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Official Committee Hansard

SENATE

COMMUNITY AFFAIRS LEGISLATION COMMITTEE

Estimates

FRIDAY, 1 JUNE 2018

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SENATE

COMMUNITY AFFAIRS LEGISLATION COMMITTEE

Friday, 1 June 2018

Members in attendance: Senators Brockman, Carol Brown, Cameron, Pratt, Rhiannon, Siewert, Dean Smith, Steele-John, Storer, Watt.

SOCIAL SERVICES PORTFOLIO

In attendance

Senator the Hon Zed Seselja, Assistant Minister for Science, Jobs and Innovation

Department of Social Services - Executive

Ms Kathryn Campbell CSC, Secretary

Ms Roxanne Kelley, Chief Operating Officer

Ms Serena Wilson PSM, Deputy Secretary, Social Security

Ms Barbara Bennett, Deputy Secretary, Families and Communities

Mr Michael Lye, Deputy Secretary, Disability and Carers

Department of Social Services - Cross Outcomes

Ms Roxanne Kelley, Chief Operating Officer

Mr Adrian Hudson, Group Manager, Corporate Services

Mrs Tracey Bell, Branch Manager, Communication Services

Ms Janean Richards, Chief Legal Counsel, and Group Manager, Chief Counsel

Mr Alan Grinsell-Jones, Branch Manager, Legal Services

Mr Stephen Moger, Acting Branch Manager, Government and Executive Services

Mr Peter Qui, Group Manager, Information Management and Technology

Mr Russell de Burgh, Chief Finance Officer and Acting Group Manager, Finance and Services

Mr Iain Scott, Group Manager, Strategy and Design, Community Grants Hub

Ms Christine Bruce, Acting Group Manager, Operations, Community Grants Hub

Ms Cath Halbert, Group Manager, Families and Communities Policy and Programs

Mr Paul McBride, Group Manager, Welfare and Housing Policy

Department of Social Services - Outcome 1, Social Security

Ms Serena Wilson PSM, Deputy Secretary, Social Security

Mr Shane Bennett, Group Manager, Payments Policy

Ms Emma-Kate McGuirk, Branch Manager, Work and Study Payments

Ms Kath Paton, Acting Branch Manager, Families and Pensions

Ms Anita Davis, Branch Manager, International Policy and Payment Support

Mr Adrian Hudson, Group Manager, Corporate Services

Mrs Tracey Bell, Branch Manager, Communication Services

Dr Tim Reddel, Group Manager, Policy Office

Mr Murray Kimber, Branch Manager, Policy Capability and Evaluation

Ms Jillian Moses, Branch Manager, Policy Analysis and Reporting

Mr Philip Brown, Branch Manager, Policy Strategy and Investment

Ms Annette Neuendorf, Acting Branch Manager, Data Strategy and Development

Ms Allyson Essex, Branch Manager, Payment Conditionality Design and Policy

Ms Mary McLarty, Branch Manager, Payment Structures

Mr Russell de Burgh, Chief Finance Officer and Acting Group Manager, Finance and Services

Mr Alan Grinsell-Jones, Branch Manager, Legal Services

Department of Social Services - Outcome 2, Families and Communities

Ms Barbara Bennett, Deputy Secretary, Families and Communities

Mr Shane Bennett, Group Manager, Payments Policy

Ms Kath Paton, Acting Branch Manager, Families and Pensions

Ms Cath Halbert, Group Manager, Families and Communities Policy and Programs

Mr Stewart Thomas, Branch Manager, Housing Programs and Homelessness

Ms Kathryn Mandla, Branch Manager, Children's Policy

Mr Tristan Reed, Branch Manager, Family Policy and Programs

Mr Evan Lewis, Group Manager, Settlement Services

Ms Sharon Bailey, Branch Manager, Settlement and Integration Policy

Mr Leo Kennedy, Branch Manager, Settlement and Integration Programs

Dr Roslyn Baxter, Group Manager, Families and Communities Reform

Ms Selena Patrick, Acting Branch Manager, Welfare Quarantining and Gambling

Ms Chantelle Stratford, Branch Manager, Family Safety

Ms Brooke Hartigan, Branch Manager, Redress Policy and Legislation

Ms Tracey Creech, Branch Manager, Redress Implementation

Dr Tim Reddel, Group Manager, Policy Office

Mr Murray Kimber, Branch Manager, Policy Capability and Evaluation

Mr Philip Brown, Branch Manager, Policy Strategy and Investment

Mr Adrian Hudson, Group Manager, Corporate Services

Mrs Tracey Bell, Branch Manager, Communication Services

Mr Russell de Burgh, Chief Finance Officer and Acting Group Manager, Finance and Services

Mr Alan Grinsell-Jones, Branch Manager, Legal Services

Department of Social Services – Outcome 3, Disability and Carers

Mr Michael Lye, Deputy Secretary, Disability and Carers

Ms Flora Carapellucci, Group Manager, Disability, Employment and Carers

Mr Christian Callisen, Branch Manager, Supported Employment Policy, Access and Engagement

Ms Sharon Stuart, Branch Manager, Disability and Carer Policy

Mr Peter Broadhead, Branch Manager, Disability Employment Services

Ms Helen McDevitt, Group Manager, NDIS Transition Oversight

Ms Kate Costello, Acting Branch Manager, NDIS Transition Oversight and Governance
Dr Nerida Hunter, Branch Manager, NDIS Financial Policy and Performance
Mr Andrew Whitecross, Group Manager, NDIS Market Reform
Mr Adrian Brocklehurst, Branch Manager, Quality and Safeguards Implementation
Mr Bruce Smith, Branch Manager, Quality and Safeguards Policy
Mr Chris D'Souza, Acting Branch Manager, Market Oversight
Ms Eliza Strapp, Branch Manager, Program Transition
Ms Kirralee Thomas, Acting Branch Manager, Integration and Support
Mr Graeme Head, NDIS Quality and Safeguards Commissioner Designate
Ms Miranda Bruyniks, NDIS Quality and Safeguards Complaints Commissioner
Ms Samantha Taylor, NDIS Quality and Safeguards Registrar
Mr Adrian Hudson, Group Manager, Corporate Services
Mrs Tracey Bell, Branch Manager, Communication Services
Mr Russell de Burgh, Chief Finance Officer and Acting Group Manager, Finance and Services
Mr Alan Grinsell-Jones, Branch Manager, Legal Services

National Disability Insurance Agency (NDIA)

Mr Robert De Luca, Chief Executive Officer
Ms Vicki Rundle PSM, Deputy Chief Executive Officer, Government, Communications and Stakeholder Engagement
Mr Michael Francis, Deputy Chief Executive Officer, Participants and Planning Experience
Mr Victor Walter, Deputy Chief Executive Officer, Corporate Services and Chief Financial Officer

Department of Social Services - Outcome 4, Housing

Ms Serena Wilson PSM, Deputy Secretary, Social Security
Ms Barbara Bennett, Deputy Secretary, Families and Communities
Mr Michael Lye, Deputy Secretary, Disability and Carers
Ms Cath Halbert, Group Manager, Families and Communities Policy and Programs
Mr Stewart Thomas, Branch Manager, Housing Programs and Homelessness
Mr John Riley, Branch Manager, National Rental Affordability Scheme Taskforce
Mr Adrian Hudson, Group Manager, Corporate Services
Mrs Tracey Bell, Branch Manager, Communication Services
Mr Paul McBride, Group Manager, Welfare and Housing Policy
Mr Russell de Burgh, Chief Finance Officer and Acting Group Manager, Finance and Services
Mr Alan Grinsell-Jones, Branch Manager, Legal Services

Committee met at 9:00

CHAIR (Senator Brockman): I declare open this hearing of the Senate Community Affairs Legislation Committee.

I incorporate the public interest immunity statement.

The extract read as follows—

Public interest immunity claims

That the Senate—

(a) notes that ministers and officers have continued to refuse to provide information to Senate committees without properly raising claims of public interest immunity as required by past resolutions of the Senate;

(b) reaffirms the principles of past resolutions of the Senate by this order, to provide ministers and officers with guidance as to the proper process for raising public interest immunity claims and to consolidate those past resolutions of the Senate;

(c) orders that the following operate as an order of continuing effect:

(1) If:

(a) a Senate committee, or a senator in the course of proceedings of a committee, requests information or a document from a Commonwealth department or agency; and

(b) an officer of the department or agency to whom the request is directed believes that it may not be in the public interest to disclose the information or document to the committee, the officer shall state to the committee the ground on which the officer believes that it may not be in the public interest to disclose the information or document to the committee, and specify the harm to the public interest that could result from the disclosure of the information or document.

(2) If, after receiving the officer's statement under paragraph (1), the committee or the senator requests the officer to refer the question of the disclosure of the information or document to a responsible minister, the officer shall refer that question to the minister.

(3) If a minister, on a reference by an officer under paragraph (2), concludes that it would not be in the public interest to disclose the information or document to the committee, the minister shall provide to the committee a statement of the ground for that conclusion, specifying the harm to the public interest that could result from the disclosure of the information or document.

(4) A minister, in a statement under paragraph (3), shall indicate whether the harm to the public interest that could result from the disclosure of the information or document to the committee could result only from the publication of the information or document by the committee, or could result, equally or in part, from the disclosure of the information or document to the committee as in camera evidence.

(5) If, after considering a statement by a minister provided under paragraph (3), the committee concludes that the statement does not sufficiently justify the withholding of the information or document from the committee, the committee shall report the matter to the Senate.

(6) A decision by a committee not to report a matter to the Senate under paragraph (5) does not prevent a senator from raising the matter in the Senate in accordance with other procedures of the Senate.

(7) A statement that information or a document is not published, or is confidential, or consists of advice to, or internal deliberations of, government, in the absence of specification of the harm to the public interest that could result from the disclosure of the information or document, is not a statement that meets the requirements of paragraph (1) or (4).

(8) If a minister concludes that a statement under paragraph (3) should more appropriately be made by the head of an agency, by reason of the independence of that agency from ministerial direction or control, the minister shall inform the committee of that conclusion and the reason for that conclusion, and shall refer the matter to the head of the agency, who shall then be required to provide a statement in accordance with paragraph (3).

(d) requires the Procedure Committee to review the operation of this order and report to the Senate by 20 August 2009.

(13 May 2009 J.1941)

(Extract, Senate Standing Orders)

I welcome the Hon. Zed Seselja, and officers from the Department of Social Services and the National Disability Insurance Agency.

