ External (CrimTrac, RMS) fees
- ▶ Operating costs and other overheads
- ▶ Salary and cost inflation

The modelling estimates performed as part of our economic analysis do not include continuous checks. Limited data on continuous check volumes and time requirements was available over the evaluation period and the continuous check process and measures are still being developed, refined and reviewed by the OCG. We have recommended that the OCG perform a thorough investigation of the continuous check process and its impact on records review workloads.

The calculations in this report do not constitute an opinion over future government funding requirements for the program. We have recommended that the OCG develop a business case for additional government funding for the post-transition period, including demand projections, measures around record review / risk assessment staff capacity, risk assessment backlogs and allowance for expected inflation in fees and costs.

Our economic analysis does not take into account costs and impacts borne by agencies outside the OCG in respect of the program, such as Police and Attorney Generals. Any estimate of the whole-of-government program cost would need to take into account the costs and impacts borne by all government agencies in addition to the OCG.

Our evaluation has been performed in respect of the WWCC program only, and does not include an assessment of other OCG services or the OCG as a whole entity. All financial position, cost and revenue estimates shown in this report relate only to the WWCC program.

We have performed the work assigned and have prepared this report in conformity with its intended use by persons technically familiar with the areas addressed and for the stated purposes only. Judgements as to the data, methods and assumptions contained in the report should be made only after studying the report in its entirety, as conclusions reached by a review of a section or sections on an isolated basis may be incorrect. Members of Ernst & Young staff are available to explain or amplify any matter presented herein.

Appendix A Approach and detailed results for Evaluation Questions

Core evaluation Question 1: Is the new WWCC program financially sustainable?

The economic evaluation considered the program inputs, activities and outputs to assess whether financial sustainability is being achieved with the current pricing structure, cost of delivering services and government funding.

1.1 Rational for question

Costs, fees and demand need to be considered to determine the present and future sustainability of the new program. Financial sustainability is about ensuring that employee fees charged make a reasonable contribution to cost recovery and that government funding is sufficient to cover the remaining program costs, while ensuring that required persons and their employers are not disincentivised in applying for a check. Processes and systems employed by the OCG in delivery of the WWCC should be efficient to minimise costs and reduce processing times.

1.2 Data used

Our economic analysis was based on analysis of cost and demand experience to date, as well as discussions with OCG staff, internal documentation, agency consultations and publicly available information on the profile of NSW's workforce and volunteers and schemes in other jurisdictions.

Data source	Description
1. Internal data	1.1 Systems data and data reports (including continuous check estimates) 1.2 2013-14 and 2014-15 cost data 1.3 WWCC 2013-14 annual report 1.4 WWCC staffing numbers for FY14 and FY15
2. Program documents	2.4 Internal OCG documentation 2.6 Business case documents
3. Publicly available documents	3.1 OCG annual reports 3.3 Information on schemes in other state jurisdictions (information provided by other jurisdictions on their websites and as part of their submissions to the Royal Commission) 3.5 ABS statistics relating to NSW population, workforce by sector and volunteers 3.6 DEC, NSW Health, AHPRA and DSS statistics relating to the number of NSW registered teachers, health professionals and child care providers 3.7 Information on the WWCC shown on websites for a sample of clubs, volunteer and other organisations
4. Interviews	4.1 Agencies 4.1.1 Sport and Recreation 4.1.2 Family and Community Services 4.1.3 NSW Health 4.1.4 Department of Education (including Early Education and Care Division) 4.3 OCG staff and management
5. Consultations	5.1 OCG Executive 5.2 WWCC Management Team 5.3 WWCC Interagency Committee

1.3 Analysis performed

We performed the following activities to assess the program's costs, fees and financial sustainability:

- **Identified key outputs, revenue and cost drivers.** As demand is both a direct and indirect driver of costs, we also examined key demand drivers (this is covered under evaluation question 2).
- **Calculated unit costs per output**
- **Compared total and unit costs to budget,** and benchmarked unit costs to those provided by other jurisdictions' schemes (where available)
- **Compared fee revenue and government funding to costs**

- ▶ **Performed scenario and sensitivity analysis** for projected demand, net service costs and risk assessment backlog for years 6 to 10 (2019 to 2023) using a number of different potential demand levels and profiles, fee structures and risk assessment staff throughput.

1.4 Conclusions drawn

Details on findings and recommendations from our comparison of current and future costs to revenue and government funding, as well as scenario and sensitivity analyses, are set out in the main report body.

A description of our approach to scenario modelling, including key assumptions and inputs, is set out in Appendix I.

Core evaluation Question 2: Does the WWCC program deliver an effective policy and practice framework which covers all required persons?

The Program Evaluation incorporated a review of the efficiency and effectiveness of the new WWCC program, including coverage, demand drivers and processes and considered whether the systems and processes in place are both rigorous and comprehensive in terms of coverage, renewals, assessment and monitoring.

2.1 Rationale for question

This question addresses the program review and service implementation elements of the program and provides input to the economic analysis element.

The following key operational aspects were considered in order to determine efficiency and effectiveness:

- ▶ The costs associated with increased demand for the new WWCC against the predicted and budgeted demand
- ▶ Factors driving the higher than predicted demand
- ▶ Impact of the new WWCC on other Government agencies probity checking
- ▶ The transitional arrangements for the new WWCC, including transition arrangements for volunteers and existing employees
- ▶ The exemptions from the WWCC for certain categories of people in child-related employment, compliance or non-compliance with this aspect of the legislation
- ▶ OCG staffing capacity to operate the new WWCC, including staff learning and development needs
- ▶ Validity of risk assessment tools and processes to determine whether a clearance or bar should be issued

The Evaluation has focused on an assessment of whether the processes in place to deliver the WWCC program are effective and comprehensive in terms of coverage, renewals, upgrades, and monitoring. (see Appendix C for detail of all elements)

2.2 Data used

The program evaluation was conducted largely based on a desktop review of all publicly available and agency provided materials as well as consultations with Government agencies, the OCG, NSW Ombudsman, other jurisdictions and the WWCC Interagency committee.

A review was undertaken of all the following information provided:

Data Source	Description
1. Internal data	1.1 Systems data and data reports 1.3 WWCC 2013-14 annual report 1.4 WWCC staffing numbers for FY14 and FY15
2. Program documents	2.1 NSW Child Protection (Working with Children) Act 2012 2.2 NSW Child Protection (Working with Children) Regulation 2013 2.3 NSW Child Protection Legislation Amendment Bill 2015 2.4 Internal OCG documentation 2.5 Internal documents provided by Agencies at consultations 2.6 Business case documents
3. Publicly available documents	3.1 OCG annual reports 3.2 OCG information shown on the WWCC website 3.3 Information on schemes in other state jurisdictions (information provided by other jurisdictions on their websites and as part of their submissions to the Royal Commission) 3.4 Royal Commission submissions 3.7 Information on the WWCC shown on websites for a sample of clubs, volunteer and other organisations
4. Interviews	4.1 Agencies 4.1.1 Sport and Recreation 4.1.2 Family and Community Services 4.1.3 NSW Health 4.1.4 Department of Education (including Early Education and Care Division) 4.1.5 Attorney Generals

Data Source	Description
	4.1.6 NSW Police 4.2 NSW Ombudsman 4.3 OCG staff and management
5. Consultations	5.1 OCG Executive 5.2 WWCC Management Team 5.3 WWCC Interagency Committee
6. Survey	6.1 Customer experience survey (May 2015)

See Appendix B, C and D for details.

2.3 Analysis performed

A review of all the data and information provided and sourced was used to understand and undertake an analysis and assessment of the following areas:

- ▶ Current and historic demand
- ▶ Past operations of the WWCC and areas of difference with the new WWCC program
- ▶ Information used to inform the Business case to establish the new WWCC program
- ▶ Establish of the WWCC as part of the OCG
- ▶ Operational policies and practices within the OCG (including team structure, guidelines, business rules, delegations, governance mechanisms, risk assessment framework, compliance framework, IT systems)
- ▶ External relationships and operational connectivity
- ▶ Customer interface
- ▶ User knowledge
- ▶ Government expectations and intent of the legislation

The methods undertaken as part of the Evaluation Program to inform findings and observations included:

1. Desktop review
2. Observations
3. Functional analysis
4. Process mapping
5. Data analysis
6. Research and literature review
7. Interjurisdictional analysis
8. Program logic and findings matrix
9. Semi structured interviews
10. Lessons learned workshops

2.4 Conclusions drawn

Core Evaluation Question 2:

Does the WWCC program deliver an effective policy and practice framework which covers all required persons?

Sub Questions

1. What are the drivers of current and future estimated demand for WWCCs?
2. Are checks being provided to all required persons (allowing for persons in exemption categories)?
3. Are program processes efficient and effective?
4. Are the program enablers (data, systems design and operations, interfaces) efficient and effective?
5. Do the OCG's risk assessment tools and processes facilitate an effective approach to risk assessment?
6. Has the new program reduced red-tape for customers, compared to the previous program?
7. Has the new program impacted other Government agencies' probity checking and associated costs?

What's working well	Areas for improvement	Recommendations
<p>OCG Perspective</p> <ul style="list-style-type: none"> OCG is continually working to refine and improve the Working with Children Check through customer feedback and evaluations <p>Customer Perspective</p> <ul style="list-style-type: none"> Positive customer feedback on the role of the Working with Children Check as an "important tool" in the community Customers value the portability of the check Survey results reveal that 90% of respondents agreed that the online system was easy to use <p>Agency Perspective</p> <ul style="list-style-type: none"> Agencies are committed to the implementation of the new check Agencies are working collaboratively to develop and resource the implementation of the new Working with Children Check <p>The OCG compliance team emphasises the importance of the Working with Children Check as part of a broader child safe framework. The Compliance team have risk rated all industry sectors and have an annual compliance plan in place</p> <p>Processes and program enablers (systems, data, interfaces)</p> <ul style="list-style-type: none"> The timing of the demand for sectors planned to transition in the first two years (FACS, Justice, Religious) appears roughly consistent with the transition arrangements Easy upgrade process from volunteer to paid check status IT system for storage of external application data has handled the higher than expected demand Thorough risk assessment process OCG appears to have highly experienced staff, with relevant backgrounds and expertise <p>WWCC Helpline - positive customer survey comments on staff helpfulness</p>	<ul style="list-style-type: none"> Internal OCG have been put in place structures and systems to address issues as they arose. There is a level of duplication of effort across teams that needs to be streamlined Limited use of tools to support consistent decision making. Decision making guidance is defined in business rules or by feedback from Weekly decision making panel Significant Risk Assessment backlog with inherent underpinning risk Process improvement across operational teams Staffing levels set by budget forecasting are not enough to match the volume of applications leading to a backlog in Risk Assessment Some sectors appear to have come in early and not adhered to their transition arrangements Exemptions are creating confusion - results in increased number of out of scope checks Variable agency decision making - often issue blanket statements for employers for practicality reasons Agencies not considering the workload or cost impact on OCG for decisions made outside of legislative intent Customer interface - Verification system is not being fully utilised and requires some IT updates for ease of user interface (particularly for volunteer agencies). Data - is too much data being captured, does it lead to better or more timely decision making, could increase backlog risk, cost to other agencies. Agencies can seek clarification on a case by case basis in regard to specification of information required Police - need more IT support & funding to make the Continuous Checking process more robust and sustainable RMS can be far to travel for some applications Employers - barring decision now made by OCG (less time consuming), verification (more time consuming) Volunteer organisations - difficulty determining eligibility + time consuming verification (often skipped, increases risk if barred) Police - duplicate requests - require central point of contact + funding, Other agencies - interpreting legislation, implementing policy, educating employees with minimal input from OCG 	<p>Comprehensive Review of OCG internal processes and systems to achieve efficiencies and then inform future resource and budgetary requirements with consideration to other recommendations. The review should include (but not be limited to):</p> <ul style="list-style-type: none"> Team Structure Delegations Risk Assessment Framework Back log Management <p>One off funding for 12mths to resource the completion of the Risk Assessments that have yet to be finalised in preparation for any new system changes that will support more timely Risk Assessment completion with an expectation of a decreased level of incomplete assessments.</p> <p>Continuous improvement activities internal to the OCG to be undertaken and should include at least the following:</p> <ul style="list-style-type: none"> Creation of internal training capacity to support professional development Establishment of a regular staff forum to share new research and practice guidance in regard to risk identification and the impact on children for assessment consideration Invest in upgrade of the internal IT system to be repurposed as a case management support tool Review the governance structure to incorporate WWCC staff into decision making forums to improve input into operational matters Identify an owner for the internal procedures manual who will be responsible to authorise all updates and establish version control and ensure all staff are provided with notification of the updates <p>The OCG consider providing an expanded role to the volunteer and private sectors to support these sectors in better understanding and implementing the WWCC requirements within their agencies. This would include working more closely with the sectors to co-design system changes that may work more effectively for such diverse and localised workforce segments that do not have the necessary resource and infrastructure to manage the requirements in an efficient manner</p>

What's working well	Areas for improvement	Recommendations
	<ul style="list-style-type: none"> ▶ Limited customer knowledge of the details of the WWCC program outside of understanding the need for one ▶ Compliance program is based on a manual system which is time consuming and inefficient for the audit purposes ▶ Verification system is perceived to be cumbersome and requires a differential option for volunteers as opposed to employee or large versus small capability and size 	<p>That all Government agencies be required to be more accountable to achieve the intent of the Working with Children legislation and seek formal approval for Agency Implementation Plans from the OCG. Such Implementation Plans should include (but not necessarily limited to):</p> <ul style="list-style-type: none"> ▶ Identification of positions requiring a WWCC and rationale ▶ Identification of positions that have access to confidential child information and should be approved to have a WWCC ▶ Any decisions proposed to be made outside of legislative intent for the purposes of implantation practicalities for approval <p>Development of an Eligibility Assessment process to be incorporated into the front end application system to inform applicants of whether a WWCC is required to be sought or if any exemption/exclusion may apply</p> <p>Review of the Verification system to incorporate a method of providing information to employees/employers of the change from an APP number to a WWCC number (similar to a push notification) as well as reporting functionality.</p> <p>Clarify and train all authorised agency verifiers in how to authenticate individual identification at the point of WWCC Verification</p> <p>Formal Information Share protocols with government agencies and include an open discussion of responses to Section 31 requests to target the request for information to focus on providing the right information rather than all information.</p> <p>One off funding for NSW Police to establish a robust and sustainable automated Continuous Check system as a replacement to current IT solution</p> <p>Consideration of new funding to be provided to NSW Police to centralise and manage the Information Request requirements across the agency to limit the erosion of other duties to focus on the WWCC Sect 31 requirements.</p>

Core evaluation Question 3: Is the WWCC program understood, accepted and complied with by all members of the community?