Department of Social Services

[9.00]

CHAIR: We are in continuation from yesterday and will commence with outcome 3 of the social services portfolio: Disability and Carers. Ms Campbell, I understand you have an opening statement.

Ms Campbell: Yes, a brief statement.

CHAIR: Please go ahead.

Ms Campbell: The department and the National Disability Insurance Agency are working together to ensure the National Disability Insurance Scheme continues to make a difference in the lives of people with disability, their families and carers. Over 160,000 Australians are now part of the NDIS, including 45,000 people who are receiving life-changing support for the first time.

The latest NDIS quarterly report shows people are overwhelmingly happy with the support. Eighty-four per cent of participants surveyed in the quarter rated their planning experience as either good or very good. In fact, since the scheme began, the overall satisfaction with the planning process is 90 per cent.

More than 10,000 children have been supported, with 90 per cent of parents or carers of children up to school age saying the NDIS has helped with their child's development and access to specialist services, and 69 per cent of families or carers of children aged up to 14 reported that the NDIS gave them a hand in helping their child develop and learn.

While we are focused on ensuring that participants have a positive experience in the NDIS, we are also determined that Australian taxpayers' financial contribution to the scheme is managed well. The cost of the NDIS is on track to be \$20.9 billion in 2019-20, well within the budget of \$22 billion forecast by the Productivity Commission. In 2021-22, it will be \$23.8 billion—again, on budget. The increase in cost directly reflects inflation and increasing participant numbers. The 2018 budget makes clear that all planned Commonwealth expenditure on the NDIS will be fully funded.

In the last week we have seen a further boost to the long-term sustainability of the scheme with the Commonwealth and New South Wales governments signing a full-scheme agreement which will provide certainty to the 140,000 people with disability in New South Wales and a commitment from New South Wales to escalate its contributions by four per cent per annum. We're also working hard to ensure the funds within the scheme are well spent.

The NDIA has implemented fraud control arrangements consistent with the Commonwealth government regulatory guidelines. The NDIS Quality and Safeguards Commission is being established to ensure safe and quality services are provided to people with disability. The commission will commence operation in New South Wales and South Australia from 1 July this year.

Notwithstanding achievements to date, there is much work to do. The NDIS was not designed to replace existing mainstream services such as health and education services that everyone, including people with disability, access. That's why we're working with the state and territory governments as a priority to resolve any doubt about responsibilities so that people with a disability do not miss out on these important mainstream services.

We're also working to ensure the gateway to the NDIS is fair and consistent. Access is based on a person's functional impairment, not their condition or diagnosis. As such, no condition is automatically excluded from the NDIS, be it cystic fibrosis or any other condition. Any person who is eligible for the NDIS will receive the reasonable and necessary supports they need. We will continue to work with all stakeholders to improve the assessment of participants so that eligible people get the support from the scheme they need.

The insurance approach takes a long-term view of people's care and support needs. It ensures that they get the right support early rather than waiting until they reach crisis point to get help. This means that when a person becomes an NDIS participant they will receive a plan which funds reasonable and necessary supports that assist them in their daily living as well as funding to support them to increase their capability and, where possible, independence. As participants reach their goals, increase their independence and participation in the community, people may no longer need the same level of NDIS supports. In this sense, reduced funding could indicate the support to date has allowed them to become more self-sufficient.

We're also working hard to improve the pathways into the scheme. The NDIA has an increasing number of people working on access and plan decisions and plan approvals. It has reviewed participant and provider pathways into the scheme and is piloting a new approach that takes account of individual needs.

This world-leading reform also requires that we pay attention to the evolving market of providers and the workforce required to support people with disability. The number of registered NDIS providers is increasing rapidly, by 16 per cent in the last quarter alone. As of 18 March, a total of 14,271 service providers are now available nationwide, some have registered in areas where NDIS is yet to be rolled out. The government has announced a new Jobs and Market Fund in the budget. An investment of \$64 million in the fund and broader communication activity will help to address current barriers for business and individuals entering or expanding on the disability market. We will continue to work hard on the NDIS, delivering for participants, building a vibrant and viable provider market and protecting the long-term financial sustainability of the scheme itself.

CHAIR: Mr De Luca, the incorrect information that was released on autism obviously caused a lot of concern in the community. Could you talk us through how that happened and how it's not going to happen again?

Mr De Luca: Firstly, I think it's important to know that any person with autism who's eligible into the scheme will continue to receive what's reasonable and necessary. We

uploaded our operational guidelines on 15 May. Those guidelines were put in place a number of years ago to help our staff understand the steps in the process, but also to make them transparent to the sector and participants, families, carers and providers. The upgrade for this one was supposed to be about reflecting Western Australia coming into the scheme, and the updates to reflect that. What we have found in reviewing how the issue happened is that there wasn't appropriate oversight of the changes—there were a number of changes made to the guidelines that were incorrect. There wasn't an appropriate approval process in the agency to make sure that it actually goes through with the correct approval, and there wasn't appropriate change management. We have conducted an investigation to look at that and make sure it doesn't happen in the future. That's in terms of the issue.

In terms of autism itself, there has been work going on since the Productivity Commission made recommendations about the continuation of the evolution of eligibility and understanding eligibility and how we use our operational guidelines. We've been doing some work on that. We've also been working with Autism CRC on a number of things, in terms of developing national guidelines for autism diagnosis—that's really for clinicians, and making sure that's consistent in terms of their diagnostic—as well as understanding which of the interventions that work best, from a therapy perspective, to deliver positive outcomes.

Finally, obviously we regret the issue happened. As soon as we became aware of it, we removed it and put back the old guidelines, ensuring that we have robust changes going forward, before any changes are made to guidelines going forward, and we will continue to work with the sector, ensuring that if any changes are made they are appropriate.

CHAIR: Great. Are you confident that the processes that are in place now to ensure, at least as much as is humanly possible, that things like that won't happen again?

Mr De Luca: Yes. I'm confident that we have developed a much more rigid and structured change management process to any changes going forward, so that we can mitigate those happening. Unfortunately, sometimes manual errors happen—but ensuring that there is enough oversight before changes are made.

CHAIR: Great. Thank you very much.

Senator CAROL BROWN: I want to stay on that issue for a moment and seek some clarification on what you've just said. Who was responsible for posting the incorrect guideline? Was it posted on—I think you said 15 May? I thought it was posted on Monday, 14 May.

Mr De Luca: Just to talk you through the process we use within the agency. The first is that there is a team in our technical advisory team who are responsible for maintaining our operational guidelines. They're responsible for reviewing any changes that need to happen, based either on evidence or circumstances that change with the scheme, in this case Western Australia coming into the scheme. We needed to update the guidelines with respect to that. The second is in terms of how we upload it. That goes through to our communications team, who then use the Department of Human Services to upload it into our system. When you say that it happened on the evening of 14 May, that's correct. It goes up on the evening usually before it is available from the start of the next day. Then, in this case, as soon as we became aware of it on the morning of the 15th we went through the same process to have it removed by the end of the day on the 15th.

CHAIR: Excuse me. The media is already taking photos. Is that okay by the officials? No objections from senators? Senator Brown, please continue.

Senator CAROL BROWN: Which part of your organisation is responsible for putting up these posts?

Mr De Luca: As I covered off, firstly there is a team that's responsible within Mr Francis's area, which is called the technical advisory team. Their role is to manage and maintain the operational guidelines, because those operational guidelines are used for our access staff and our planning staff who sit within Mr Francis's division, first and foremost. From a change management process, though, when the guidelines are made, any changes made to them are uploaded onto our website. Our communications team in Ms Rundle's area is responsible for any communication of the content that goes on our website and our portal.

Senator CAROL BROWN: Mr Francis, you put up the changed guideline because you were given approval to do so?

Mr Francis: I was given a briefing—the briefing attached to the actual guideline material. Unfortunately, since this didn't contain any information pertaining to the material changes that were in there—so, that was with me. Whilst I was the person who signed off on that I rely on that briefing and the briefing did not alert me to any changes of that magnitude in there.

Senator CAROL BROWN: It's a simple question. Were you given approval to put up those guidelines?

Mr Francis: Approval to put up those guidelines?

Senator CAROL BROWN: Yes.

Mr Francis: I was given a briefing to sign off on changes that I believed to be in there. As far as approval to put them up, I didn't have approval. I wasn't aware there was an approval I had to get to put those up. I was signing off on the content of what was in there—

Senator CAROL BROWN: It's your organisation. So you're saying that what you put up on the website doesn't need approval.

Mr Francis: No, I'm saying it does need approval. That's why it came to me in the first instance and that's why I signed off on what was provided to me. As I pointed out before, I was not aware of the material change that was in there that is at issue.

Senator WATT: You effectively gave the approval for it to be uploaded by signing off that brief?

Mr Francis: I effectively did.

Senator WATT: Did it go to anyone more senior than you after you?

Mr Francis: After me?

Senator WATT: Did it go to Mr De Luca, or are you the final sign-off point?

Mr Francis: In this particular instance, I was, yes.

Senator WATT: Okay. So the brief came up, didn't mention anything about these changes, which were contained in the attachment?

Mr Francis: That's right.

Senator WATT: You clearly didn't have a look at the attachment?

Mr Francis: I did look at the attachment. It's an 84-page-long attachment and it had some tracked changes in there and it wasn't within the tracked changes that I could see—and wasn't looking for it, I should say—

Senator WATT: Sure—

Mr Francis: because it wasn't—

Senator WATT: You approved the brief, including the attachment. That gave approval for it to be uploaded. It then went to Ms Rundle's part of the department for the actual uploading process?

Mr Francis: That's correct.

Senator CAROL BROWN: What changes were made in that incorrect organisational guideline that was published on your website?

Mr De Luca: A number of changes were made. The first one, which was moving a certain level of autism on list A and moving it to list B. There were correct changes that I alluded to, which was the inclusion of WA defined program being included into the operational guidelines.

Senator CAROL BROWN: I'll come back to that issue, but I do want to go to an issue that is running in the media today. It's running on the ABC. It's headed:

NDIS delays 'hastened' death of disabled son, Tasmanian family says.

Are you aware of the media around that?

Mr De Luca: Yes. And I'm sorry for the loss of the family.

Senator CAROL BROWN: The family is indicating that they were waiting for assisted technology. Is that correct?

Mr De Luca: Yes. Ms Rundle might know the details.

Ms Rundle: We've been working really closely with the family. The family had a plan approved in March for the person in question. The assistive technology was ordered and was being awaited. Unfortunately, the participant was gravely ill and the piece of assistive technology wasn't able to arrive in time. There were a number of people involved in the participant's care and wellbeing, including other health services; not just the NDIA. We worked quite closely with the family. I'm very sorry that the family had that experience.