The Program Evaluation incorporated a review of the new WWCC program service implementation and customer relationship management including community understanding, acceptance and compliance. Some parts (exemption categories, transitional arrangements) also link to the program review element.

The Evaluation has covered the following key areas as part of the comprehensive review of community compliance with the WWCC program:

- ▶ Community understanding, acceptance and compliance with the new WWCC
- ▶ Allowing exemptions from the WWCC for certain categories of people in child-related employment and compliance or non-compliance with this legislation
- ▶ Analysis of the transitional arrangements for the new WWCC, including transition arrangements for volunteers and existing employees

3.1 Rationale for question

To assess whether the WWCC program is understood, accepted and complied with by all members of the community. This includes assessing whether lack of education, a lack of understanding, or perceived complexity is discouraging persons in child-related roles from getting a WWCC.

3.2 Data used

The program evaluation was conducted largely based on a desktop review of all publicly available and agency provided materials as well as consultations with Government agencies, the OCG, NSW Ombudsman, other jurisdictions and the WWCC Interagency committee.

A review was undertaken of all the following information provided:

Data Source	Description
1. Internal data	1.1 Systems data and data reports 1.3 WWCC 2013-14 annual report
2. Program documents	2.1 NSW Child Protection (Working with Children) Act 2012 2.2 NSW Child Protection (Working with Children) Regulation 2013 2.3 NSW Child Protection Legislation Amendment Bill 2015 2.4 Internal OCG documentation 2.5 Internal documents provided by Agencies at consultations
3. Publicly available documents	3.2 OCG information shown on the WWCC website
4. Interviews	4.1 Agencies 4.1.1 Sport and Recreation 4.1.2 Family and Community Services 4.1.3 NSW Health 4.1.4 Department of Education (including Early Education and Care Division) 4.3 OCG staff and management
6. Survey	6.1 Customer experience survey (May 2015)

See Appendix B, C and D for details.

3.3 Analysis performed

A review of all the data and information provided and sourced was used to understand and undertake an analysis and assessment of the following areas:

- ▶ The extent to which communities understand the legislative requirements and accept the WWCC program along with the exemptions category
- ▶ The impact that understanding and acceptance has upon the demand for the WWCC
- ▶ The extent to which communities comply with the legislative requirements of the WWCC program, including the requirement to verify employees with the OCG
- ▶ The extent to which OCG communication and education facilitates acceptance and understanding of the change to the program, and of the importance of renewals

- The extent to which customers are satisfied with the program and customer service levels are monitored

The methods undertaken as part of the Evaluation Program to inform findings and observations included:

1. Desktop review
2. Data analysis
3. Research and literature review
4. Semi structured interviews

3.4 Conclusions drawn

Stakeholder feedback suggests that the WWCC program has been accepted by the community. Agency representatives and surveyed customers see the WWCC as an “important tool” and an improvement on the old system. However community understanding and compliance with the check is inconsistent. Largely the consulted government agencies appear to have accepted WWCC program, understood their obligations and complied with the legislation. However the government agencies, which are well resourced, and familiar with government legislation, each have a different interpretation of the definition of child-related work. This may be for practical reasons, due to the complexity of the legislation or an overreliance on the check as a risk management strategy.

In the case of disparate and volunteer groups understanding of the WWCC appears limited. Without the resources of the larger agencies these groups find it difficult to interpret the legislation and may for simplicities sake issues blanket checks, or may ignore their legislative obligations. Verification rates for volunteers (48%) are significantly lower than those for paid employees (75%) indicating that compliance is a particular issue for volunteer organisations.

This would suggest that the OCG should adopt a more targeted approach to compliance auditing, using analysis of the verification rates to guide their focus. They might consider consulting with volunteer groups on how to make the application and verification process more user-friendly. They should also consider catering their education materials on exemptions, phasing and verification to volunteers.

The OCG should be commended for their positive and proactive attitude towards agency feedback. The OCG has produced sector specific online tutorials, WWCC info sessions, brochures, guides and fact sheets. However it should be noted that none of the education material covered by the OCG addresses the renewal process. Although this is not a pressing concern thought should be given to the management of future renewal demand.

Core Evaluation Question 3:

Is the WWCC program understood, accepted and complied with by all members of the community?

Sub Questions

1. Is the new program understood, accepted and complied with by the community?
2. What are the enablers to promote understanding and acceptance of the program and are they effective?

What's working well	Areas for improvement	Recommendations
<ul style="list-style-type: none"> ▶ OCG is continually working to refine and improve the Working with Children Check and develop supporting material through customer feedback and evaluations ▶ Positive customer feedback on the role of the Working with Children Check as an "important tool" in the community ▶ Customers value the portability of the check ▶ Survey results reveal that 90% of respondents agreed that the online system was easy to use ▶ Agencies are committed to the implementation of the new check ▶ Agencies are working collaboratively with the OCG to develop and resource the implementation of the new Working with Children Check ▶ Many agencies have incorporated hard-coded WWCC indicators in HR systems identifying positions that required WWCC ▶ Some agencies IT systems allow for auto verification of WWCC and push notification of bars. They prevent access to child sensitive information to persons without a WWCC number 	<ul style="list-style-type: none"> ▶ The survey results indicate that understanding about the WWCC is mixed, with many respondents in both paid and volunteer positions indicating they did not believe they worked in a child related role, but that many had applied after being told to presumably by a member of their organisation ▶ Stakeholder consultations suggest that the many small, localised and disparate services in the volunteer and private sector created significant difficulty in being able to communicate and disseminate information ▶ Awareness of the limitations of the check's continuous monitoring system given it only considers NSW based offences and reportable conduct matters is also an issue across all sectors and needs to be better communicated ▶ Agency consultation revealed that many out of scope decisions regarding exemptions result either from pragmatism or difficulty in interpreting the legislation. ▶ Administrative data analysis indicated that verification in volunteer groups is half of the rates seen in paid employees. 	<ul style="list-style-type: none"> ▶ OCG undertake further work with the Volunteer and Private sectors to build capacity and capability to manage the requirements of the WWCC including role identification and verification ▶ OCG investigate a range of options to improve the understanding, knowledge, support and practical assistance that can be provided to the volunteer and private sector in order to comply with the intent of the legislation ▶ Development of an automated mechanism to download Verification Reports from the OCG database to enable agency reconciliation and monitoring of people who require a WWCC clearance ▶ OCG consider the development of a specific examination tool to support a more rigorous process of audit program. ▶ That all Government agencies be required to be more accountable to achieve the intent of the Working with Children legislation and seek formal approval for Agency Implementation Plans from the OCG. ▶ Address lack of enforcement and penalty options of OCG Compliance Team ▶ Increase number of compliance audits, with targeted efforts targeted on high risk areas of the community such as volunteers and disparate organisations. ▶ Undertake sector wide education on the scope and the limitations of the check

Core evaluation Question 4: Do employers and agencies incorporate the WWCC program into a holistic risk framework for promoting child safe environments?

The Program Evaluation incorporated a review of the new WWCC program service implementation and customer relationship management including an assessment of holistic child safe practices and education regarding broader child safety.

The Evaluation covered the following key areas as part of the comprehensive review of impact of the new WWCC on other Government agencies' probity checking and the compliance with the WWCC exemption categories:

- ▶ The range of risk management approaches employed by employers and voluntary organisations in order to provide child safe environments
- ▶ The extent to which education of employers and voluntary organisations has increased awareness and understanding of broader child safety considerations (i.e. beyond the statutory requirement to obtain checks for required persons)

4.1 Rational for question

To assess whether employers and agencies are incorporating the WWCC program into a broader holistic risk framework for promoting child safe environments rather than using the WWCC as the sole mitigation of risk in the protection of vulnerable children.

4.2 Data used

The program evaluation was conducted largely based on a desktop review of all publicly available and agency provided materials as well as consultations with Government agencies, the OCG, NSW Ombudsman, other jurisdictions and the WWCC Interagency committee.

A review was undertaken of all the following information provided:

Data Source	Description
2. Program documents	2.1 NSW Child Protection (Working with Children) Act 2012 2.2 NSW Child Protection (Working with Children) Regulation 2013 2.3 NSW Child Protection Legislation Amendment Bill 2015 2.4 Internal OCG documentation 2.5 Internal documents provided by Agencies at consultations
3. Publicly available documents	3.2 OCG information shown on the WWCC website 3.4 Royal Commission submissions
4. Interviews	4.1 Agencies 4.1.1 Sport and Recreation 4.1.2 Family and Community Services 4.1.3 NSW Health 4.1.4 Department of Education (including Early Education and Care Division) 4.1.5 Attorney Generals 4.3 OCG staff and management
5. Consultations	5.3 WWCC Interagency Committee
6. Survey	6.1 Customer experience survey (May 2015)

See Appendix B, C and D for details.

4.3 Analysis performed

A review of all the data and information provided and sourced was used to understand and undertake an analysis and assessment of the following areas:

- ▶ The extent to which education of companies / volunteers can increase awareness and understanding of child safe practices
- ▶ The extent to which employers and voluntary organisations are educating their employees or volunteers (awareness) of the requirement for a child safety environment
- ▶ Knowledge of systems used in agencies to include WWCC as part of a risk management framework
- ▶ Information on any other risk assessment metrics and decision tools used by employers or voluntary organisations to manage their employee / volunteer risk

- The extent to which organisations understand the limitations of the WWCC and are incorporating it into broader child safe practices

The methods undertaken as part of the Evaluation Program to inform findings and observations included:

1. Desktop review
2. Data analysis
3. Research and literature review
4. Semi structured interviews
5. Lessons learned workshops

4.4 Conclusions drawn

Employees and volunteers do not apply a child safe framework consistently across the sector. Evidence suggests that there is a sector wide oversubscription from both employees and volunteers which is largely driven by practical decision making at an executive level. However unlike government organisations, volunteer groups are less likely to have clear policies and procedures regarding child safety and matters of misconduct. They appear to rely heavily on the WWCC as their main risk mitigation strategy without understanding the limitations of the tool.

Core evaluation question 4:

Do employers and agencies incorporate the WWCC program into a holistic risk framework for promoting child safe environments?

Sub Questions

1. To what extent do employers and voluntary organisations employ a holistic approach to the management of child safety risk?
2. Does education lead to an understanding of broader child safety considerations?

What's working well	Areas for improvement	Recommendations
<ul style="list-style-type: none"> ► Compliance team noted many good examples of child safe practices employed across sport, early education and religious services. ► The WWCC has been embedded in OCG child safe frameworks in the majority of agencies with FACS, Health and Education having policies and systems in place. ► Many agencies have also incorporated auto-verification functionality into their IT systems. ► The WWCC customer survey revealed that Early Education, FACS and Religious sectors had the highest proportion of respondents who believed their organisation had clear policies and practices, and Early Education, FACS, Health and Religious sectors had a high proportion who believed there were clear procedures for handling complaints. ► Agencies appear to be committed to the implementation of the new check and are working collaboratively to develop and resource the implementation of the new Working with Children Check. 	<ul style="list-style-type: none"> ► Stakeholder consultations revealed that many volunteer and decentralised groups are understood to rely heavily on the WWCC as their main child protection strategy. If verification does not occur, the OCG may not be able to contact them in the case of a bar, opening them, and children, up to greater risk. ► Survey results support the finding that some organisations may be using the WWCC to mitigate their responsibility to create safe environments. The majority of respondents applying after being told to, despite the fact that many respondents believing they did not work in a child-related role. ► In consultation with DSR they revealed that many parents believe that persons exempt from the WWCC should still get a check. It also reiterates the finding that volunteer organisations are much less likely to have clear policies and codes of practice to help protect children and procedures to handle complaints or misconduct reports. ► Interagency consultations revealed that the majority of agencies were unaware that the WWCC continuous monitoring only considers events occurring within NSW 	<ul style="list-style-type: none"> ► OCG undertake further work with the Volunteer and Private sectors to build capacity and capability to manage the requirements of the WWCC including role identification and verification ► OCG to investigate a range of options to improve child safe understanding, knowledge, support and practical assistance that can be provided to the volunteer and private sector ► Undertake sector wide education on the scope and the limitations of the check ► Investigate alternative methods to reach detached groups of the community, in particular volunteers. ► Provide sector specific aids to educate on exemption categories. ► Foster open and effective communication OCG and Sectors to guide message on WWCC and manage issues as they arise.

Appendix B Agency consultations

Interviews were conducted with interagency stakeholders relevant to this evaluation as selected by EY and the OCG Guardian. Interviews were used to canvass the views of government agencies to explore the enablers and constraints of each agency implementation of the WWCC in adapting to its own context. These interviews were used to identify good practice and lessons learned from those who have been most involved in the WWCC, difficulties imposed by the new WWCC to the agencies, and decisions made by the agencies that impacted the OCG. Interviews were used to target analysis from quantitative data sources and provide anecdotal evidence to further inform these findings.

The interview methodology utilised in the evaluation followed a structured agenda of pre-prepared questions designed to align with different stakeholder groups. The questions covered two high-level themes within the context of each stakeholder group:

- ▶ Is the WWCC Program understood, accepted and complied with by all members of the community?
- ▶ Do Employees and agencies incorporate the WWCC into a holistic risk framework for promoting child safe environments?

Police were subject to a separate set of pre-pared questions which largely focused on themes relevant to their role as facilitator of the WWCC:

- ▶ Does the WWCC Program deliver an efficient and effective policy and practice framework which covers all required persons?

Agency Interviewee List	Attendees
NSW Sport and Recreation	John Egan, Kerry Turner and Shannon Dixon
NSW Department of Early Education	Swee Goh, Lydia Hanrahan
NSW Department of Family and Community Services (FACS)	Simone Czech, Alison Shearer, Allison Dillon, Jill Herbert, Briony Foster and Maj-Britt Engelhardt
NSW Department of Police	Nerys Evans, Joanne Graham, Scott McKnight, Karen Pidding, Rosie Larocca and Robert Dickinson
NSW Department of Health	Kate Jonas, Trevor Craft, Grant Parr, Katherine Davies, Helen McCarthy, Kath Grant and Linda Buchanan
NSW Department of Education	Jane Thorpe, Marianne Curtis
NSW Attorney General	Michael Talbot, Kathy Szczygalski
NSW Ombudsman	Steve Kinmond, Victoria Myerscough

Interview guide - All agencies excluding Police

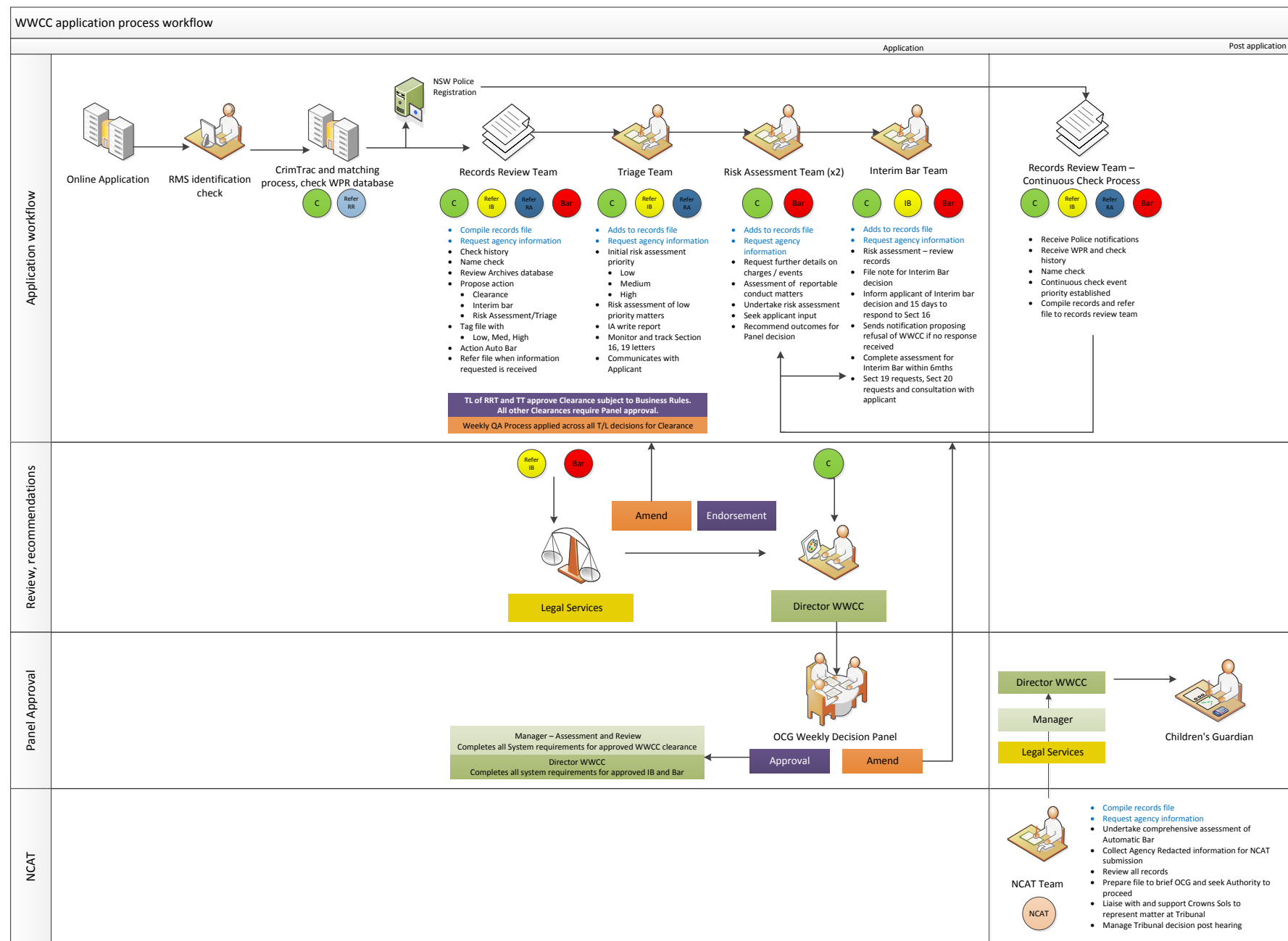
#	Question
1	What is your organisation's view on the level of understanding, acceptance and compliance with the new program requirements in your organisation? What is this based on (e.g. discussions, surveys, training performed etc.)?
2	What factors have influenced this level of understanding, acceptance and compliance?
3	What is your organisation's view on the level of understanding, acceptance and compliance by the NGOs and other associated groups that work with your organisation? What is this based on? (e.g. discussions, surveys, NGO engagement)
4	How effective was OCG's education campaign in raising awareness and understanding of the new check? How was this measured? (e.g. discussions, surveys)
5	Do you think there is a need for further information or education for your organisation? If so, why?
6	How does your organisation determine eligibility (i.e. who needs to obtain a check and why)?
7	In your organisation, do you think there are: a. any gaps in compliance (i.e. individuals not getting a check when required to do so under legislation)? b. any areas of possible over-subscription? (that is, individuals obtaining checks despite not being required to do so by law) If so, what factors would be driving this?
8	Does your policy for who requires a check match the legislative environment? Is your policy documented? If so, can we have a copy of your policy?

#	Question
9	We understand that some organisations have moved staff and/or volunteers to the new check ahead of the sector's scheduled transition period. To what extent has this been the case for your sector?
10	What has been the general experience of your employees / volunteers with the new requirements and check? (i.e. is the process easy to understand and efficient; were people satisfied with the process)
11	Has the new program removed, simplified or imposed additional requirements for your organisation, compared to the old check?
12	Do you or your organisation think there are any gaps or areas for potential improvement in the current program?
13	Are you expecting any internal changes in policy or procedure within your organisation that may influence demand for the check in the future? (For example, as a result of the Royal Commission into child sexual abuse)
14	What frameworks does your organisation have in place for maintaining child safe environments? a. Do you use any other assessment tools or metrics? b. Are there any plans to change or improve your organisation's practices to create child safe environments?
15	Are you aware of any policies, procedures and practices relating to similar checks in other jurisdictions that are worth considering by this evaluation and that have relevance for potentially strengthening and improving the NSW WWCC?
16	Is there anything else you think is relevant to the evaluation that you'd like to comment on?

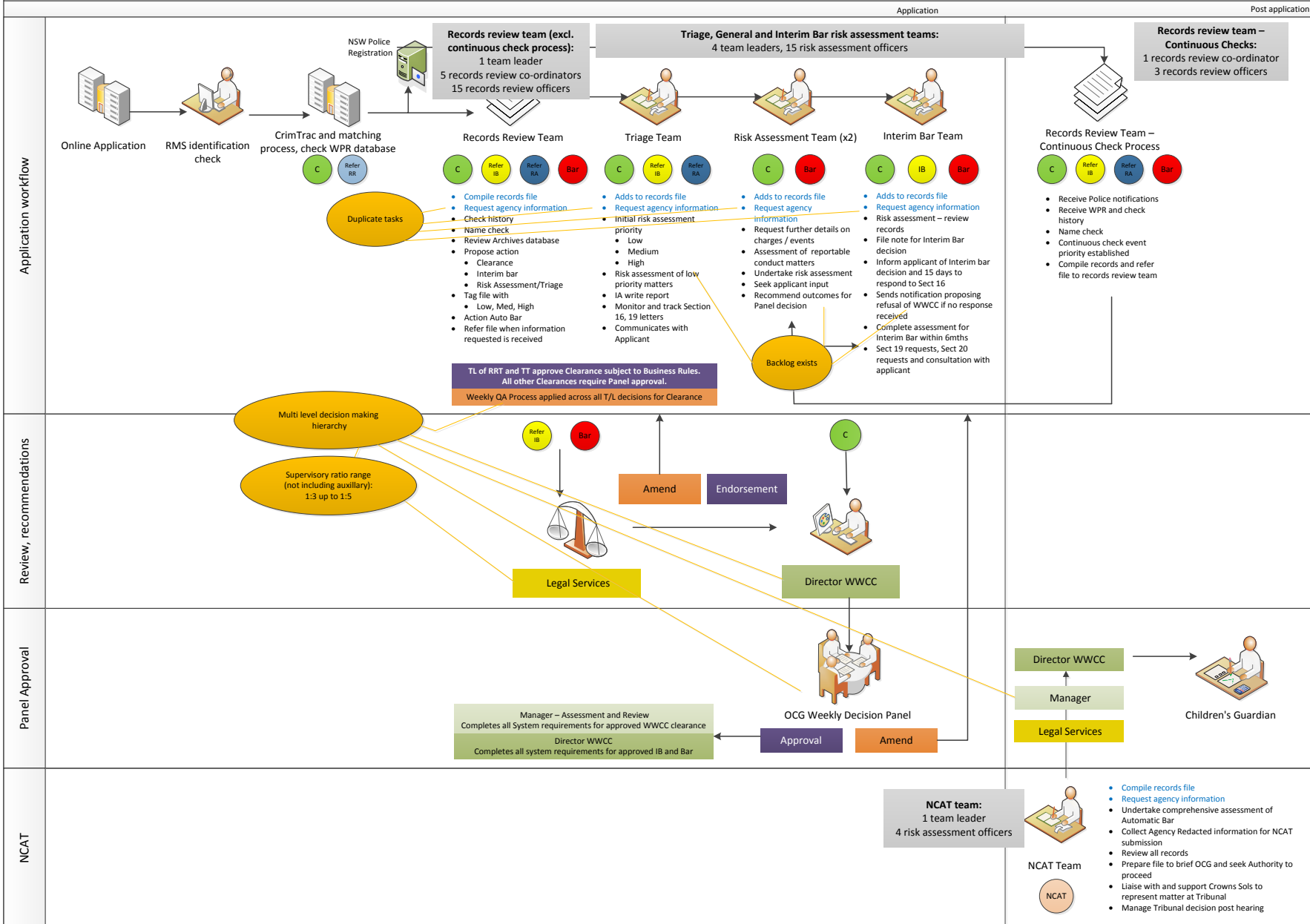
Interview guide - Police

#	Question
1	Has the new program simplified or imposed additional requirements for your organisation; for example, around the police check service you provide, or information requests from the OCG?
2	What impact has the new program had on the volume and cost of National Police Checks?
3	Has the higher than expected demand for checks impacted Police? If so, how?
4	Given the changes to the processing of the WWCC over the past few years, what have been some of the key issues from your agency's perspective that have impacted on the way you operate?
5	Do you feel that right level of information is able to be extracted and provided to make the risk assessments and do the current systems and operational interface allow for timely share of information?
6	Are there any financial imposts that Police are covering as part of the new system that may require review given the greater than expected demand?
7	Do you or your organisation think there are any gaps or areas for potential improvement in the current program?
8	Are you aware of any policies, procedures and practices relating to similar checks in other jurisdictions that are worth considering by this evaluation and that have relevance for potentially strengthening and improving the NSW WWCC?
9	Is there anything else you think is relevant to the evaluation that you'd like to comment on?

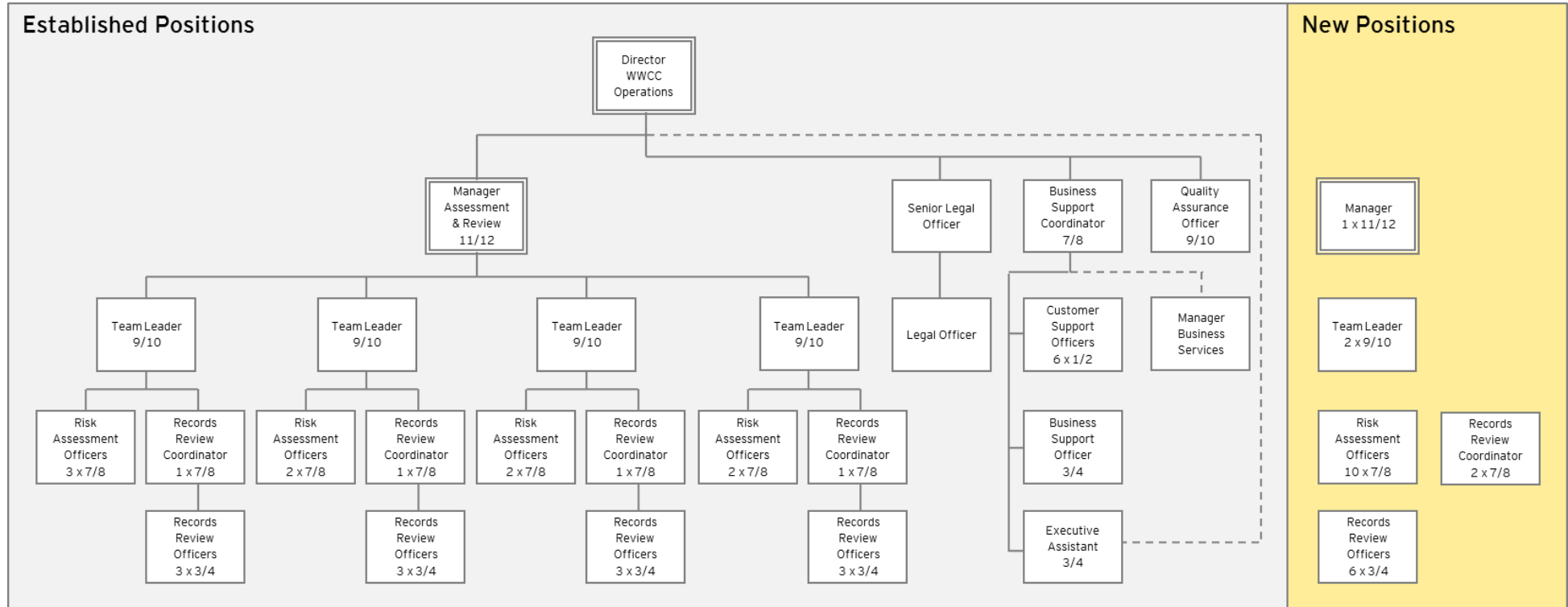
Appendix C Process review and organisation chart



WWCC application process workflow – with FY15 staff numbers and process observations



FY15 establishment and temporary staff positions



Appendix D Review of internal OCG and external documents

A high-level review was completed using internal OCG documentation and publicly available information on working with children checks in other states across Australia. This provided additional information to inform the evaluation regarding the effectiveness of the NSW current operating models as a means of achieving the stated objectives of the WWCC and to assist in forecasting demands and costs for the financial model.