Senator CAROL BROWN: Did the family write to the NDIS about their concerns regarding the delays?

Ms Rundle: I'm not aware that they did. I'm not saying that they didn't, either. We would need to check that for you.

Ms Campbell: Senator, this is a very sad case. The NDIA are working through these issues. Sometimes there'll be information that we haven't had access to, and that's what they're working through at the moment. I'm always very concerned about personal information about individual cases being too broadly discussed, because we don't want to disclose people's personal information. I think what we're looking to see is whether there are broader systemic issues that we can address, and I know that the agency is looking into this case quite carefully.

Senator CAROL BROWN: The family themselves have gone to the media and—

CHAIR: Senator Brown, that doesn't mean that the officials—

Senator CAROL BROWN: You don't even know what I'm saying, Chair. They are saying that her family has suffered an extreme failing and gross neglect by the NDIS. Now, you would be concerned about that view?

Ms Campbell: Senator, we are very concerned about that view.

Senator CAROL BROWN: Okay.

Ms Campbell: Sadly, my experience is—even when the family goes and puts material on the public record—that if the agency has other material we need to work through that in a sensitive way. Rather than putting it on the public record immediately, it's often best to be able to do a full review of the material. I find that in these cases where there's been a sad loss of life it's not always helpful to do 'one party says one, one party says the other' in a public domain.

Senator CAROL BROWN: You will be investigating what's gone on here.

Ms Campbell: The NDIA is looking into the case to see what actually happened and what occurred, and they will be no doubt dealing with the family as well.

Senator CAROL BROWN: You'll be contacting the family?

Mr De Luca: Yes.

Senator WATT: Has that happened yet?

Mr De Luca: No. Well, I haven't at this stage, Senator. Obviously, I only read about it this morning.

Senator WATT: You only became aware of this this morning when you heard about it in the media?

Mr De Luca: Yes.

Senator WATT: What about—

Ms Rundle: I became aware of it last night. I might add that it's very possible that our local Tasmanian office has contacted the family, but we'll check that as well.

Senator CAROL BROWN: According to the information I have—just to assist you in your investigation into this very tragic situation—on 8 March the family wrote to the NDIS and the minister for disability services. They had a number of concerns, but they also talked about the need for vital equipment.

Ms Campbell: Thank you, Senator. If we could get that information that would be useful; particularly whether it was a state minister or a federal minister.

Senator STEELE-JOHN: A federal minister.

Senator CAROL BROWN: Let's talk about what the assistive technology process is, because this family ended up having to have a bed provided by the hospital, and that's exactly what isn't supposed to happen. Do you acknowledge that the assistive technology process is simply too hard and too slow for families?

Mr De Luca: The overall system and process between the agency in getting quotes and getting quotes approved and then, basically, for providers and support coordinators to deliver the services and supports to participants needs to be improved significantly. We've been—

Senator WATT: So, it is too slow at the moment?

Mr De Luca: Yes. We've been doing some work around assistive technology. We did a pilot in New South Wales recently to look at how we could streamline what we call level 1 and level 2 category assistive technology and home modifications without the need for three quotes. The policy to date has been getting three quotes for different types of products and services. We've been looking at streamlining that through New South Wales. That's been very effective. It will now be put in place across the whole country in the month of May. That means, basically, that there are no quotes required for operational therapists and others for assistive technology up to \$1,500, which represents about 45 per cent of the demand for assistive technology and home modifications. That's a streamlined process which is beneficial for everybody. The second part of it is for levels 3 and above and above \$1,500. We're doing some work on developing a pricing tool that allows participants in their planning process to get the right amount into their package during the preplanning phase before the plan is approved. It then allows them to order the products as quickly as possible. Obviously, the delivery of the assistive technology and the home modification will depend on the specialisation of those products and the availability of those, but that is choice and control for participants.

Senator CAROL BROWN: Beyond the agency, people are actually getting a line item in their plans. What does the agency do in terms of making sure that they've got the equipment that they need?

Mr De Luca: At a simplistic level, the process should be, when you're having preplanning and planning conversations once somebody's made eligible for the scheme, to understand what their goals, objectives and needs are. If, within that, they need assistive technology, capital supports or home modifications, there are line items within the capital element of the plan. To date, during that process they would have a support coordinator who would work with them to identify the providers available to provide those products for them. The process is depending on the level of the sophistication and specialisation of that product, whether it's level 1, 2 or 3, and the dollar side. We're now saying that for anything under \$1,500 and level 1 and 2, you don't need to get quotes; you can go straight into purchasing. The role depends a little bit on how the participant manages their plan. If they're self-managing it, they will go and find the product themselves, either through registered providers or other services. If they are plan managed or agency managed, a support coordinator or plan manager would assist them in identifying where they can get those products for them.

Senator CAROL BROWN: So, they identify somewhere, but there's no follow-up to it to see whether they've actually been able to access the equipment?

Mr De Luca: In many cases, either the local area coordinator or the planner is having dialogue with their support coordinator or others.

Senator CAROL BROWN: Does the agency take responsibility for making sure that people are actually getting the right support? How do you check?

Mr De Luca: The quality of the support in terms of the provider support?

Senator CAROL BROWN: Yes. People have a plan, but do you have any checks and balances to make sure that people are getting the right support?

Senator WATT: Apart from just putting it in a plan.

Mr De Luca: Are you saying support from the provider in terms of the services—is that the question.

Senator CAROL BROWN: The question is: once there's a plan in place, is there any responsibility from the agency for making sure that people are actually getting the right supports? They've got a plan approved, but, other than going through a review, is there some responsibility for the agency to make sure that the plan that's been approved provides the support that's actually needed—not wanted, but needed?

Mr Francis: Two things may add something for you. Often in the provision of these types of supports the service will not only include the provision of whatever that piece of assistive technology is; it will also include the follow-up to ensure that the assistive technology is doing as it could or should. The second part that I would add is that part of the service provided through the local area coordinators is follow-up on plan implementation. If that type of assistive technology were part of what was included in someone's plan, there would be awareness that it was there and part of the plan implementation follow-up would be following up with the participant about the extent to which that assistive technology is doing its job.

Senator CAROL BROWN: There are many people out there like this young man. Given the underutilisation rates are so high, do you have a system that can track the underutilisation?

Mr De Luca: Firstly, our experience to date is that, over time, the longer that people are in the scheme, the utilisation levels typically go up. There is obviously a change management element to a new scheme where you've moved from block funding arrangements to choice and control. Different people within the scheme deal with that in different ways. As Mr Francis alluded to, our expectation is that our local area coordinator's role, once the plans are in place, is to support the participants with the implementation of their plans to be successful. We're doing some work at the moment around our market enablement framework, which is to monitor the market and get a good sense of why utilisation levels are low in certain parts across the country. In part, is that because there aren't enough supports and services? Many would refer to that as thin markets. In part, is it because the implementation of the planning isn't as mature as it needs to be? Therefore, what can local area coordinators do to support that?

Senator CAROL BROWN: My question was simply: do you have a system that tracks the utilisation of the plan?

Mr De Luca: Yes.

Senator CAROL BROWN: As you know, there's high underutilisation.

Mr De Luca: Yes, we do, and we report on that in the quarterly report.

Senator WATT: How exactly do you monitor that?

Mr De Luca: We monitor that through basically a system, our CRM system, which allocates the plan and committed supports to individuals within the scheme, and then, basically through the payment system, the services that have been booked and paid for. You can then see what the utilisation is either at the overall plan or at the line items.

Ms Rundle: That is undertaken for us by our scheme actuary, and it's one thing that management and the board keep a close eye on.

Senator CAROL BROWN: What do you do at the individual level? What do you do when you see a plan isn't being utilised? What do you do at the individual level?

Mr De Luca: The expectation is that the local area coordinators work with—

Senator CAROL BROWN: So you tell them?

Mr De Luca: Part of the agreements with the local area coordinators, our partners in the community, is to work with participants, family members, carers and support coordinators about implementation of the plan.

Senator CAROL BROWN: You particularly go back to them and ask why a plan isn't being utilised?

Mr De Luca: That's part of the relationship that they have with participants, carers, family members, support coordinators.

Senator CAROL BROWN: I'm asking what you do. I'm trying to get an understanding of what the system is to make sure that a plan is being utilised. The point is that we have to make sure that people aren't missing out on what they need. It can't be just the job of the LACs. Is that what you're telling me: it's just the local area coordinator?

Ms Rundle: This might be helpful. As Mr De Luca has described, the LAC, the local area coordinator, has a key role right through the planning process, from pre-planning right through to an ongoing relationship with a participant, their families and their carers on a fairly regular basis. Our expectation is that they would work closely with them to connect them up. The second point is that the support coordinators who also work with people with more complex needs do the same thing for us.

I understand what you're saying. You're saying: 'At an individual, level do we monitor by individual the plan utilisation of that individual?' I think it's fair to say that at the moment—we'd need to find out for you just the level of detail that we can get from the scheme actuary—the key thing here is that in the participant pathway work we did with participants last year—and it's been ongoing—one of the points that we did find was that there was a delay between participants receiving their plan and implementing their plan, and there needed to be more activation of support in the plan. That is one of the things that the new participant pathway work is now doing. I think we'll find that, over time, possibly, we'll see that utilisation change, but there will always be a lag. And we found this during trial—for the first three years of trial—we found that in Barwon and Hunter, et cetera. If you look at our quarterly reports for those areas, you can see that, each year, the utilisation of those plans was lower, and it started to get higher, because people begin to develop confidence about how they're utilising their plan and what more they might be able to buy, and they start making connections with other providers.

Senator CAROL BROWN: You're saying that at your level you do not have a system to make sure that, on a case-by-case basis, people aren't missing out on what they need, and that they're not utilising their plan? That's a matter for the LACs? That's what you're telling me?

Ms Rundle: The LACs are in a way like our own staff—

Senator CAROL BROWN: I'm just asking: is that what you're telling me?

Ms Rundle: Yes, we're saying that we actually pay, through contractual arrangements. We expect the same level of service—

Senator CAROL BROWN: What are you saying to LACs? Do they report back to you to say, 'This number of people are not utilising their plan?' Do they report back, or is it wholly and solely just a matter for the LACs?