The findings from the review were used to support findings from other quantitative data sources used in the evaluation. Research topics from the review were:

- ▶ Internal OCG operations
- ▶ Operating models for working with children checks in other jurisdictions, including reviews and annual reports
- ▶ Agency WWCC policies
- ▶ Research on NSW workforce and volunteer statistics (e.g. registered teachers and health professionals)

The OCG internal sources used to support the evaluation are listed below:

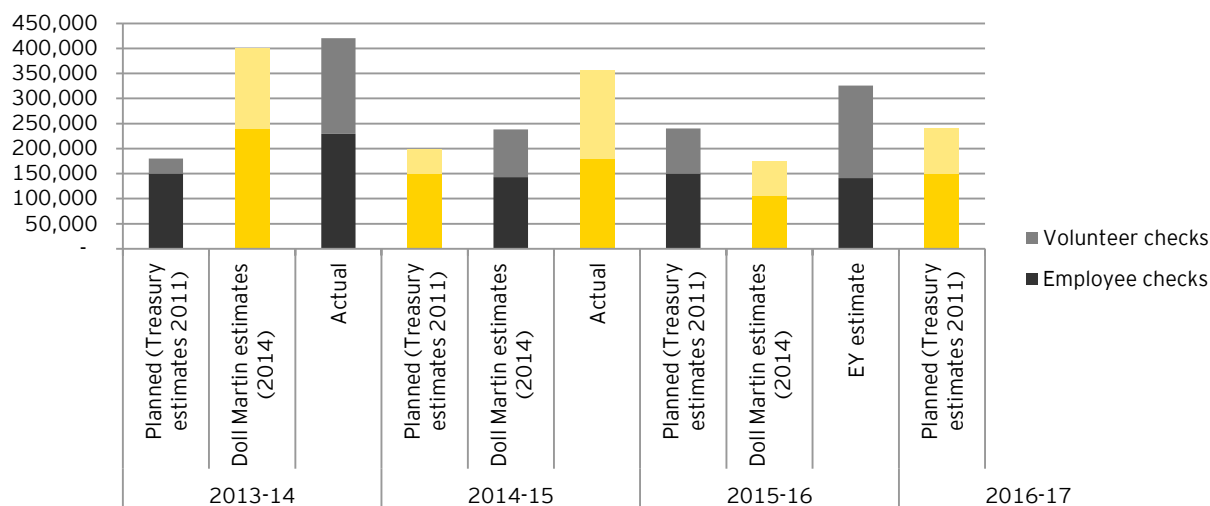
Document description	Publication date
Annual Report	2014
Child Safe Sports WWCC Brochure	No Date
WWCC Operations Manual	2014
OCG Organisational Chart	2015
WWCC Organisational Charts	March 2015
WWCC staffing numbers over 2014-15	2015 (confirmed via email July 2015)
Proposed WWCC Organisational Re-Structure Chart	April 2015
WWCC Phase in Schedule	2014
WWCC KPI Targets	2015
WWCC Panel Review Analysis	2014
WWCC System Overview	2015
WWCC Detailed System Overview	2015
WWCC Section 20 Decision to Bar	2015
WWCC Risk Assessment Training	2015
WWCC Risk Assessment Report	2014
WWCC Reasons to Issue a Section 20	2015
Jurisdictional Comparison of the WWCC	2015
WWCC Fact Sheet for School Cleaners	2014
WWCC Budget against Actual (2015 figures are estimates)	2014, 2015
WWCC Draft Salary Costs for 2014-15	2015 (confirmed via email July 2015)
WWCC Budget Arrangements	2014-2017
WWCC Doll Martin Business Case	2013
WWCC Optyma Cost Analysis	2010
Previous WWCC Demand Data	2001-2013
WWCC CCYP Transition Project Planning	2012
WWCC Treasury Expenditure Review Committee	2011
WWCC Treasury Option Analysis	2011
WWCC 12 Month Activity Report	2014
WWCC Demand against Targets	2014
WWCC Overall Statistics	2015
WWCC continuous check estimates for 2014-15	2015 (via email July 2015)

The external sources used to support the evaluation are listed below:

State	Document description	Publication date
Western Australia	2014, 2012 Review of WWC	2014, 2012
Western Australia	DCP Annual Report	2014
Victoria	DOJ Annual Report	2012, 2013, 2014
Victoria	CCYP Annual Report	2013, 2014
Victoria	Regulatory Change of WWCC Process	2014
Victoria	DOJ WWCC Royal Commission Submission	2013
Victoria	Victorian Institute of Teaching	2012
Queensland	CCYPCG Annual Report	2010, 2011, 2012, 2014
Queensland	CCYPCG: WWCC Royal Commission Submission	2013
Queensland	CCYPCG: OOHCR Royal Commission Submission	2013
NSW	Department of Health: WWCC Policy	2013
NSW	Department of Education: WWCC Procedures	2013
NSW	Department of Education: WWCC Policy	2013
NSW	Family and Community Services: Budget Paper	2016
NSW	Catholic Education Office: Child Protection Information for Parents	2014
NSW	Department of Employment: Industry Employment Projections	2014, 2019
NSW	Auditor General: Management of Casual Teachers	2013
NSW	Brad Hazzard: Second Reading of Child Protection Legislation Amendment Bill	2015
NSW	NSW Department of Planning and Environment State and Local Government Area Population Projections	2014
NSW	AHPRA Annual Report for NSW	2014
Northern Territory	PFES Annual Report	2014
Australia wide	ABS state population statistics	2011 - 2014
NSW	ABS: Children's Participation in Cultural and Leisure Activities	2012
Australia wide	ABS: Census State/Territory Profile of Employment in Selected Industries	2011
Australia wide	ABS: Employment in Sport	2011
Australia wide	ABS: Voluntary Work	2010
Australia wide	Australian Institute of Family Services Pre-Employment Screening Overview	2014
Australia wide	Department of Social Services: Early Childhood and Childcare in Summary	2014
Australia wide	Australian Rugby Union: Identifying better practice for volunteer management	2006

Appendix E Analysis of application data

Comparison of actual, budget and expected demand

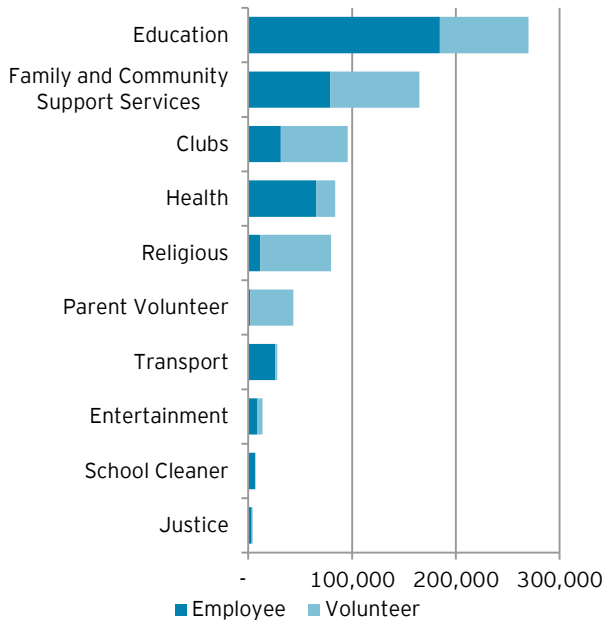


Year	Basis for actual / expected demand	Employee checks	Volunteer checks	Total checks
2013-14	Planned (Treasury estimates 2011)	150,000	30,000	180,000
	Actual	229,131	191,368	420,499
2014-15	Planned (Treasury estimates 2011)	150,000	50,000	200,000
	Actual	180,438	176,803	357,241
2015-16	Planned (Treasury estimates 2011)	150,000	90,000	240,000
	EY estimate	141,309	184,605	325,913
2016-17	Planned (Treasury estimates 2011)	150,000	90,000	240,000
	EY estimate	151,827	132,820	284,647
2017-18	Planned (Treasury estimates 2011)	150,000	90,000	240,000
	EY estimate	151,827	132,820	284,647

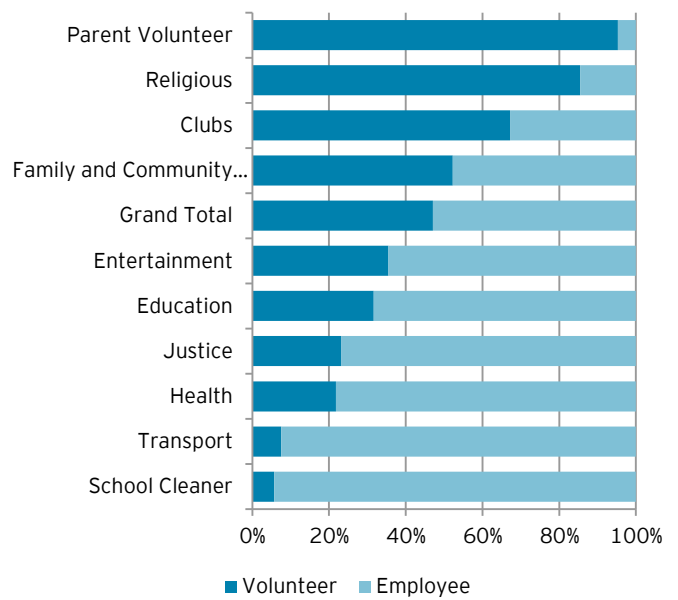
Profile of actual demand by sector and check type, June 2013 to 30 June 2015

Sector	Employee	Volunteer	Grand Total
Clubs	31,433	64,332	95,765
Education (incl. primary, secondary and early education)	184,420	85,543	269,963
Entertainment	8,778	4,821	13,599
Family and Community Support Services (e.g. child protection, child development, youth workers)	78,660	86,219	164,879
Health	65,436	18,291	83,727
Justice	3,216	969	4,185
Parent Volunteer	2,051	41,429	43,480
Religious	11,615	68,206	79,821
School Cleaner	6,642	401	7,043
Transport	25,931	2,107	28,038
Grand Total	418,182	372,318	790,500

Applications by sector and check type, as at 30 June 2015

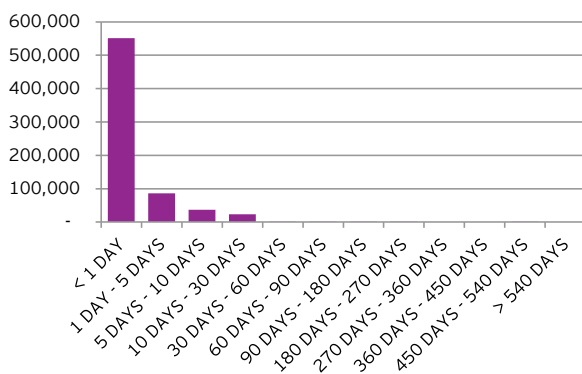


Applications by check type as % sector total, as at 30 June 2015

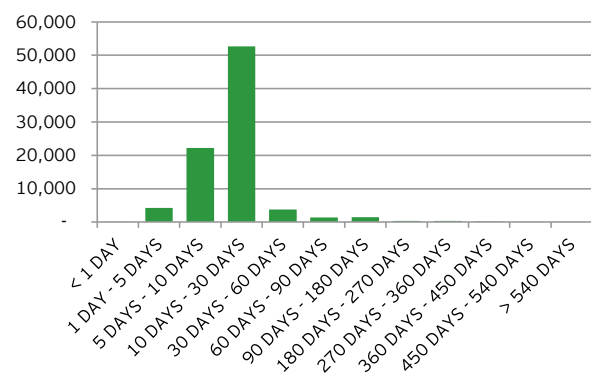


Records review and risk assessment processing timelines

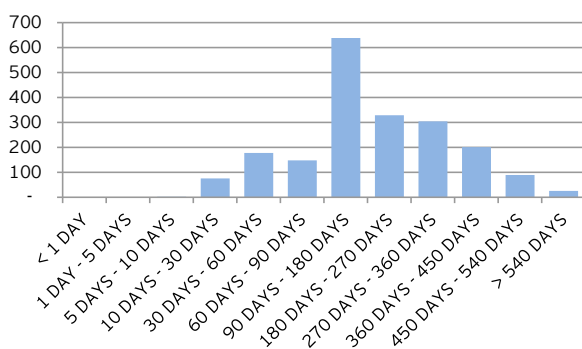
Applications automatically cleared



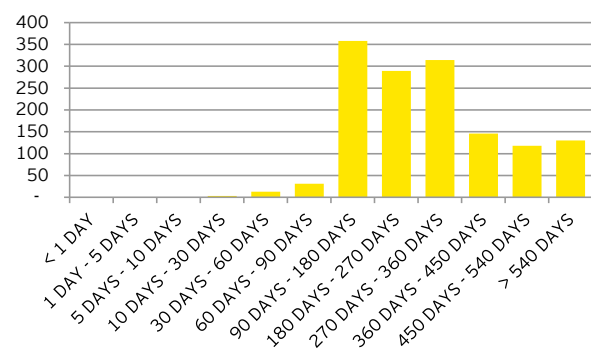
Applications referred to records review



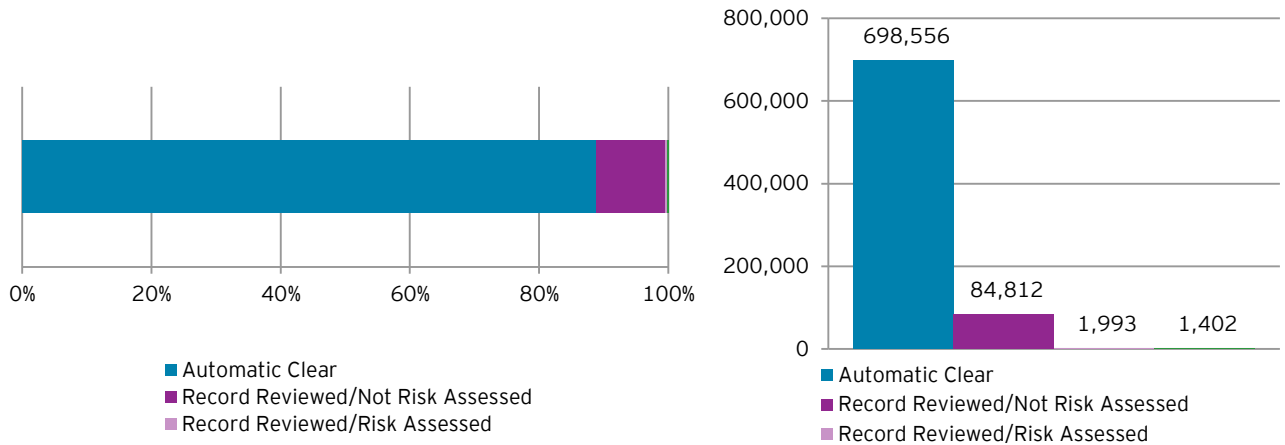
Applications referred to risk assessment - completed as at 9 July 2015



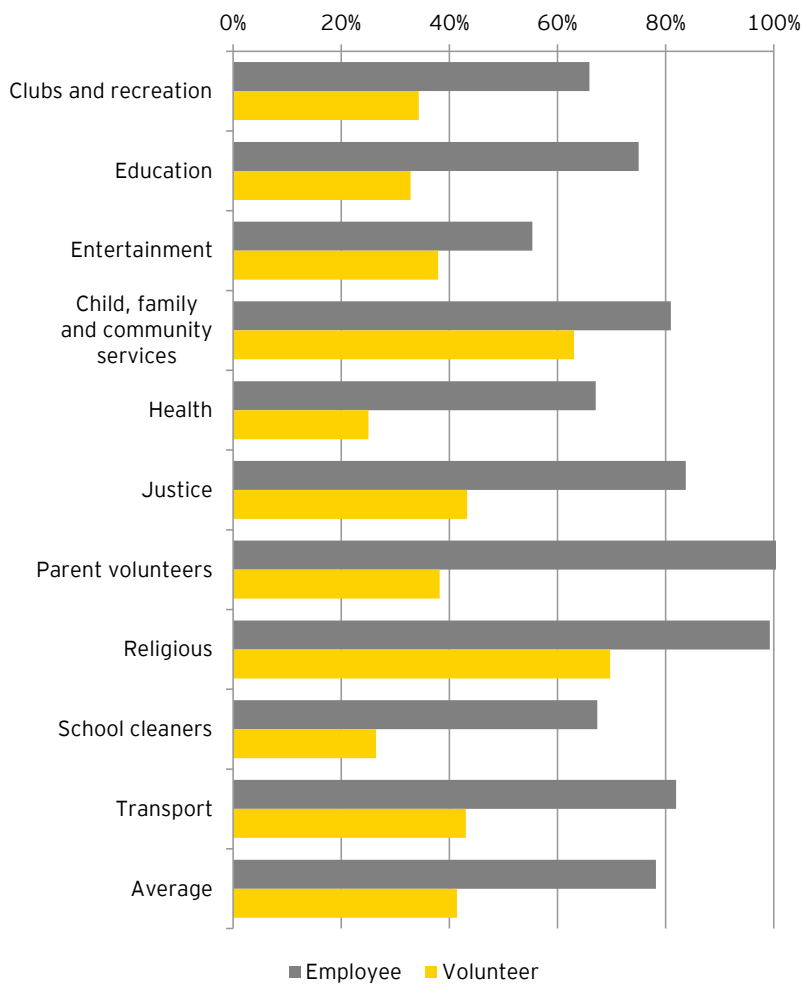
Applications referred to risk assessment - open as at 9 July 2015



Distribution of application clearance type



Verification rates by sector category and check type, up to March 2015



Appendix F Analysis of survey data

Question 2: Does the WWCC program deliver an efficient and effective policy and practice framework which covers all required persons?

Question 3: Is the WWCC understood, accepted and complied with by all members of the community?

Observations from the 2,021 main survey responses

- ▶ A considerable proportion of respondents believed they did not work in a child-related role (or didn't know) - 20% of employees and 29% of volunteers.
This proportion was highest for Health (40%, mainly employees), Other (41%) and Parent volunteer (30%) sector categories. Early Education, Education and Child, Family and Community services categories had the highest proportion of respondents who stated they were in a child-related role.
- ▶ Applications appear to be largely driven by employers and organisations, with most respondents (90%) applied after being told to. Just 3% of respondents said they applied as "they thought it would come in handy".
- ▶ 88% of respondents agreed that the online system was easy to use and that the information provided was what they needed to know. Results were broadly similar across roles and sectors.
- ▶ 85% of respondents agreed that results were processed and provided promptly.
We note that this was slightly lower for clubs with 11% of their respondents (20/187) disagreeing - this may be due to this sector being the first large, decentralised sector that has just commenced transition on to the new check.
- ▶ The majority of respondents (70%) agreed that "even people who are exempt from the WWCC should still get one, just to be safe". Results were slightly higher for volunteers than employees.
- ▶ 20% of respondents did not believe their organisation had clear policies and codes of practice to help protect children and 43% did not believe there were clear procedures for handling complaints or misconduct reports.
This was higher for volunteers than employees, particularly those belonging to Clubs, Other or Parent volunteer sector categories. Early Education, Child, Family and Community Services and Religious categories had the highest proportion of respondents who believed their organisation had clear policies and practices, and Early Education, Child, Family and Community Services, Health and Religious categories had a high proportion who believed there were clear procedures for handling complaints etc.
- ▶ Only 38% of respondents were aware of the OCG's child safe organisations online resources (although as these are targeted at employers this would perhaps be expected).
This appeared to be lower for sectors that have not yet transitioned, including Clubs (35%), Education (33%) and Parent volunteers (27%). Clubs and Parent volunteer categories are volunteer dominated.

Observations from free text role descriptions

95 respondents provided additional free text descriptions of their role:

- ▶ 30% of these related to Education - a considerable number of these were volunteer roles (e.g. parent volunteers, canteen and other helpers) as well as family / after school day care, playgroups etc.
- ▶ 27% of these related to disability services
- ▶ 26% of these related to Clubs - around 6% (22) volunteered with Rotary or Scouts, with one response suggesting that Rotary requires all its volunteers to get a WWCC

Observations from additional free text comments

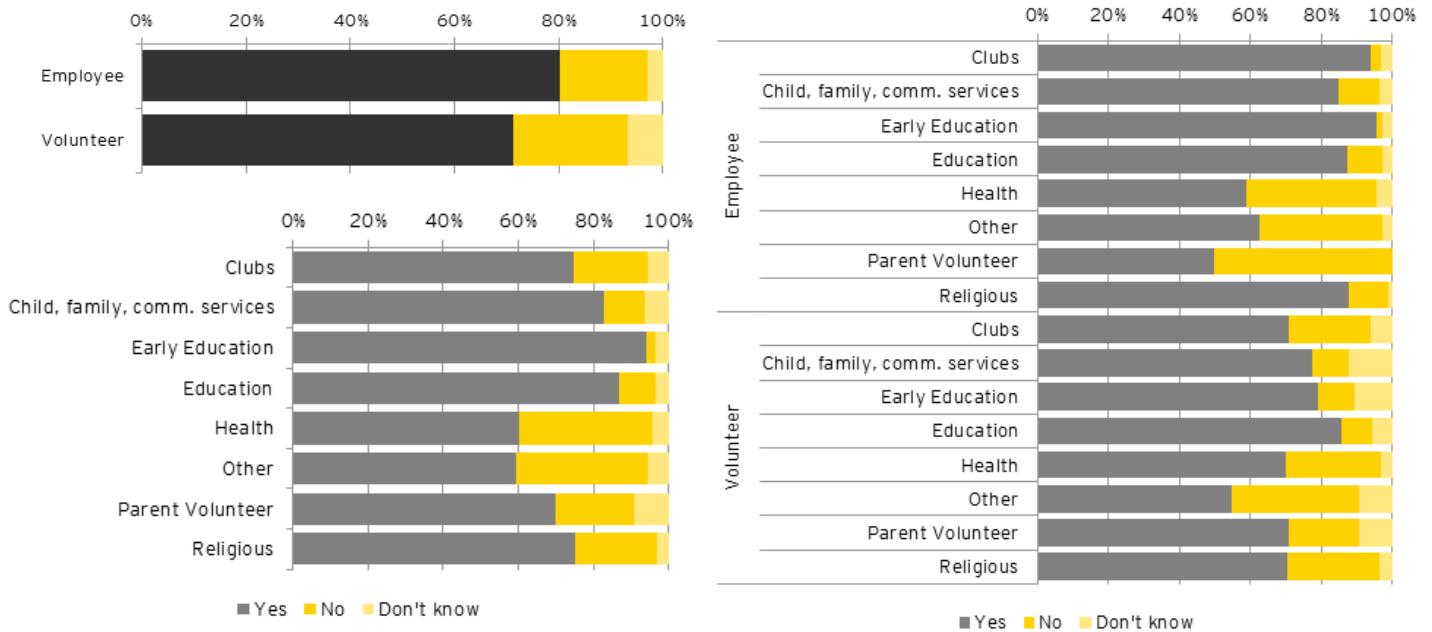
211 respondents provided additional free text comments.

The majority of these can be grouped into a few main categories, shown in the table below.

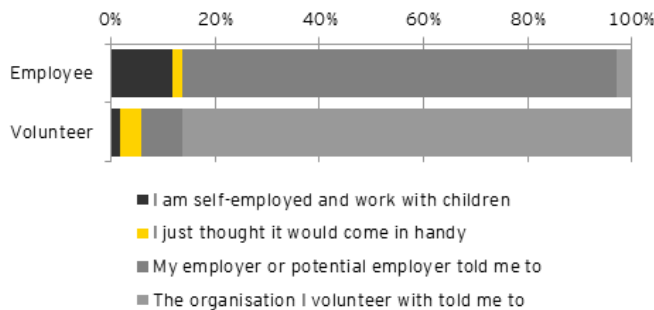
Area	Overview
Community acceptance	<p>The check appears to be generally accepted, with positive comments (30) around the WWCC being an "important tool", a "step towards keeping children safe" and "thanks".</p> <p>Where respondents were not so accepting:</p> <ul style="list-style-type: none"> ▶ A few existing employees questioned why they had to transition over to and pay for a new check ▶ A handful of respondents thought the check wasn't fully effective because they believed someone who had received a clearance shouldn't have received the clearance, or because they were not aware of the broader scope of the new check and continuous monitoring process
Community understanding	<p>The free text comments suggest:</p> <ul style="list-style-type: none"> ▶ Knowledge of monitoring arrangements and exemptions not very clear amongst individuals ▶ Some are aware of, but disagree with, the parent exemption ▶ Others believe there are possible "gaps" in the system - these relate to situations where someone is subject to reportable conduct or allegations of abuse but no police charge. In this situation, the respondents believe they would receive a straight-through clearance. <ul style="list-style-type: none"> ▶ <i>"I think changes need to be made as I am aware of a situation where a teacher had relations with two Yr 12 boys and because they were 18 years old she will not have this recorded against her name which I think is wrong"</i> ▶ <i>"I have been concerned that people with concerning backgrounds involving allegations of child sexual abuse have received a WWCC."</i> ▶ <i>"The WWCC doesn't protect against people who were previously restricted by the NSW Ombudsman but didn't have a criminal charge against their name."</i> ▶ <i>"Not everyone is covered. As a carer I know people that have had children removed from their care because of abuse, but because there weren't any police charges they would be able to get through your system."</i> ▶ <i>"Proof of identity check I felt was not good enough. These days with forged licences the checker only compared the licence I provided I think they should have compared the photo stored on their data base."</i>
Employer interface	<p>There were a handful of constructive comments around the employer interface from individuals who also verified checks for other individuals.</p> <ul style="list-style-type: none"> ▶ <i>"There could be a few enhancements to the employer login UI and being able to see a list of verified people in the login would be awesome"</i> ▶ <i>"Online employers site doesn't seem to show those already checked or registered."</i> ▶ <i>"Checking volunteers who have a WWCC number could be streamlined. You have to go through superfluous web pages to complete the task. Otherwise a great system."</i> ▶ <i>"As an employer doing the checks for a voluntary organisation when you first set this system up you had people's DOB on their letter along with their WWCC number now it is not there and I am spending time chasing it. Why did you remove it? Before I would just ask the person to give me a copy of their letter and I had all the needed information now while I ask for the DOB you would be surprised how many forget it or give me the expiry date instead and I spend valuable time chasing it up."</i> ▶ <i>"As the person responsible in my organisation for verifying all checks online, I often have people forward their Clearance Letter to me without providing their date of birth and so I have to chase it up. Would be helpful if the Clearance Letter could include their DoB though I suspect the OCG may not already do so because of security reasons."</i> ▶ <i>"I also verify numbers of future employees, and think this system would benefit from the date of birth being shown on the WWC number approval"</i>
Customer interface	<p>88% of respondents agreed that the online system was easy to use and that the information provided was what they needed to know. Results were broadly similar across roles and sectors.</p> <p>[Refer to main survey questions on online system ease of usage, information content and timeliness of results processing and notification.]</p> <p>Free text comments highlighted:</p> <ul style="list-style-type: none"> ▶ Difficulties with updating a check for name or address changes (2) ▶ The need to emphasise wording names exactly as shown on the drivers license or other ID (4)

Area	Overview
Timeliness of results processing and notification	<p>85% of respondents agreed that results were processed and provided promptly. We note that this was slightly lower for clubs with 11% of their respondents (20/187) disagreeing – perhaps as this is the first large, decentralised sector that has commenced transition on to the new check.</p> <p><i>[Refer to main survey questions on online system ease of usage, information content and timeliness of results processing and notification.]</i></p> <p>Out of the 211 free text respondents, several (10) reported feeling dissatisfied because they hadn't received their clearance email from OCG and felt they were not being provided with enough information. This is likely to be because:</p> <ul style="list-style-type: none"> ▶ The person is subject to a name match, or ▶ The clearance email ended up in Junk Mail
Other customer experience comments	<ul style="list-style-type: none"> ▶ There were a number of (generally critical) comments (20) around customer experience with verifying their applications at the RMS. Several asked for an alternative option to the RMS given regional location / restricted opening hours / long waiting times. Others commented on good / bad customer service (i.e. politeness and helpfulness of RMS staff, or lack thereof). ▶ A few comments (14) around fees, from people who thought the \$80 paid check cost was too high or resented having to pay (instead of their employer)

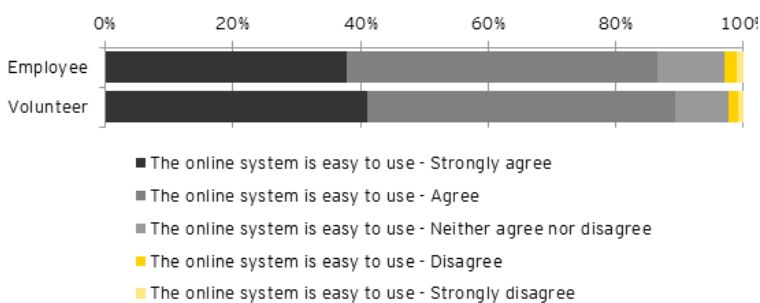
Do you work in a specific, child-related role or have face-to-face contact with children in a child-related sector?