Mr De Luca: First and foremost, it's important to recognise that the scheme is built around choice and controls. We develop plans for participants that are appropriate to support the goals and objectives for them. The utilisation level reflects a number of factors. In some cases, it may be the experience and maturity of them utilising the plan. In part, it may be whether those services exist in certain areas. Many factors come into it. Our focus really is to make sure that we get the quality of plans right, the right amounts within those plans to help them achieve their goals and objectives, and then provide the right support around them with support coordination—local area coordinators—to help them utilise their plans.

Ms Rundle: I wonder if it would be helpful if the agency were able to talk, in a bit more detail, about the role the LACs and support coordinators play. Would that be more helpful?

Senator WATT: In the interests of time, I think we really want to hone in on the role of the LACs. You've got your CRM system, which is the high-level monitoring of the plans being delivered, but you really rely on the local area coordinators. And they're employees of the NDIA?

Mr De Luca: Local area—

Senator WATT: No. Okay, they're not. But they're the people who you engage.

Mr De Luca: Yes.

Senator WATT: But you really rely on them to deliver the plans, to ensure that the plans are delivered.

Mr De Luca: In many cases, and also, as Ms Rundle alluded to, within many of the plans, participants would be given support coordination funds. So they may have a support coordinator to assist them to find those services and supports. But, yes, in most parts, the local area coordinator works with the participant's family and carers in implementation of the plan.

Senator WATT: Who is monitoring and really pushing the local area coordinators and the support coordinators—whatever the other phrase was—to make sure that the recipients are actually getting what's in their plan, especially in this field of assistive technology?

Mr Francis: There are probably two elements to answering that question. The first is that we have a Partners in the Community branch who are responsible for maintaining the relationships and contract management, and monitoring the performance of those respective partners and the services that they provide. So there will be KPIs within those contracts or agreements that we have with those particular partners in the community—as well as outlining what is required of them. In terms of the specifics that are actually within that, and whether it actually covers off on follow-up as it specifically relates to plan utilisation, I don't know the answer to that. I'd have to take it on notice and come back to you—ideally, after the break.

Senator WATT: But, if this system is so perfect—you've got the NDIA here, LACs here, support people here, contracts, KPIs—why is this happening?

Ms Campbell: Senator, I don't think we've ever claimed the system's perfect. In fact, I think the agency has, on many occasions, said that we are working to roll this system out and, as we go, we will discover areas where we can improve interfaces and engagements.

Senator WATT: So what's the biggest change in your view that needs to be made to this system of accountability to stop these kind of things happening?

Mr De Luca: Firstly, I'd say that the big challenge we've got—and that we need to continue to work on—the biggest area of focus, is to make sure we get the quality of plans right. In many cases, it actually could be because the plan is not correct.

Senator CAROL BROWN: You might have a quality plan, but if it isn't being delivered—that's the point. It seems like a very hands-off approach. There seems to be a bit of a disconnect about a person having a plan and then the plan not actually delivering what they need.

Mr Francis: Could I just add something there. The area that is looking at the reviewing of our planning process goes beyond—when Mr De Luca talks about the quality of the plan, we talk about the quality of the planning process. There's a lot of emphasis place on the interactions that occur to make sure that there is a good understanding of what implementing the plan looks like, and could and should look like, for the participant. That's where it is identified whether support coordination even comes into the conversation or not. If it seems as though the person will have difficulty with implementation, the option to bring in support coordinators to assist people in that process is important.

Senator CAROL BROWN: Okay. I just want to confirm—

CHAIR: Senator Steele-John, you have the call.

Senator Carol Brown interjecting—

CHAIR: You had a very good run, Senator Brown.

Senator Watt interjecting—

CHAIR: Senator Watt, order!

Senator CAROL BROWN: It's just a yes or no.

Senator WATT: The NDIA doesn't actively manage these cases individually; it's left to other people to do that?

Mr Francis: We pay for LAC support to help with the implementation of the plans. That's part of what occurs, yes.

Senator WATT: Rather than it being done by the NDIA?

CHAIR: Senator Steele-John, you have the call. Ms Campbell, can we get some order back in the committee? Senator Steele-John.

Senator STEELE-JOHN: Thank you, Chair. A man is dead. A family is grieving the loss of a son. I have had the opportunity to read the correspondence sent to me by the Rubenachs, and to read the correspondence that they sent to the minister, outlining the prolonged crisis that their family was experiencing. It was not just around the provision of assistive equipment, but also around the lack of support worker hours allocated within their plan. Regardless of the varying contextual factors around that case, you could not have written a more obvious cry for help if they had written 'Help me!' in the letters that they sent us and the letters that they sent

the NDIA, and the letters that they sent the minister. I would imagine—not wanting to speak on their behalf, but speaking very frankly—that they would not give a shit whether anybody in this room was particularly sorry about the death of their son. They would want to know that the agency owns the failure that is represented in the death of their son, as does the government who currently presides over it.

Now, disabled folk in this country have been dying at the hands of poorly delivered services for hundreds of years. It's nothing new. The point of the NDIS was for this not to happen anymore. And the fact that it has occurred to a participant within the scheme is a failure of this government and this scheme. What I would like to hear from you, Mr De Luca, is that you acknowledge not only that you are sorry but that there are multiple elements of failure here that you are proactively looking into rectifying. I do not want to be sitting here in three and six and 12 months time talking about another death and another death and another death because we couldn't get a hospital bed to a man in time. The Launceston General Hospital had to lend him the appropriate facilities after months of attempting to get that equipment. If your offices in Tasmania are not able to read his parents' correspondence and realise that there was emergency action that needed to be taken, then I don't know what you want people to do to display that to you. So will you please acknowledge, in very clear, unbureaucratic terms, that you have in some way failed this mother and father and son?

Mr De Luca: Firstly, from my perspective, all I can say is that we're taking the actions that can be taken to address the things that we can control. In this situation, as Ms Rundle alluded to, the plan was put in place in early March. We need to make significant progress in our ability to streamline processes so that people, in situations where they need things urgently, get what they need urgently. You have my complete commitment to that. We've established the maintaining of critical supports and an approach with each of the states and territories where there are individual situations that require urgent attention. The states and territories, other service departments and areas and the NDIA need to get together where there is overlap between ourselves and other mainstream areas. First and foremost, the principle is to provide the supports necessary for the participants in the scheme. Second of all is to work out who needs to pay for it.

Senator STEELE-JOHN: Yes, I understand all of that. But you can summarise that by saying, 'I recognise that the death of this man is, in some way, as a result of failure on our part.'

Mr De Luca: No.

Ms Campbell: I think that's a very difficult thing to ask Mr De Luca to acknowledge at this stage. I accept that this is a very tragic circumstance but I don't think we are in a position to attribute blame for the death totally to the NDIA.

Senator STEELE-JOHN: I wasn't asking you to attribute it totally. I was asking you to acknowledge that there have been multiple failures in this process.

Ms Campbell: I think Mr De Luca has spoken about the fact that, in the rollout, there have been some issues with this case—

Senator STEELE-JOHN: Failures.

Ms Campbell: Failures. Mr De Luca has identified that there have been times when the materials have not been provided. But I think we need to be very careful around this very sad circumstance in attributing total blame for this outcome.

Senator STEELE-JOHN: We will move on. I want to return to the issue of the inclusion and exclusion of ASD level 2 within the eligibility criteria. As was touched on a little earlier, what appeared to be new guidelines on eligibility criteria were published on your website on 13 May, I believe it was, listing only ASD level 3 under list A. You will be aware, Mr De Luca, that this caused an extraordinary level of frustration and concern within the relevant community. As a result of that, on 18 May the agency published a statement in which it said: Earlier this week an incorrect document was uploaded to the NDIS website. We rectified this error as soon as we became aware of it.

You've gone some way to explaining the bureaucratic process that precipitated that document to be uploaded. But I want to ask you very, very clearly whether there are any plans currently underway, or envisaged within the agency, to in any way modify the inclusion of level 2 ASD within list A of the eligibility criteria?

Mr De Luca: As I alluded to earlier, and as you would be aware, there were recommendations from the Productivity Commission in terms of us needing to look constantly at list A, list B and the guidelines that we use for eligibility. We're continuing to do work on that. At this stage, I can't categorically say whether there will be any changes. If there were to be any changes made to the operational guidelines, we would do it in a manner where we would consult with the sector and based on evidence—

Senator STEELE-JOHN: I didn't ask you 'if'; I asked you whether there was. Are there currently any plans underway to modify the inclusion of level 2 ASD within list A of the eligibility criteria?

Mr De Luca: As I said earlier, there is work going on within the agency following the PC's recommendation. We continue to do work—

Senator STEELE-JOHN: Are you aware of the CRC research?

Mr De Luca: No. That's part of it.

Senator STEELE-JOHN: Because they have made very clear that their research is in no way related—

Mr De Luca: That's right.

Senator STEELE-JOHN: and should in no way be connected to eligibility criteria.

Mr De Luca: That's correct. As I said, that's part of the work that we're doing around autism. There's ongoing work that's always going on around making sure that we've got the right evidence around eligibility and what sits in our operational guidelines to make sure we make the right decisions on who is eligible for the scheme.

Mr Lye: There is work going on around bringing people into the scheme fairly and making sure that we get consistency. There is obviously an issue in some areas where people would be concerned that two people in like circumstances don't get the same assessment into the scheme. There is work going on to try and make sure that that is fair. But there is no work going on that represents a reconsideration of who is eligible and not eligible for the scheme. We're not contracting eligibility for the scheme. I think that's a really important point to make.

Obviously there's some concern in the community that somebody is making a judgement that we need to tighten eligibility. That is not part of anyone's contemplation. What is happening is we are trying make sure that people's entry to the scheme is fair. The minister has written to autism stakeholders—

Senator STEELE-JOHN: I'm aware of what the minister has written, Mr Lye.

Mr Lye: He's been very clear:

I can assure you that no change will be made to the NDIA's operational guidelines, including List A, unless those changes are informed by research, evidence and extensive consultation with stakeholders in the community.

That's an absolute guarantee from him.

Senator STEELE-JOHN: I'm familiar with that letter, and we will get to the implementation of that aspiration in a second. Back to you, Mr De Luca. I can only take from your statement that a change of this nature is in some way under consideration, which is extraordinarily concerning.

Ms Campbell: Mr Lye's just indicated the minister's position on this, and the minister is ultimately responsible for this scheme.

Senator WATT: Mr De Luca, can you guarantee that autism level 2 will not be removed from list A?

Mr De Luca: I cannot guarantee that.

Senator STEELE-JOHN: You cannot guarantee that autism level 2 will not be removed from list A?

Ms Campbell: Can I just clarify again: the minister is ultimately responsible for the National Disability Insurance Scheme—

Senator STEELE-JOHN: I understand that.

Ms Campbell: and Mr Lye has just articulated what the minister has said. That is the government's position.

Senator STEELE-JOHN: Okay, fair enough. Let us move on to a recent example of what that consultation process looks like. On 23 May the access guidelines for the NDIA were updated, requiring that medical reports be provided from professionals who have known a person with a disability for over a period of six months. I can show you a copy of what that tweet looked like when the NDIA sent it out on 23 May. I would like to know exactly how much consultation went into that decision-making process.

Ms Rundle: I'm happy to answer that question. Just a couple of points up-front: I believe that that clarification was put onto the website earlier than 23 May. But I think you're right: it was on the 23rd, if that was a Saturday, that it was tweeted or noticed on Grassroots, I think, by a participant. One of the things that it sought to do was to try and clarify the guidelines. We've since said publicly that none of those have changed. It said it would be preferable if a medical report or another report from a health professional were provided by a person that had had contact and was known to the participant for six months, but it was a guide only. It's probably better practice, but it is not absolutely mandatory.

I want to go to the point you're making, because we all absolutely agree that we need to do something different when we make changes that we would have once thought to be routine

clarification changes, which we believed it was in this case. I think we've underestimated the impact that it has when we put things up on the website and don't adequately describe that nothing has changed and we are simply trying to clarify better for participants. Secondly, we also realised that when we do things like this, we should work earlier with stakeholders and let them know—including key autism stakeholders in this case—so that we could get them to help us communicate as well to their particular constituency and work more closely with them. We absolutely acknowledge that.

Since this last couple of weeks—and we've come to the realisation that our processes need to be a lot better—we'd already met with stakeholders. Mr De Luca and I had met with autism stakeholders a couple of weeks ago. We've now committed to setting up an ongoing commitment with stakeholders. We've written to them and we're going to be setting up our first engagement soon. We will work very closely with them and Autism CRC. In working with the experts in autism, we'll also try to make sure that we have a wider engagement mechanism with participants with autism. I'm acknowledging the point that you're making.

Senator STEELE-JOHN: My question was: what consultation had gone into this clarification? Are you suggesting to me that this is a clarification of a pre-existing practice?

Ms Rundle: I am. It actually is, but I acknowledge to you that, when I looked at both the old and the new, they look different. I can understand why, without adequate explanation, people would think they were different.

Senator STEELE-JOHN: Taking you to the exact wording that you updated in the document:

- have treated you for a significant period of time (e.g. ... six months).

That suggested that 'a significant period of time' is an extraordinarily vague proposition. It could be up to six months, it could be less than six months, it could be six months exactly. This gives no clarity as to how long somebody should have been seeing a doctor.

Ms Rundle: I'm not disagreeing with you. I agree with you that, if we had worked more closely with stakeholders in developing the message and explaining what we were trying to do, and had people help us word that in a way that would be more understandable for people with autism, we would have had a better message on that website. Our commitment is that we'll do that going forward.

CHAIR: Could we have a very brief update on how the transition is going in Western Australia?

Mr De Luca: I might kick off, then Mr Francis can provide an update. We're in a transfer period between 1 April and 30 June. It's a period where we're looking at a number of participants that went through the WA NDIS scheme before there was an agreement for Western Australia to come through. That is allowing us to test processes and systems of how to migrate those packages and plans into our systems. During the same period we've been scaling up our resourcing to support participants in the scheme. We've also been looking at where our physical locations need to be across the state so that we can have the centres in the right areas where it is expected the participants will come into the scheme. We're also embarking shortly on some work around regional and remote areas in both Western Australia and the Northern Territory to look at what the right pricing mechanisms need to be for provision of services and supports. At the point in time when the agency had McKinsey

undertake the independent pricing review, Western Australia hadn't agreed to come into the scheme and so was excluded from that piece of work. We've recognised that the pricing recommendations within there don't fairly take in a good enough understanding of remote areas in thin markets, and so over the first quarter of next financial year, July to September, we'll be doing some cost base analysis with providers in regional and remote areas of Western Australia and the Northern Territory and make sure we have that right.

Mr Francis: With respect to the specifics of the actual commencement, at least from the full rollout from 1 July, the regions we'll go be going into to begin with are the Wheatbelt and Central South Metro regions. We're well placed to transfer the relevant persons across to the NDIS at that particular time: 1,500 participants have already met scheme access eligibility requirements for that transfer period.

CHAIR: I can't remember if it's called Goldfields, but, we have heard some concerns from the region centred on Kalgoorlie about both pricing and the availability of services, particularly in those remote communities to the north of Kalgoorlie. Is there any ongoing communication in respect of that transition? I assume there would be some similar issues in the north of Western Australia.

Mr Francis: I'm happy to start there. I don't have the details with respect to that specific region, and Mr De Luca may have more, but I know we've put significant effort into what I'd call information consultation and general engagement with the community in WA in particular, because it is a unique scenario where there are three different systems effectively operating at one time at the moment that are all going to be converging into one. A lot of effort has been put into engagement with the community. I'll check the numbers, but something in the order of 1,600 people have attended sessions that we've been running in recent times.

Mr De Luca: The only thing I'd add is that there are some anomalies in the way geography has been broken up within Western Australia. Some regional areas are classified as metropolitan, which needs to be addressed. That is being actively looked at. As I said earlier, we also need to do some further work to understand the provision of supports and services in the regional areas and how we address any challenges there. Finally, we're doing some work with participants and providers in the sector to establish an advisory group in Western Australia to help us during the transition period, given the unique circumstances over there. That's not too dissimilar to what we've done in some other regions.

CHAIR: Do you have an assessment of the adequacy of the market for available service providers for that Kalgoorlie/Goldfields region?

Mr De Luca: I don't have a clear enough view. As I alluded to earlier, we've been doing some work which we're about to release shortly: our market-enablement framework; our ability to monitor the country region by region to get a sense of the number of providers, registered or unregistered, of services for people with disability, and give us a better insight early enough around where some of the challenges may lie and what intervention strategies we need to take. The other positive thing we've recently announced and upgraded is our provider finder tool. It allows participants to now search in certain geographies for providers of services and supports. It helps participants, support coordinators, family members and carers to get a sense of what that looks like in each market. We're making further enhancements to that in the coming months.

CHAIR: The provider list will constantly change, but if we're talking about the point in time when a region comes onto the full scheme, would you expect everyone in that Goldfields region who was going to be a provider to be signed on by now, or are they still in the process of registering?

Mr De Luca: Our experience to date is that it's progressive. Some providers register very early, knowing that the scheme is going to be transitioning and rolling out in a certain area. They might be setting up operations in cross-border or wherever it may be. Others will wait and see to get a sense of what the demand is. Our focus needs to be to provide greater data to the sector and the market to say where in the region the participants are generally going to be so they understand where the opportunities are for them, but our experience to date is that some providers prepare themselves, register and set up very early, and some take longer to register.

CHAIR: At what point do you start saying: 'Wait a sec, there aren't enough providers in this geographical location. Either we need to go out and encourage more people to come into the system or we need to think about another approach'?

Mr De Luca: It's based, in part, on where the demand is—participants raising it. Part of it is the participants and our own view of the world which says there isn't enough, because we're hearing there aren't enough services of a certain support in a certain area. That may be for historical reasons; particularly in regional or remote areas, this has been a challenge for many years. I was up in the Northern Territory last week, speaking to a number of people. It's been a challenge for years and years. Do you actually take the provision of services to people, or do you bring the people to the provision of services? It depends on the circumstances. We have a market stewardship role, and part of that is to monitor the market to see where the challenges are in terms of thin markets. Part of it is our pricing role that we do, which is to try and incentivise, from a pricing perspective, either for continuity of services or to encourage providers to come into the market. I'd say there is more maturity in the way we operate and understand that, and we can play a more active role.

CHAIR: Are you fully rolled out in any truly remote areas of Australia?

Mr De Luca: Not in very, very remote areas. We have New South Wales coming towards the end of transition at 30 June. As a state, it doesn't have the same regional or remote challenges of Western Australia and Northern Territory. In terms of Northern Territory, Western Australia, Queensland and South Australia, we're still working through those; they're not fully transitioned yet.

CHAIR: Senator Siewert, did you have a follow-up question?

Senator SIEWERT: When do you start considering provider of last resort?

Mr De Luca: We recently presented a paper to the Disability Reform Council on what we've termed maintaining critical supports, and that is trying to look at it a little more holistically than just purely the provider of last resort; it tries to tackle a number of issues. The first, which related to the issue we were talking about earlier, is where there might be a crisis for an individual coming out of the justice system or a very complex case where there aren't providers prepared to step in. In those circumstances, between ourselves and the states and territories, we create a panel of providers and specialist support coordinators to help. That's the first thing.

The second is evolving our thinking on a panel of providers across the country in different locations—say, in a very remote area of northern Western Australia. In those areas, if there isn't a service, who could it be? We have a fine balance of trying to stick to the philosophy of choice and control, but at the end of the day, if there is no choice, we need to have somebody. We're evolving our work and we've been doing work with places like New South Wales and South Australia, who are going first around that. But part of the regional and remote piece of work that we need to do between July and September in Western Australia is to help inform us of what that's going to look like. We don't have an answer in all cases.

Senator SIEWERT: Supplementary to that—I know it's not my turn—there's a subsection of that process of providing critical supports. It's very different in remote areas. There are other terms for what I've been calling provider of last resort, which is where you have somebody like Ms Z, which was very complex. Providing the most basic services in remote communities can be difficult. Is that part of what you're talking about with that July to September process?

Mr De Luca: Yes. Our markets team are doing some testing with the NDIS and some other providers which will look at certain regional and remote areas. There'll be different circumstances, as you know, Senator, living in Western Australia. Some regional and remote areas have infrastructure, but some don't have any infrastructure. We need to understand what happens today, what works and what doesn't work, to help inform us of what are the right strategies in those situations.

Senator SIEWERT: Supplementary to the supplementary, when you were talking about service providers you mentioned NDIS and other providers. One of the key players here is the ACCHOs in those remote communities.

Mr De Luca: Yes, that's right.

Senator SIEWERT: I presume you are engaging them—are you engaging them in this discussion?

Mr De Luca: Yes, and Mr Francis met with them recently.

Mr Francis: On Thursday last week, Mr Lye and myself were meeting with a group of various different ACCHOSs at the NACCHO office here in Canberra, looking at ways in which we can think more laterally about ways in which we can more vertically integrate—sorry! Laterally and vertically—some of the services to get a more pragmatic approach whereby those organisations, such as ACCHOSs recognise that they play a critical role as trusted parts of the community. They have a sound understanding of so many of the elements of the person's family and support networks, and so, invariably, bringing in any other type of service provider is not going to have as good a connection. It's trying to make sure that we are appropriately adjusting our service models to leverage what it is they can do so ably.