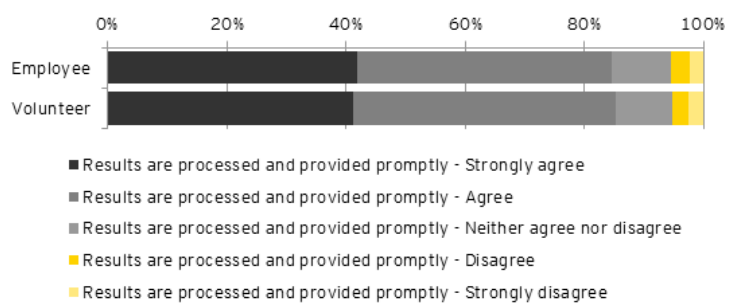
If you have applied for a Check, what was your reason for applying?



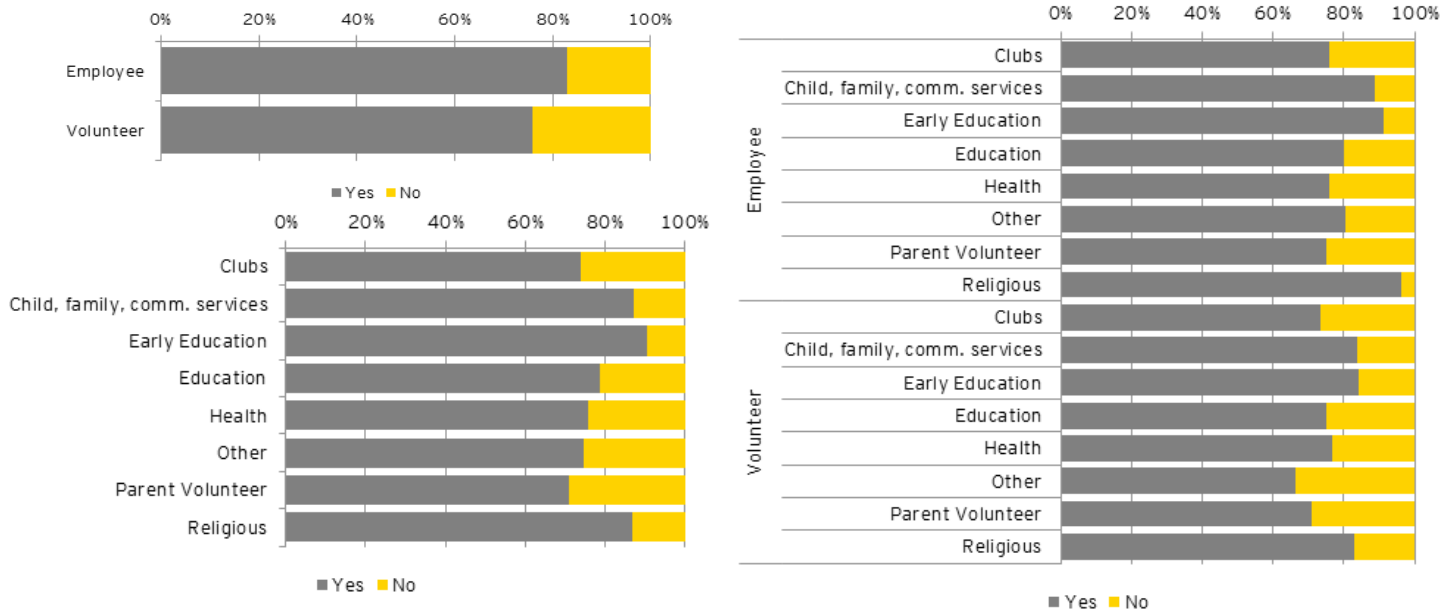
The online system is easy to use



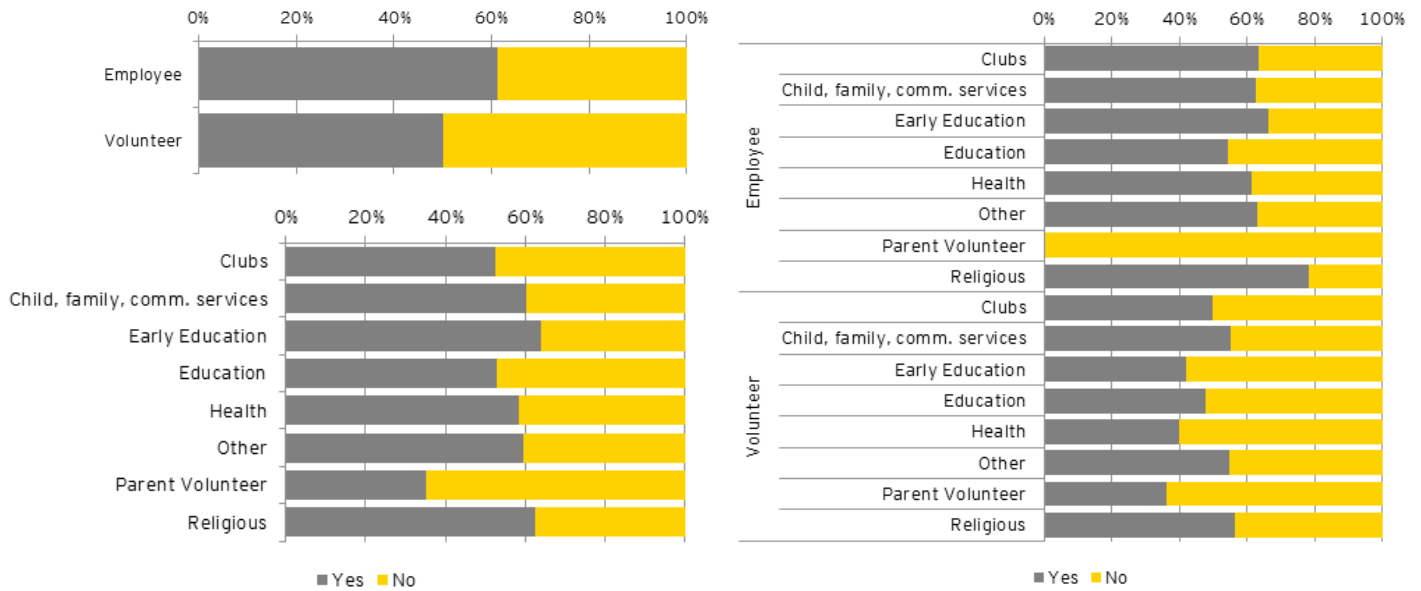
Results are processed and provided promptly



My organisation has clear policies and procedures to help protect children



My organisation has clear procedures for handling complaints or reports of misconduct



Appendix G Logic map (excerpt from Evaluation Plan)

Program objective: To provide and monitor checks to all required persons, and to deliver an efficient and flexible policy and practice framework.				
Inputs	Activities/ Process	Outputs	Outcomes	Core project elements
Human, physical, and financial resource available to deliver the program outputs	Processes and activities that are used to deliver the program outputs	Outputs from the program that can be used to evaluate the program against the evaluation criteria	The consequences and impacts of program outputs on the wider community and stakeholders, and the basis for the evaluation questions	Key project elements identified in the RFT
<p>Demand volumes: (a) Number of agency employees/volunteers (b) definition of eligibility (c) How customers interpret the definition of eligibility</p> <p>OCG resourcing requirements & staffing numbers</p> <p>IT systems and other enablers</p> <p>Costs: (a) Direct costs associated with routine and secondary assessments (b) Other fixed and variable costs (incl. overheads)</p> <p>Fees charged for employee and volunteer checks</p> <p>Process and system policies and procedures (incl. assessments, monitoring and renewals)</p>	<p>Pricing strategy - assessment of pricing and cost involved in meeting demand and achieving the targeted outcome</p> <p>Cost management - accurately assess the costs associated with each routine check and each secondary check.</p> <p>-----</p> <p>Demand management - accurately measure and forecast demand. This includes considering the number of agencies, the definition of eligibility, and its interpretation.</p> <p>-----</p> <p>Coverage - ensure the WWCC covers all persons with volunteer or paid access to children or their personal information, allowing for exemption categories.</p> <p>Timeliness - there must be a timely turnaround on both routine and secondary assessments of risk rated checks.</p> <p>Routine assessment - use of CRIMTRAC database to grant clearance to persons with no criminal record.</p> <p>Secondary assessment - the process of conducting a secondary assessment needs to be efficient, effective and consistent.</p> <p>Monitoring process - If the status of a person with prior clearance changes there must be a monitoring and communication process to capture this.</p> <p>Upgrade process - the upgrade process from voluntary to employed status should be efficient and effective, leveraging information provided for the initial check.</p> <p>Renewals process - renewals to be conducted every 5 years</p> <p>-----</p> <p>Program enablers - data, systems, operations and interfaces should be designed to support the efficient and effective implementation of the program</p> <p>OCG risk assessment processes, decision tools and metrics - need to accurately screen and identify risk based on a range of inputs</p> <p>Customer impacts - the new WWCC is expected to have reduced customer red-tape when compared to the previous program</p> <p>Other Government agency impacts - the new WWCC is expected to have impacted probity check processes and costs for other Government agencies</p> <p>-----</p> <p>Community understanding, acceptance and compliance - understanding and acceptance of the WWCC program are important factors in compliance</p> <p>Education - promotes acceptance and understanding of the change to the program and its requirements, including the importance of registering check IDs and renewals</p> <p>Monitoring customer feedback - it is important that both customer and stakeholder expectations are met over time</p> <p>-----</p> <p>Holistic employer, voluntary group and agency risk frameworks - perform a key role within a broader, holistic approach for managing child safety risk, rather than just relying on the check as a mitigation measure.</p>	<p>Current, historic and projected total costs and unit costs</p> <p>Comparison of current, historic and projected fee revenues to costs and demand</p> <p>-----</p> <p>Program coverage Levels of compliance with check requirements</p> <p>Measurements of process time</p> <p>The accuracy and efficiency of both routine and secondary assessments.</p> <p>Effectiveness of monitoring process for existing checks, incl. updates, triggers Efficiency of upgrade process, for volunteers upgrading to employee checks Efficiency of renewals process</p> <p>-----</p> <p>Effectiveness and efficiency of program enablers Validity of risk assessment tools and processes Qualitative data on customer interface ease-of-use and reduction in red-tape, and on impact on other Government agencies</p> <p>Findings from analysis of transition / phase-in arrangements Qualitative data (survey, interviews etc.) measuring expectations, understanding, acceptance, compliance and satisfaction</p> <p>Range of risk management approaches applied by employers, voluntary groups and agencies</p>	<p>The WWCC program is financially sustainable</p> <p>-----</p> <p>The WWCC program delivers a policy and practice framework that is efficient and effective and covers all required persons</p> <p>-----</p> <p>The WWCC program is understood, accepted and complied with by the community</p> <p>-----</p> <p>The WWCC program is incorporated into a holistic risk management framework by employers, voluntary groups and agencies</p>	<p>Economic analysis</p> <p>-----</p> <p>Program review</p> <p>-----</p> <p>Service implementation</p> <p>-----</p> <p>Customer relationship management</p>

Appendix H Interjurisdictional findings

Description	Jurisdiction (population as at Dec 2014)							
	NSW (7.6m)	VIC (5.9m)	QLD (4.8m)	WA (2.6m)	SA (1.7m)	TAS (0.5m)	ACT (0.4m)	NT (0.2m)
Employee check cost (rounded)	\$80	\$105	\$78	\$80	\$100	\$103	\$73	\$53
Volunteer check cost (rounded)	Nil	Nil	Nil	\$11	\$55	\$18	Nil	\$5
Exemptions								
▶ Parent volunteers	✓	✓	✓	✓	✓	✓	✓	✓
▶ Police officers	✓	✓	✓*	✓	✓	✓	✓	✗
▶ Registered teachers	✗	✓	✓*	✗	✓	✗	✗	✗
▶ Registered health practitioners	✗	✗	✓*	✗	✗	✓	✓	✗
▶ Interstate visitors	✓	✓	✗	✓	✗	✓	✗	✗
Screening includes roles with access to confidential child-related records	✓	✗	✗	✗	✓	✓	✓	✗
Eligibility determination	✗	✗	✗	✓	✗	✓	✗	✗
Verification (by employer / organisation)	Employer	Employer decides on fit for role Employee identifies organisation(s) as part of WWCC	Employer	As part of application form	As part of application form	Employer	✗	✗
Continual checking process	✓	✓	✓	✓	✗	✓	✗	✓
Online application	✓	✓	✓	Manual	Manual	✓	✓	✓
Agency administering Risk Assessment	OCG	Employer	Public Safety Business Agency (prev. Commission for Children & Young People and Child Guardian)	DCP	DCSI	Department of Justice	Canberra Connect	Police
Validation period	5 years	5 years	3 years	3 years	3 years	3 years	3 years	2 years
Check output	Electronic clearance	Card	Card	Card	Clearance letter	Card	Card	Card
Appeals process	NCAT	VCAT	QCAT	State Administrative Tribunal	Ombudsman	Magistrates Court	Office of Regulatory Services	Local Court

*Queensland exemptions for Police officers, registered teachers and health practitioners only applies when performing child-related services as part of professional duties.

Other interjurisdictional information that informed the Evaluation:

Legislative requirements	Broad comparison of process, exemptions and WWCC accountabilities
Experience	See information below
Royal Commission	Reports and submissions, hearing findings and resource papers
Annual reports	All states

Queensland Blue Card statistics¹⁴

Year	QLD population	Number of people with a valid blue or exemption card	Number of applications for a blue or exemption card	Valid blue or exemption card holders as a proportion of QLD population
FY10	4,510,000	487,000	279,781	11%
FY11	4,560,000	505,388	298,750	11%
FY12	4,560,059	517,796	280,524	11%
FY13	4,658,557	623,800	196,378	13%
FY14	4,722,447	639,219	302,931	14%

QLD sector category	Proportion of active blue cards as at 30 June 2014
Child care / education and care	13%
Churches, clubs and associations	21%
Foster / kinship carers and licensed care services	3%
Health, counselling and support services	13%
School employees	18%
Sport and active recreation	10%
State and local government employees	3%
Child accommodation and homestay	4%
Private teaching, coaching and tutoring	3%
Disability services	6%
Other	2%
Applications in progress	3%
Total	100%

- As at August 2013 around 60% of Queensland blue card holders renew their blue card after the expiry of the 3 year validity period.

Western Australia Working with Children Check statistics¹⁵

Year	WA population	Number of people with a valid Working with Children card	Number of applications for a Working with Children card	Valid Working with Children card holders as a proportion of WA population
FY10	2,300,000	248,116	95,260	11%
FY11	2,346,100	272,919	101,755	12%
FY12	2,430,000	284,105	101,617	12%
FY13	2,520,000	300,849	106,217	12%
FY14	2,573,400	307,500	109,954	12%

¹⁴ Applicant statistics sourced from 2010 - 2014 QLD Commission for Children and Young People reports; population estimates sourced from ABS.

¹⁵ Applicant statistics sourced from the 2014 WA Auditor General report on Working with Children Checks and the 2014 WA Department for Child Protection and Family Support annual report; population estimates sourced from ABS.

WA sector category	Proportion of active Working with Children cards as at June 2012 (estimates for selected sectors)	Proportion of active Working with Children cards as at 31 March 2014, for selected sectors
Child care	8%	7%
Community kindergarten	small	
Education	39%	35%
Coaching, private tuition	4%	7%
Child accommodation and homestay	4%	
OOHC placements	2%	
Child/community services officer	1%	
Justice	small	
Community child health service	3%	
Counselling / other support services	4%	
Religious	7%	8%
Clubs	7%	
Hospitals	17%	17%
Babysitting	small	
Overnight camp	2%	
Transport	2%	
School crossing	small	
Entertainment	1%	
Total	100%	74%

- ▶ Note: WA Working with Children card scheme includes the use of a screening unit to close applications from persons judged to not be required to obtain a check. This will partly explain the lower proportion of WA's population with a check and the difference in check sector profile, compared with other states.

Victoria Working with Children Check statistics¹⁶

Year	VIC population	Number of people with a valid Working with Children Check card	Number of applications for a Working with Children Check card	Valid Working with Children Check card holders as a proportion of VIC population
FY10			152,000	
FY11			137,000	
FY12			180,900	
FY13	5,735,000	939,344	253,700	16%*
FY14	5,841,700		223,900	
FY15	5,886,400 (Dec 2014)	977,951		17%*

*Note: registered teachers (approx. 2% of Victoria's population) are exempt from Working with Children Check requirements

- ▶ Victoria's Working with Children Check scheme exempts registered teachers, police officers and accredited drivers from the requirement to obtain a check.
As at 30 June 2014 there were 118,891 registered teachers in Victoria¹⁷ representing around 2% of Victoria's population.

¹⁶ Application statistics sourced from 2012 - 2014 VIC Department of Justice annual reports and 2014 VIC Regulatory Change Measurement report; statistics on number of people with a valid Working with Children Check sourced from 2015 Working with Children Check website and 2014 Commission for Children and Young People annual report; population statistics sourced from ABS.

¹⁷ Registered teachers statistic sourced from 2014 Victorian Institute of Teaching annual report

- ▶ Volunteer checks represent around 53% of all checks processed over April 2006 to 2013.
- ▶ As at 2013 approximately 50% of cardholders renewed their check after the 5 year validity period. Of this cohort of renewals, approximately 60% were for employees.

VIC WWCC Category	Proportion of child-related work categories nominated by new applicants over April 2006 - 2014
Education	33.3%
Child Care	14.2%
Clubs, Associations or Cultural Activities	10.0%
Coaching / private tuition for children	6.4%
All overnight camps for children	6.2%
Paediatric wards of public or private hospitals	6.0%
Religious organisations	4.4%
Children's services including kindergartens or pre-schools	4.1%
Out of Home Care Services	3.7%
Counselling or other support services for children	2.9%
Transport Services For Children	1.3%
Commercial gym / play facilities for children	1.1%
Juvenile Justice	1.0%
Babysitting or child-minding arranged by commercial agency	1.0%
Child protection services	0.9%
Commercial entertainment / party services for children	0.9%
Refuges or other residential facilities used by children	0.7%
Fostering children	0.7%
School crossing services	0.5%
Other	0.5%
Commercial photography services for children	0.3%
Commercial talent / beauty competitions for children	0.1%
Total	100.2%

Note: some applicants nominate more than one category.

Northern Territory Ochre Card statistics¹⁸

Year	NT population	Number of people with a valid Ochre Card	Number of new or renewal applications for a Ochre Card	Valid Ochre Card holders as a proportion of NT population
FY11	231,292	35,888	35,888	16%
FY12	235,881	54,751	18,863	23%
FY13	242,541	53,781	34,918	22%
FY14	245,079	57,795	22,877	24%

- ▶ As at 30 June 2014 volunteers represent 17% of total cardholders
- ▶ Over 2013 and 2014 around 48% of cardholders (50% of employees and 37% of volunteers) renewed their Ochre Card at the expiry of the 2 year validity period

¹⁸ Applicant statistics sourced from 2014 NT Police, Fire and Emergency Services annual report; population statistics sourced from ABS.

Appendix I Scenario and sensitivity modelling

Scenario and sensitivity modelling was conducted as part of the economic evaluation in order to provide an indication of the potential impacts of future demand levels, fee structures and operational factors on the program's financial sustainability and outputs.

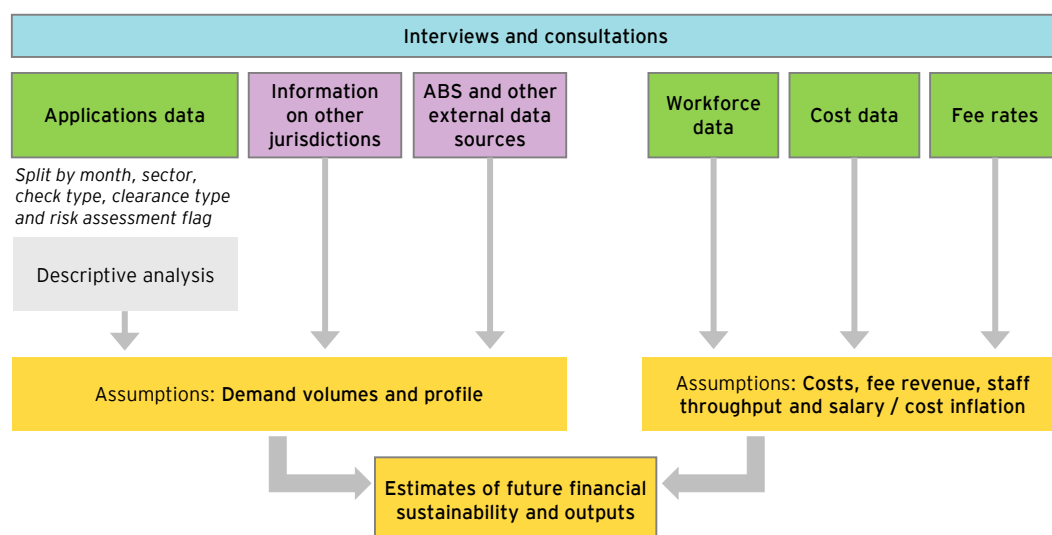
The key assumptions and approach used to develop our estimates are set out below. Data sources used in our modelling (application data, interjurisdictional experience, etc.) are listed in Appendix A.

Approach

We used a deterministic projection modelling approach to estimate future demand, costs and net shortfalls for the years 2016 to 2023 (i.e. years 3 to 10 of the new program). Under this approach, a set of assumptions representing future expected experience was applied to projections of program demand, revenue and costs.

Assumptions are based on past and current experience where available, including program experience to date, experience from schemes in other jurisdictions, and qualitative information from agency consultations and OCG staff interviews around potential future levels of demand. We performed descriptive analysis on the experience to date to identify demand trends, and then applied judgement to set future expected demand estimates for the remainder of the transition period (referring to interjurisdictional experience and agency and OCG staff views on future demand where available).

The process used to analyse the information available and set assumptions is illustrated in the diagram below.



Scenarios and sensitivities were developed in discussions with OCG staff with the aim of illustrating the financial impacts of possible pricing and/or operational changes, or of variations in the size and profile of demand. Our analysis has focused on the post-transition period as we were advised that any changes to program fees or operations would likely only be implemented after June 2018.

Assumptions

Key assumptions that impact future expected demand levels and financial results include:

Assumption	Years 1-2 (actual) June 2013 to June 2015	Years 5 and 10 June 2018 (transition period end) and June 2023
Demand volumes and profile		
NSW population and growth rate forecasts (Sourced from NSW Government state population projections, 2014)	June 2015: 7.6m	June 2018: 7.9m June 2023: 8.4m Average growth rate for years 6 to 10: 1.3% p.a.
Individuals with a valid WWCC (or who have applied for a WWCC) as a proportion of the NSW population	10%	21%

Assumption	Years 1-2 (actual) June 2013 to June 2015	Years 5 and 10 June 2018 (transition period end) and June 2023
Volunteers as a proportion of total checks	47%	49%
Checks by sector category (as % total)		
Child, family, community and justice services	21%	20%
Religious	10%	9%
School cleaners	1%	1%
Transport	4%	3%
Clubs and recreation	12%	13%
Entertainment	2%	2%
Education	34%	33%
Health	11%	12%
Parent volunteers	6%	7%
Volunteers as a proportion of checks, by sector category (as % sector category total)		
Child, family, community and justice services	63%	54%
Religious	85%	87%
School cleaners	6%	6%
Transport	8%	11%
Clubs and recreation	67%	69%
Entertainment	35%	35%
Education	32%	31%
Health	22%	25%
Parent volunteers	95%	95%
Proportion of applications referred to records review	11%	11%
Proportion of applications referred to risk assessment	0.4%	0.4%
Renewal rates by check type (applicable for years 6-10)		
Employees	54%	n/a
Volunteers	44%	n/a
New applications*		

* New applications for years 6 to 10 represent the difference between renewed applications and total demand over the period. These were calculated by backsolving using assumed total demand, renewal rates, demand profile by sector and population growth rates over the period:

- ▶ For employee checks, new applications represent around 50% of the average annual demand during the transition period.
- ▶ For volunteer checks, new applications represent around 60% of transition period annual demand.

Assumption	Years 1 to 5 (Cycle 1) June 2013 to June 2018	Years 6 to 10 (Cycle 2) July 2018 to June 2023
Fee revenue		
Employee check fee	\$80.00	\$88.33
Volunteer check fee	Nil	Nil
Costs		
External service provider fees		
CrimTrac	Employee check: \$23.00 Volunteer check: \$7.45	Employee check: \$25.39 Volunteer check: \$8.23
RMS	\$11.73	\$12.95
Cost inflation (included in WWCC fees and external service provider rates at end of year 5)		2%
Employee costs	\$9.4m at 2015, indexed annually for inflation	
Records review team employee costs	\$2.4m at 2015, indexed annually for inflation	

Assumption	Years 1 to 5 (Cycle 1) June 2013 to June 2018	Years 6 to 10 (Cycle 2) July 2018 to June 2023
Risk assessment team employee costs	\$2.8m at 2015, indexed annually for inflation	
Other employee costs (compliance, Child Safe etc.)	\$4.2m at 2015, indexed annually for inflation	
Employee cost inflation	2.5%	
Other operating costs, depreciation and grants/subsidies	\$3.6m at 2015, not indexed	
Staff numbers and throughput		
Staff numbers	Assumed to remain the same as 2015 levels - refer to section 5.2.3 for a breakdown by team	
Staff throughput per person per year		
Completed record reviews - new applications	1,925, similar to 2014 output (50,051 completed reviews, 24 staff)	
Completed risk assessments - new applications	50, similar to 2015 output (1,203 completed assessments, 24 staff)	
Completed risk assessments - renewals	n/a	500

Output

Section 5.2.2 summarises the modelling output using base case assumptions, while sections 5.2.3 and 0 summarise modelling output for each of the scenarios and sensitivities considered.

Limitations

It is important to note that there is considerable uncertainty associated with assumptions representing future experience. As discussed in sections 5.2.3 and 0, this applies particularly to the level and profile of demand expected over the remainder of the transition period and in the longer term, both which will have a significant impact on financial results and outputs.

For scenario and sensitivity modelling we have assumed that all assumptions and parameters remain unchanged except for the parameters being flexed under the scenario. (For example, when modelling the impact of fee structure changes on financial sustainability we assume that demand levels are unaffected by fee increases.) This may not be the case in practice; however there is currently little information on the relationships between different variables to support the use of an alternative approach.

The calculations in this report do not constitute an opinion over future government funding requirements for the program. Rather, they are intended to support analysis of potential options that may support future financial sustainability and to demonstrate the sensitivity of financial results to specific variables.

For this reason, we have recommended that the OCG monitors actual experience over time and adjusts its forecasts where experience indicates that this is required, and that it develops its own projections and estimates to support the post-transition funding business case.