Senator SIEWERT: Okay. I was also thinking in terms of an understanding about how services are provided.

Mr Francis: Yes.

Senator SIEWERT: A lot of them have a pretty good idea about what's happening in communities.

Mr Francis: Yes.

Senator CAROL BROWN: What is 'Operation Green Light'?

Mr De Luca: Operation Green Light is a project that we have within the agency that is looking at our access capability and approach to how we improve the functional assessment that's used to determine those eligible for the scheme. It's a piece of work that we've been considering now for a couple of months. I'm not sure whether we've started anything at this stage, but it's a piece of work which is really asking, 'How do we improve the consistency of the decisions that we're making about eligibility, using functional assessment?'

Senator CAROL BROWN: So it hasn't started?

Ms Campbell: Not yet.

Senator CAROL BROWN: When is it due to start? Mr Francis, do you know?

Mr Francis: I don't know the exact date. We were looking at piloting how assessments could be integrated. I'll say at this particular point in time that I believe it to be September. But I can verify that; I could be wrong. It's in and around looking at what we need to verify, first of all. But, as was alluded to before, it's really about consideration of functional impacts always being part of the set of considerations before anyone comes into the scheme. It's really about trying to work out how we most effectively get consistency in that space and do it better.

Senator CAROL BROWN: How did the idea for Operation Green Light come about?

Mr De Luca: My sense is that it's very much just from our continuous improvement—to say that we know that we're still quite immature in terms of the scheme and the agency, and making sure that we're getting eligibility right. When we looked at the variability of planned packages, and when we looked at the variability of individuals in the scheme, there was opportunity for us to improve the consistency around that.

Ms Rundle: I might be able to give a good example, and I hope it's helpful. The act really goes to entry being based on functional assessment and not primarily, in the first instance, diagnosis, although we know that also is taken into account. Over the weekend, in fact, I was talking to someone from the autism sector. That individual did talk to me about someone that they knew who has three diagnoses. They have three in particular and any one of those could play out on any one day. So using diagnosis alone for entry into the scheme does not give us a good understanding at all of their functional capability and also their need. That's why we need to get more sophisticated over time at getting a better understanding of the impact of someone's condition on their functional capacity.

Senator CAROL BROWN: So it hasn't started, but when did the idea of Operation Green Light—

Mr De Luca: Sorry, when was what?

Senator CAROL BROWN: When was the decision made that you would have Operation Green Light?

Mr De Luca: I will just take you back. Part of the pathway work outlined 10 stages and three phases of the pathway. What we've been piloting in Victoria today is very much phase 2, which is once a participant has had eligibility made and access into the scheme—the whole preplanning and planning phase. What we've always said is that we need to do some work within the overall pathway to look also at phase 1 and phase 3. Phase 1 is about access and

eligibility and Operation Green Light is to be part of that program. We also need to do the next piece around phase 3, which is the review process versus the first plan.

Senator CAROL BROWN: My question was: when?

Mr De Luca: When did we—

Senator CAROL BROWN: You got as far as giving it a name.

Mr De Luca: I think, probably, two or three months ago.

Ms Rundle: I don't know. One of the things I should add, just to make it really clear, is that anything we do that involves participants we wouldn't do without adequate communication and consultation with those people we would want to work with.

Senator WATT: Who else knows about Operation Green Light?

Mr De Luca: Within the agency or externally?

Senator WATT: Externally.

Mr Francis: We're working with Autism CRC, again, on helping us develop what the assessments might look like, in getting an indication as to how you would best assess for that particular circumstance.

Senator STEELE-JOHN: That's not consultation with the community though.

Mr Francis: No. What I'm suggesting is that it's not a secret that we're looking at how we can better assess or better determine what a person's level of functional impact is. That's just part of what we have to consider as an organisation, and doing that in a consistent, objective and appropriate way. It's something we should always be striving to do.

Senator CAROL BROWN: Do they know that they're inputting to Operation Green Light?

Ms Rundle: We haven't started it yet. Part of our change management and introduction of anything that we would do is to work with the key people concerned. That's why the project hasn't started yet.

Mr De Luca: I'll give you a bit of context, Senator. Coming back to the pathway, we've been focusing our attention on the first plans. As part of the pathway we need to do two other parts of the end-to-end process. The first is access, the third part being in the reviews. In part of access, Project Green Light is an initiative to look at how we improve the consistency of eligibility. We've gone out to a number of partners to tender for it. I think we're at the stage of finding one from an allied health to assist us with that. I'm not sure we've made that decision. Once we have chosen that partner to work with us we'll start the initiative.

Senator CAROL BROWN: So what is the goal of Operation Green Light? Is it just about consistency of access?

Mr De Luca: Improving the consistency of eligibility and access.

Senator WATT: Might it result in restriction of access, in some cases, to eligibility?

Mr De Luca: It's making sure that the right people get into the scheme who deserve to be in the scheme and get the reasonable and necessary supports. It's about improving the consistency of our decision-making.

Senator WATT: But in improving consistency, and I hear you saying that, the outcome may well be that the eligibility has changed for some people—some people who currently have eligibility lose it or some people, to get certain levels of services, get less.

Mr De Luca: Firstly, people who have been eligible—this is about eligibility. If they're in the scheme they're in the scheme. It's not about changing a decision of somebody in the scheme. That's part of a review process to make sure that the right, reasonable and necessary supports are in their package. This is about making sure that the right people get into the scheme who are eligible for the scheme. It's about an access decision, ensuring that the scheme is set up to service those who should be in the scheme.

Senator CAROL BROWN: You talked about restricting access. Is that about cost cutting?

Mr De Luca: No, this is not about cost cutting. This is about continuous improvement and making sure that we improve the consistency in the decisions.

Senator CAROL BROWN: What do you mean, about restricting access?

Mr De Luca: I didn't say restricting access.

CHAIR: I don't think that's a phrase Mr De Luca used.

Senator CAROL BROWN: No, I'm pretty sure—

Mr De Luca: I didn't say restricting access.

Senator CAROL BROWN: So it's not about restricting access?

Mr De Luca: No.

Senator WATT: Do you expect that Operation Green Light will see a reduction in expense to the agency or a levelling off of the growth of expense of the agency?

Mr De Luca: No. Project Green Light is all about making sure we're making the right decisions at access, from an eligibility perspective.

Senator WATT: I understand that.

Mr De Luca: It's not about cost.

Senator WATT: I understand the objective might not be to cut costs. What I'm asking is: do you think it's possible that the end result will be that the funding that needs to be provided isn't as high as is currently the case?

Mr De Luca: I can't talk about hypotheticals, but access is the first part; then the packages are part of the first plan. That's where the dollar amounts are determined. It's not about access. Plans aren't determined at the access stage.

Senator WATT: Has any work been done in the lead-up to launching Operation Green Light to model the expected financial impacts of any changes that may result?

Mr De Luca: No, not from a Project Green Light perspective. We've been doing the pathway, as you're aware, which has been about the first plan and making sure the experience is better for participants.

Senator WATT: Does the fact that this has been launched involve some acknowledgement or belief from the agency that the wrong people have been getting into the scheme?

Mr De Luca: No. This is not about an acknowledgement of wrong; this is about saying that we are two years into transition—we're still quite an immature agency and an immature scheme—and there are opportunities for continuous improvement in terms of making decisions about access eligibility, about the experience of participants in the pathway, about reviews and about the experience of providers.

CHAIR: Would it be correct to say that this is the largest change to the disability sector in Australia's history, and we've got to get the processes right?

Mr De Luca: Correct. And, to the secretary's comments earlier, we've been very open about the fact that we haven't got a perfect scheme yet or a perfect agency or way of administering, and we need to make a lot of changes to continually improve. The scheme at maturity in 2020, at full scheme, is about 460,000 people having individualised plans. This is completely different to anything that's ever been done anywhere else. Individualised plans mean unique circumstances for individuals and getting that plan right. It's a service delivery experience. Focus and effort need to go into making sure we continually learn through our experience and what we can do better.

Senator WATT: I understand all that, but you wouldn't be launching this program, this operation, if you didn't have some concerns about who was getting access and who wasn't.

Mr De Luca: Firstly, I'd come back to: this whole thing is sitting under the pathways umbrella, as we've acknowledged previously, which is about the experience of people getting into the scheme, the experience of participants through the planning process and implementing the planning, and the experience of providers. We've acknowledged previously that we haven't got that perfect and we need to do more work on it.

Senator CAROL BROWN: Were the guidelines that were accidentally uploaded part of Operation Green Light?

Mr Francis: No, nothing to do with it.

Mr De Luca: No.

Senator CAROL BROWN: Who's going to undertake the work? Is it going to be in-house?

Mr De Luca: In terms of Project Green Light?

Senator CAROL BROWN: Yes.

Mr De Luca: Project Green Light will be a part of the pathway program, which we'll pilot in a couple of regions. You may be aware, Mr Francis—I think they're in New South Wales.

Mr Francis: They're in New South Wales.

Mr De Luca: They'll be piloting in two areas of New South Wales around the access decisions, partly with people from our agency, and partly we've gone out to ask a number of providers to tender for supporting us from an allied health perspective.

Mr Francis: All that would be, in terms of piloting—it would naturally have an influence on any access decisions made. It's purely looking at the appropriateness of what types of evaluations could be used to get a better understanding of function.

Senator CAROL BROWN: I just want to clarify. I hear what you're saying in terms of pilots and things like that, but the NDIA are running Operation Green Light in-house. You haven't got an external consultant?

Mr Francis: No.

Mr De Luca: We haven't got a management consultant, but we have gone to a couple of parties.

Ms Rundle: AEG.

Mr De Luca: I can't tell you where they are at in terms of the decision-making; it might be still going through the tender process. But we have gone to a couple of parties to tender to assist us with their allied health capabilities.

Senator CAROL BROWN: In just that section?

Ms Rundle: Yes.

Mr De Luca: Yes.

Senator CAROL BROWN: Is there any public information available about Operation Green Light?

Mr De Luca: Not that I'm aware of, other than having gone out to a couple of parties for them to tender to assist us. We'll be making further updates to the sector in the normal pathway updates that we provide from time to time.

Senator CAROL BROWN: Are intending stakeholders being consulted?