Our modelling only considers the program costs borne by the OCG and does not take into account the costs and impacts borne by agencies outside the OCG in respect of the program. For Police and Attorney Generals we were told that these were considered material (section 6.7 discusses these impacts in detail). Any estimate of the whole-of-government program cost would need to take into account the costs and impacts borne by government agencies in addition to the OCG.

The modelling estimates performed as part of our economic analysis do not include continuous checks. Limited data on continuous check volumes and time requirements was available over the evaluation period and the continuous check process and measures are still being developed, refined and reviewed by the OCG. We have recommended that the OCG perform a thorough investigation of the continuous check process and its impact on records review workloads.

Our evaluation has been performed in respect of the WWCC program only, and does not include an assessment of other OCG services or the OCG as a whole entity. All financial position, cost and revenue estimates shown in this report relate only to the WWCC program.

Appendix J Case studies

Case study 1: Example Clubs process for identifying volunteers who require a WWCC

Surf Life Saving NSW's (SLS NSW) Nippers club is a junior outdoor activities program that introduces children aged 5 to 13 to surf lifesaving¹⁹. The program is operated by most SLS NSW clubs. It is run by volunteers (mostly parents) and led by a volunteer committee. Teams are divided into same-sex age groups (girls under 6 years, boys under 6 years, girls under 8 years, and so on).

Alice is one of the committee members at the local Nippers club where her son takes part. The committee have asked Alice to manage the implementation of the new WWCC requirements for their club.

SLS NSW has issued "Child Protection and the NSW WWCC" guidelines²⁰ which Alice will use to implement the program requirements. Alice can also attend an OCG workshop on the new program and/or access the resources on the OCG website for more information.

Following the guidelines, Alice will need to:

1. Register her SLS club as an 'employer' on the OCG website.
2. Identify all child related positions, paid and voluntary, before the start of the season. Alice will be required to match at least 138 roles to actual names and make decisions on a case by case basis of who requires a WWCC. Her Nippers club includes the following roles and number of positions:

Role	Positions
Committee members	15
Age managers	18
Age manager assistants	50
Coaches	10
Senior club helpers/coaches	10
Water safety	30
Inflatable Rescue Boat (IRB) crew	20
Parent helpers	Unknown
Total	138+

3. Notify individuals who are required to obtain a check and provide information on the application process.
4. Verify each individual's WWCC number or application number on the OCG website. If an application number is provided Alice will need to periodically check the OCG website to ascertain the status of the check and re-verify the WWCC number once this is issued.
Alice may need to keep track of individuals who have not yet provided their WWCC details and follow up where required. Alice will also need to keep a record of the verification date, WWCC number, WWCC expiry date and status on SLS NSW's own internal database (SurfGuard). Although the check is valid for 5 years there are often high numbers of new volunteers joining the club at the start of each season, so this process is ongoing.

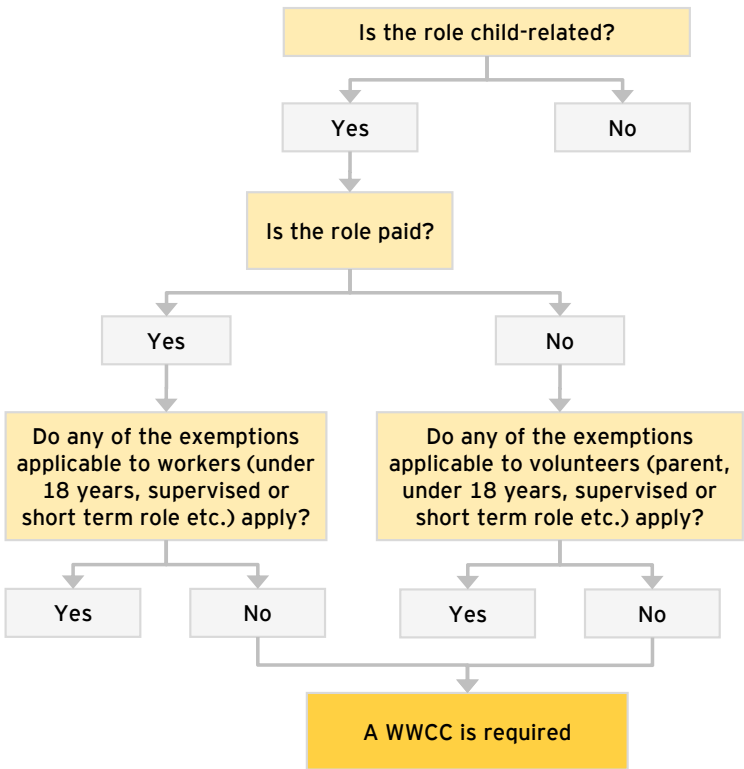
Complexity around identifying child-related positions can occur when a person may act in more than one role, or where a parent's child may or may not be in the same group as the parent for the volunteer activity. The SLS guidelines provide a detailed list of positions with broad reasons for requiring / not requiring a WWCC, depending on the position activities, age of the individual and whether the individual has a child participating in the activity. The definition of child participation differs depending on whether

¹⁹ Surf Life Saving NSW Nippers website (<http://www.surflifesaving.com.au/get-involved/nippers>)

²⁰ <http://www.surflifesaving.com.au/members/resources/child-protection/guidelines-child-protection-the-nsw-working-with-children-check.pdf>

the activity is related to Nippers (the child can be in any age group) or another SLS program (the child has to be in the same group as the parent).

For each of the 138 positions Alice will have to follow the following decision process:



Case study 2: Risk assessment application with delayed timelines due to information delays and capacity constraints

This case study highlights a number of areas which can delay or act as bottlenecks for processing risk assessments.

An applicant submitted and verified his WWCC application in August 2013. As at June 2015 his application has been referred to risk assessment and is waiting to be allocated to a risk assessor.

As the timeline below illustrates, this application proceeded promptly through RMS verification before being referred to records review and then risk assessment. The Triage team then made a number of information requests as part of their initial risk assessment.

The application experienced an information delay when a request for information was issued to the District Court and returned 4 weeks later. The District Courts are expected to return all information requests within a 3 week deadline. Although they only took an extra week to process the request, stakeholder interviews with the District Courts indicate that they are struggling to meet timelines set by the OCG given the volume of information that may need to be extracted for a particular court proceeding.

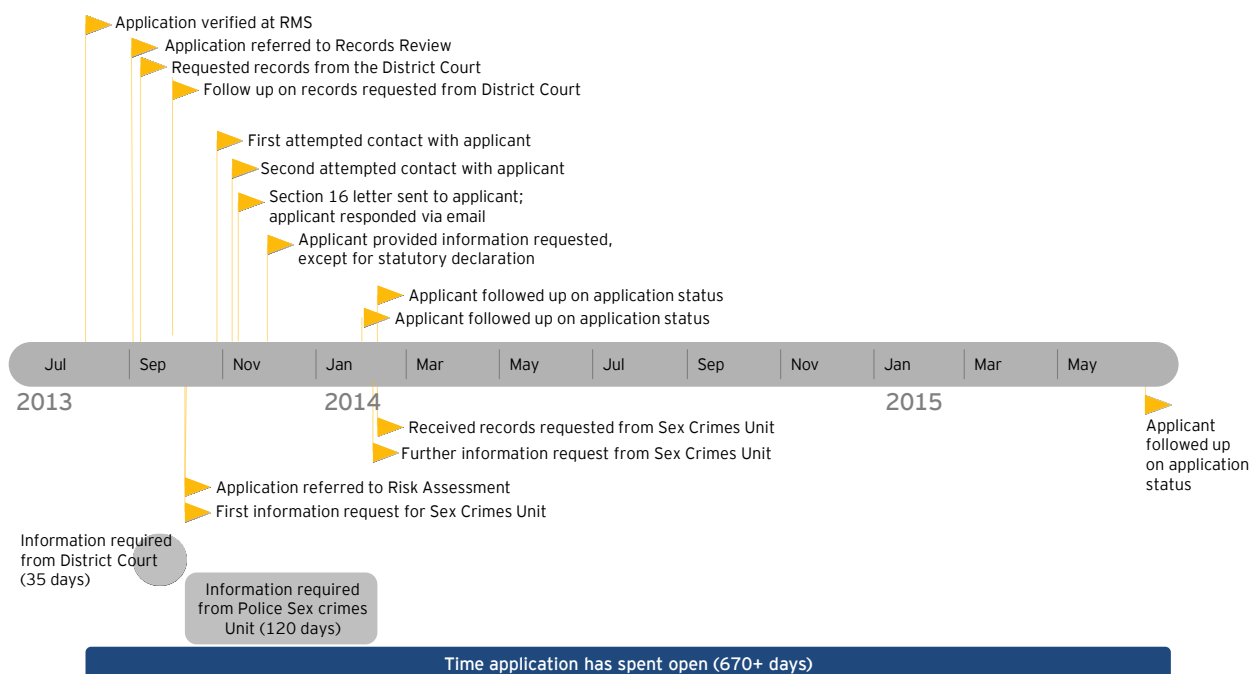
Difficulties in contacting the applicant and then delays in information provided by the applicant also contributed to the application timeline. Triage first attempted to contact the applicant mid-October and succeeded after sending a Section 16 letter in early November. The applicant provided further information later in November but omitted the statutory declaration requested.

The application experienced a second information delay when a request for information was issued to the Sex Crimes Unit and completed 3 months later. The OCG sent an information request to the Sex Crimes Squad in early October based on the information provided by the District Court. Additional information was returned to the OCG 3 months later in January 2014. By the time the information had been received the risk assessor had identified that additional information was required and another request was sent to the Sex Crimes Unit from the OCG.

Since these information requests, the application has been allocated to risk assessment but unallocated to a risk assessor. The applicant has followed up 3 times during this period to enquire why his application has not been processed, and has also submitted a second application (which was terminated as a duplicate of the first application).

As with the following case study, the Triage and General Risk Assessment teams have resourcing constraints and manage this by prioritising higher risk applications. Risk assessors are required to balance multiple caseloads at any time and must reprioritise their workflow if the incoming workload is of a higher risk. This application has not been initially assessed as high risk, and so remains unallocated as at June 2015.

Once this application is allocated to a risk assessor, updated information requests may be required to process this application in order to identify any new information available since the previous information requests.



Case study 3: Risk assessment application with delayed timelines due to complexity and capacity constraints

This case study highlights two areas that commonly act as bottlenecks for processing risk assessments.

A male teacher working at a school submitted a WWCC application and verified it at the RMS in late February 2014. Around mid-July 2015 his application was denied and he was barred from working with children.

As the timeline below illustrates, this application proceeded promptly through RMS verification and records review before being referred to risk assessment.

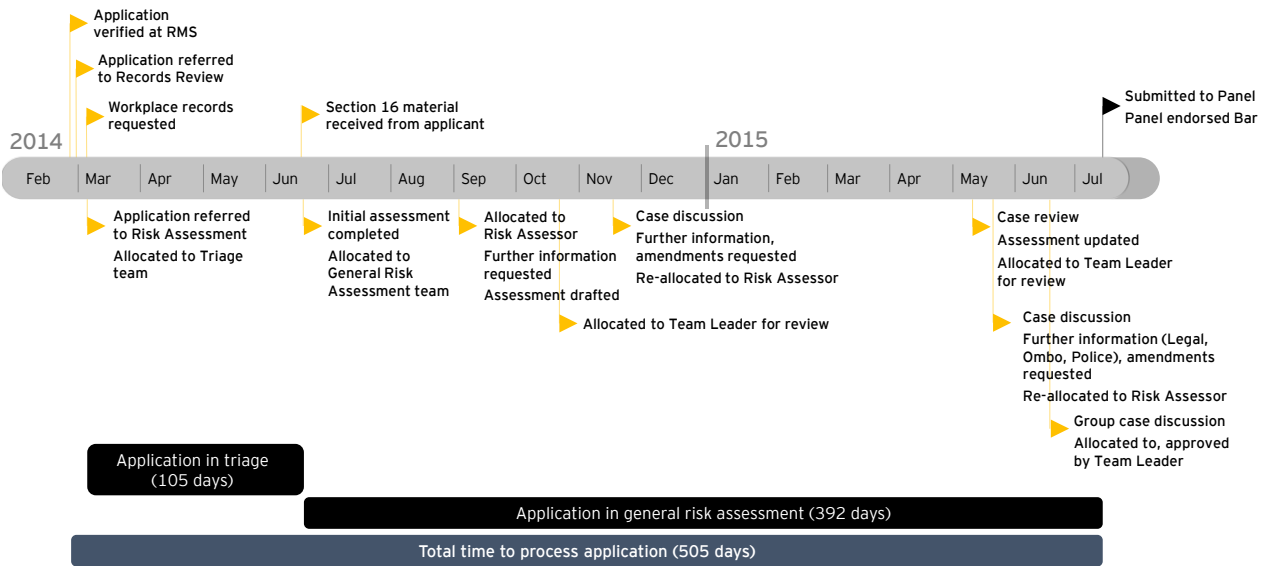
The application experienced its first bottleneck at Triage where it was allocated for around 3.5 months. The Triage team is relatively small and consists of 1 Team Leader and 3 Risk Assessors. In order to manage resourcing constraints from high assessment volumes, the Team Leader flags applications as "high", "standard" or "low" risk and prioritises high risk applications when allocating to Risk Assessors for initial assessment. As a result, many standard and low risk applications (such as this example) remain with Triage for long periods of time without being assessed.

The application experienced its second bottleneck at General Risk Assessment where it was allocated for over 12 months. The application was transferred to General Risk Assessment in mid-July and allocated to a Risk Assessor in early September (2.5 months after being transferred). The risk assessment was then drafted over 10 months with additional information requests identified and submitted to various agencies over the period (e.g. Legal, NSW Ombudsman, Police). A case review and

various case discussions were also performed during this time. The assessment was considered to be relatively complex due to the nature of the Police and workplace records involved.

As with Triage, the General Risk Assessment team has resourcing constraints and manages this by prioritising higher risk applications. Risk assessors are required to balance multiple caseloads at any time and must reprioritise their workflow if the incoming workload is of a higher risk.

As a result, this application was not reviewed or discussed between November 2014 and May 2015. By the time the application was reviewed in May it was identified that the information gathered could be out of date. Updated information requests were sent to Police and the Ombudsman before submitting the assessment to the Panel in July 2015 with a recommendation to bar. The Panel endorsed this decision.



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