Ms Rundle: As I talked about before, once we work out the location, participants and people involved, we'll definitely make sure that all the parties involved have been consulted and know what's going on and are clear.

Senator CAROL BROWN: But they're consulted at the end, when you've put it all together?

Ms Rundle: No.

Mr De Luca: Before we commence.

Senator CAROL BROWN: They're only consulted once it's all in place and ready to go?

Mr De Luca: No.

Senator CAROL BROWN: Tell me: at what point are the community and stakeholders being consulted?

Ms Rundle: Can we take that on notice please because I don't think any of us, unless Mr De Luca or—

Mr De Luca: If I can maybe come back to the objectives—as part of the pathway, we've got three phases. Phase 1 is all about people getting into the scheme and awareness of the scheme. Phase 2 of the pathway is all about first plans. Phase 3 is about the review and the implementation of the plans. As to phase 1, we hadn't done any work to date, really, other than building some collateral for the community about easy to read and easy to understand language, and accessible forms, about the scheme. We'd always determined there were going to be multiple parts to the overall pathway program. This is another part of the pathway program which is to look at access decisions, making sure that we continually learn to make

the right decisions as to eligibility for access. In terms of engagement with the sector, the key areas for us, really, in this space, are, in the areas we've determined to be testing this in New South Wales, communication to our local area coordinators and partners in those areas and the community that will be doing some work with our staff.

Senator WATT: Mr De Luca, just getting back to the uploading of the organisational guideline: I don't remember the exact words, but I think you said that you regretted that it had happened. Do you regret that this stuff-up occurred in uploading it, or do you regret that there is some decision potentially imminent about restricting access?

Mr De Luca: My comment earlier was that I regret that we got ourselves into a position that we shouldn't have got into and caused anxiety in a sector in the community that didn't need it.

CHAIR: I think there was a very incorrect assertion in that question, Senator Watt.

Senator WATT: Well, no-one is denying that the guideline had been prepared. It was just an accident that it slipped through and got uploaded.

Mr Francis: I think there's more to add to that, in terms of the guideline being prepared. The actual process in which that was being prepared was a significant part of the problem. It's not just the authorisation process. It's how that even got to being in a position where that occurred. It is something which had been ill defined, not well defined, and lacked appropriate structure in terms of who was putting what into guidelines before they even got to that point. So—

Senator STEELE-JOHN: Yes, but the idea of removing—

CHAIR: Senator Steele-John, just let the official answer the question.

Ms Campbell: Chair, can I clarify the minister's position? He was very clear that there would be no changes made to the NDIA's operational guidelines, including the state, unless those changes were informed by research, evidence and extensive consultation with stakeholders and the community. That's the minister's position.

Senator WATT: Clearly leaving the door open to these kinds of changes.

Senator STEELE-JOHN: Yes.

Ms Campbell: I don't think we can ever rule out changes within the scheme—

Senator WATT: Of course you can. If you think it's the wrong thing to do, you rule it out.

Senator STEELE-JOHN: Of course you can!

Ms Campbell: We have said, constantly, that we have to refine the system as it rolls out to make sure that those people who are eligible for the scheme have access to the scheme. I don't think anyone wants to see people who are not eligible for the scheme access the scheme. So we need to ensure that those people who, in accordance with the NDIS legislation, are entitled to the scheme, get access.

Senator WATT: I understand that, and I listened very carefully to what Mr Lye said before about eligibility and people remaining eligible. That's a different matter to the type of support they get. Even if these changes are made, someone may still be eligible for the scheme but might get a substantially lower level of service or face substantially higher tests

and requirements in order to get the scheme. That's different from being eligible for the scheme.

Mr De Luca: I'd separate what they would get versus the process from an eligibility perspective. I think your comment on eligibility is correct. List A is about conditions that are likely to meet the disability requirements in section 24 of the NDIS Act. List B basically states that these are permanent conditions for which functional capacity is variable and further assessment of functional capacity is generally required. So all it's saying—to your point—correctly, is as to the streaming of getting into the scheme and the evidence that you would provide. This is not about saying what supports you would get; that is part of the planning process, to work out what's reasonable and necessary for an individual, based on their goals, objectives and needs.

Senator STEELE-JOHN: You would be aware, Mr De Luca, that the difference between list A and list B is that the assessment processes needed to identify and define the nature of the impairment, and, therefore, the eligibility, often include expensive and lengthy assessment processes—therefore, the concern from the community. For instance, you would be aware that, if you are an adult with ASD, there is no publicly subsidised service for you to receive a diagnosis. So you can certainly see why it isn't just a question of streaming but actually has material impact on the ability to become eligible.

Mr De Luca: I totally agree with that, but all I'm saying is that there's a difference between what the package would be and access. I totally agree with your observations.

Senator WATT: Does the NDIA have concerns about the number of people with autism entering the scheme?

Mr De Luca: Does it have any concerns with it? Our focus is to make sure that those eligible for the scheme get into the scheme. At the moment, 29 per cent of our active participants have a primary disability of autism. The Productivity Commission's expectation at full scheme was around 20 per cent. So it's not materially different to what the Productivity Commission's expectations were.

Senator WATT: I would have thought 10 per cent is a pretty big—

Mr De Luca: Yes, and the slight difference is that the way the bilateral agreements were put in place was based on different participants across the country getting in at different times. In South Australia, for example, children were first. A large proportion of the children in the scheme have autism. So it really depends on where we are in the phase of the rollouts. Over time, we would expect the numbers to be broadly in line with what the Productivity Commission estimated, but we continue to monitor that to understand any variances and differences to those assumptions.

Senator WATT: Do you think that the number of people entering the scheme with autism poses a risk to the sustainability of the scheme?

Mr De Luca: In itself?

Senator WATT: Yes.

Mr De Luca: I think the key focus for us from a sustainability perspective is a number of things we need to continue to monitor, including making sure we've got the right people in the

scheme with the right packages. That's really core to what we need to focus our attention on. Whether it's autism or other disabilities, we monitor that in line with the expectations.

Senator WATT: So autism numbers are no greater threat to the sustainability of the scheme than many other factors?

Mr De Luca: Well, I think each of them is different in its own situation. Depending, obviously, on the total number of people in the scheme, if you have a large proportion of one cohort, you need to have a look at whether that cohort's cost of their packages varies from the expectations. So it's not just about the number; it's about the package and then the tenure of how long they would be in the scheme based on exit assumptions as well.

Ms Rundle: It's also important to make the point here that we've been within budget every single year of operation and remain within budget. Whilst we monitor carefully, as Mr De Luca has just said, we haven't exceeded our scheme envelope year on year.

Mr Lye: The intention here is not based around concern that autism is out of control or is that it's too high a proportion of scheme costs. The concern here is around an area of disability which, relative to other areas, is not as well understood. The interventions that work aren't as well documented, and I think we have a lot of work to do in policy terms to say, 'Okay, what's a fair way—what's the best way—to work out who comes into the scheme, what they might need and what's the most effective intervention?' For autism, relative to other areas, we don't know as much, and we have to pay attention to that—most importantly because it's an insurance based scheme, and we want to actually get better at devising interventions that work and then maximise the outcomes for people who have the benefit of the scheme. This isn't coming at it from a view that it's a problem that we need to contain or where we need to restrict access. It's around understanding better what the needs of people are out there in the community and how we can help them.

Senator WATT: What does your actuarial evidence say, Mr De Luca, about the cost impact on the scheme if the levels of entry to the scheme for autism go on the way they are?

Mr De Luca: I'm trying to understand the question. What do our actuarial insights tell us if the current trajectory of those with autism get into the scheme?

Senator WATT: Correct—if that continues into the future.

Mr De Luca: In terms of being at 29 per cent versus 20 per cent?

Senator WATT: Yes. Let's start with: would you anticipate further growth beyond 29 per cent over the next five or 10 years if changes aren't made?

Mr De Luca: Obviously, estimates are estimates, and the Productivity Commission did some work on the estimates of the scheme. But everything that we've been seeing to date broadly supports those estimates and the PC's recent review acknowledged that, basically, in terms of the cost view that we had, based on our current experience of the scheme, the 2020 estimates is the best estimates that exist. Therefore, there's nothing materially different, at this point in time, based on experience, that gives us concern. Obviously, as Ms Rundle and Mr Lye alluded to, it's an insurance scheme, and an insurance scheme allows us then to look at and monitor experiences and recognise whether there are other interventions that are required at any point in time. Where we sit today, the 2020 estimate for the scheme is that that the Productivity Commission put in play, based on our experience.

Senator WATT: Leaving aside that it seems to have been a mistake to have uploaded this new guideline, why does a new guideline proposing these changes to move autism level 2 into a new category even exist?

Mr De Luca: Firstly, I'd say, as Mr Francis alluded to earlier, the rigour to the changes of the operational guidelines were very poor. There were a number of changes made to it: spelling errors, grammatical things that needed to be cleaned up—

Senator WATT: I think it went a bit beyond that.

Mr De Luca: There were a significant number of changes made and there was no quality assurance on it. I can't comment on why changes were made. A team of people in the technical advisory team made a number of changes, which, unfortunately, didn't have the right oversight.

Senator WATT: Let's forget about spelling mistakes for the moment; we all make them. Let's focus on the proposal in this guideline to move autism level 2 into a new category that requires a higher evidentiary burden on people. That doesn't just come out of thin air. That was in this guideline that was incorrectly uploaded. Work has obviously been undertaken prior to the preparation of the guideline that saw this proposal go into the guideline. Were you aware of that work occurring, Mr Francis?

Mr Francis: No.

Senator WATT: Someone below you but still fairly senior has obviously signed off on this before it's come to you?

Mr Francis: That's true.

Senator WATT: Without getting into individual names, we're still talking about fairly senior people in the agency who have ticked off on this proposal?

Mr De Luca: Not at the level who made the changes, no. It wasn't very senior. The edits to the operational guideline were made by people who weren't that senior in the organisation and the agency. As Mr Francis alluded to, the covering memo that went to senior management did not include any of these changes that we would say are significant, that would require the right sign-off process and the right evidence for whatever changes were to be made.

Senator WATT: So none of the three of you sitting at the table were aware that there was a proposal under consideration to require a higher evidentiary burden?

Mr De Luca: Not all three of us at this table saw any of the edits that were made to the operational guidelines.

Senator WATT: That's not quite my question. None of the three of you were aware that there was a proposal to require a higher evidentiary burden on people requesting access to the scheme?

Mr De Luca: There was no proposal put to us about changing evidentiary—

Senator WATT: It sounds like you weren't aware.

Mr De Luca: No.

Senator WATT: What about Mr Francis and Ms Rundle?

Ms Rundle: I'd like to just describe this a bit differently. I think we've all acknowledged earlier that the reasons that this happened weren't correct. And I think, if you're trying to get

to the point about our role in this, as a leadership team, we all acknowledge that we don't have the right system in place, including to support our staff. I think it's important to say here that, where mistakes are made, they're often made because guidelines or processes of approval are unclear. Staff work within the guidelines that they are familiar with, and perhaps we need to tighten them. So I think we're acknowledging that, as a leadership team, we need to strengthen these processes.

Senator WATT: I can accept that the uploading of this document was a genuine mistake. I can only take at face value what you're saying. But no-one mistakenly drafts a guideline that proposes a higher evidentiary burden on people. Someone has actually thought about this and said—

Mr De Luca: Correct, Senator. And what we're saying is that it wasn't senior people who saw those changes in the edits of the operational guidelines.

Senator WATT: So, Mr Francis, you weren't aware that this proposal existed or that work was being undertaken?

Mr Francis: I was not aware at all that people in that technical advisory team were working on making specific changes to what was in or out of list A or list B.

Senator WATT: And you're saying it was only really handled at a fairly junior level within the organisation?

Mr Francis: Correct.

Ms Rundle: I'm going to jump in again and just add that—as Ms Campbell said, Mr Lye has said, and we've also said—the minister's made a commitment to the autism sector, as we have, that, if there were to be any changes in the future, they'd be based on evidence and research, and they would only be done after full consultation with the sector. And that's an absolute commitment. And so I think that's as much as we can possibly say now.

Senator WATT: That's probably about as far as we need to take it.

CHAIR: Is that a natural break for you?

Senator WATT: Sure

CHAIR: Senator Steele-John.

Senator STEELE-JOHN: Thank you, Chair. First of all, back to Operation Green Light. We've heard a couple of times about consultations before changes are made. But I would like to know if any stakeholders or community groups were consulted on the concept of Operation Green Light before it was undertaken.

Mr De Luca: All I can say is we've done quite significant consultation, through the pathway work, with the sector over a number of months about improving pathways. Part of pathways actually includes phase 1, which is about access and making sure we're making access decisions—

Senator STEELE-JOHN: But on the specific parameters of Operation Green Light, the proposal of the operation itself, who did you consult with in the community before you undertook this process? I understand it is now a couple of months old. Ms Rundle, did you say it's two or three months since you began Operation Green Light?

Ms Rundle: No, I don't think I said that.

Senator STEELE-JOHN: How old is Operation Green Light, then?

Mr De Luca: If I can just come back, when we were outlining the pathway piece of work, we always articulated that there would be multiple pilots within the pathway. The first part of the pathway was very much to focus on first plans, because we knew from the feedback from participants who'd entered the scheme that, over the early stages of transition, they had a very poor experience, particularly because of phone based planning. Our first focus was very much about that. We thought that it was critical to get that right earlier and test it. We've said within the pathway—and it's in our plan—that we need to do other pilots. Parts of those pilots include access decisions and include reviews at a point in time. Our time line that we've been communicating more broadly to the sector includes that we would then, in our schedule of timing, do further pilots, including around access. We've been communicating that. What we're doing in Project Green Light is really fundamentally to say that we want to look at the access decisions with some allied health professionals to make sure the functional assessment informs us to see if there are any lessons learned.

Senator STEELE-JOHN: Exactly that. I'm asking you: which community groups did you consult with on that exact proposal that you just outlined? Or did you simply think that was a good idea based on other, less-defined consultations that you made, and then proceed with it? That's what I'm trying to identify.

Mr De Luca: All I can say is that, as part of the pathway, we've been having regular updates with the sector more broadly to talk about all those things, which includes pilot access. I can't tell you how many and who, but I know that in all of our workshops, certainly between the tailored pathways, we've been presenting slides to show all the aspects we're doing in pathway. The team in the pathway program have been having constant conversations with sector representatives. Mental Health Australia have been informing our thinking around psychosocial. CRC has been doing some work, obviously, with us. There are multiple stakeholders.

Every time I present to sectors, there's a pack—and I think you would have seen it when we were in Western Australia—that has a schedule. It actually outlines pilots and includes access. So that's what we've been doing. We've been talking about it to lots of sectors and stakeholders. What we haven't got to is exactly the specifics of it, because it's in the early formative stages of the project thinking. What we do need to do now is go and say, 'We've got more formative thinking progressed,' and share that, engage, get some feedback, and talk about where we want to pilot those, which would be in New South Wales.

Senator STEELE-JOHN: Do you have a time line for when you will do that?

Mr De Luca: We've started it. I could come back to you. At this stage, the next phase for us was always going to be from the July period forward, for the next pilots. But I can certainly come back to you and say, 'This is who we're going to be talking with and engaging with about that pilot.'

Senator STEELE-JOHN: Thank you. Ms Rundle, I just wanted to take us back to the discussion we were having around the access criteria information on the website. I have here a copy of that information from 13 March 2018, and it is visually an entirely different document. In terms of what does and does not exist within it, on 18 March, the relevant section stated:

You must provide us with evidence of the diagnosis of your disability from your treating doctor or specialist.

We jump forward to May and, as we've talked about, that line now reads 'have treated you for a significant period of time—for example, six months'. I want to get an idea of why the agency believed it was appropriate to make a change such as that without consultation, which would seem to contravene the expressed wishes of the minister.

Ms Rundle: That change, of course, was made before the minister wrote out to autism stakeholders. But that doesn't excuse in any way what happened. I think I agreed with you earlier that what we should have done, and will do, is if we're to make changes like that on the website—any changes at all—where we're trying to convey something more clearly to participants and others and it isn't clear, we need to test that first with the very people who'll be reading it, or at least a very small group of that, so they can give us some feedback. So I've acknowledged already that that could be a whole lot clearer, and we're sorry that that happened.

Senator STEELE-JOHN: But that's quite concerning, Ms Rundle. Are you suggesting that the minister's assurance that was given, that 'no changes will be made to the NDIA's operational guidelines unless the changes are informed by research, evidence, and consultation with stakeholders and community', did not exist prior to the sending of that letter?

Ms Campbell: I wonder whether I can assist here. I'm not sure that we had this clearly in focus at the stage. I have had experience with service delivery organisations as well and discovered that what officers may see as quite small changes end up having quite significant changes for the target audience. I think the officials from the NDIA have indicated that they have had some significant learnings from that space, and Ms Rundle's just gone through that fact. I don't think we are saying that that commitment wasn't in place. I just don't think that we had actually turned our minds to the fact that what the agency thought were relatively clarifications would have such a broad impact.

Senator STEELE-JOHN: But this is to do with the evidence that you provide to have access to the scheme. It's not insignificant details in any way, shape or form.

Mr Lye: Senator, isn't it the case that the NDIA's indicating that, really, what they thought they were providing was some guidance around the actual way in which they assess material—

Ms Campbell: Clarification.

CHAIR: So there was no change in practice.

Mr Lye: There was not a change in practice. It was about making clear to people what that means. I take your point about, but—

Ms Campbell: We accept your point.

Senator STEELE-JOHN: Mr Lye, this clearly articulates a change in practice. I'll read it to you again: On 18 March, this document read:

You must provide evidence of the diagnosis of your disability from your treating doctor or specialist. In May, this document, as it stands today, now reads:

The treating health professional who provides evidence of disability should have treated you for a significant period of time, eg six months.

That implies a change in practice.

Mr Lye: It certainly is a clarification on what 'treating doctor' means.

Senator STEELE-JOHN: In this document of 13 March you were applying no time period to that whatsoever, and in this document—

Mr Lye: It provides clarity around what 'treating doctor' means. I'm aware that some people will go to doctors specifically for the purpose of assisting with an NDIS application or claim, and we do need to provide people with guidance because they might be expending money to go and get something. So if they're providing more evidence, or more detail around what 'treating doctor' means, that's providing extra clarity, not necessarily changing the policy. Your point is right, Senator, but—

CHAIR: Correct me if I am wrong—and I'm happy for you take this on notice—but I would have thought that something like autism, which is a spectrum disorder, would, by its very nature, require that it can't be diagnosed at a single session. Therefore, there is inherent in an autism diagnosis that a time period is involved. So I would have thought—and I accept your question and I am happy for this to be taken on notice—that there is inherent in the original document you read out an implication of a time period of some sort. That, I think, is where the agency is saying that is a clarification.

Ms Rundle: That's right. Firstly, we all agree with you, Senator, that this could have been clearer. But just so I can be a bit clearer: we will accept advice from other people other than doctors and specialists. In many cases we'll accept them from health professionals and others. That piece of advice was meant to be a guide only, to try and help people. The six-month reference was actually because, as I'm advised, we thought that people would have a relationship with people. If you've had a relationship with people for a little while, as Senator Brockman is saying, they're often in a better position to understand the rhythm of the impact. But we agree—I have already said that I absolutely agree with you—that what we put on the website to try to convey things more clearly, we didn't do well enough, and it's created anxiety unnecessarily.

Senator STEELE-JOHN: It has. Do I take that, then, that you will be moving to further clarify the information?

Ms Rundle: We will. We would like to put up on our website a clarification of that mistake, and I'm hoping that we do that well enough. We certainly need to. We've already committed and we've already said, all of us at the table, that, as we go forward, with things like this—where people could misunderstand what we're trying to convey—we need to test with stakeholders earlier before we put them up.

Senator STEELE-JOHN: I appreciate your articulation, and I think that will offer some assurance to communities of concern, but can I just clarify that, in the situation where a family—this is what has triggered some of the concern—has recently moved communities into, perhaps, a different part of an access area or into an access area for the first time, and that, therefore, has necessitated they change their treating doctor, that the information that would be able to be provided by that treating doctor would be valid without a specific period

of time. Because it is a particular challenge for rural and regional Australians who are moving long distances between—

Ms Rundle: But it's a guide only; it's not meant to be a definitive statement. If you don't have that relationship with a treating professional—be it a doctor, a health professional, a specialist or other—there's still the ability to tell us at access about the impact of your condition on your function, and for us to work with you to make an access decision. So there are still other ways that we can do that. I think we just didn't make that clear enough.

Senator STEELE-JOHN: Thank you very much for that. Continuing on the theme of guidance and clarity, I have before me a document titled, 'Practice guide—intensive, super-intensive and supported participants' dated 20 October 2016. This document goes on to describe streaming processes within the agency, and the categorisation of participants as 'supported, intensive and super-intensive'. I'm a little bit confused as to the meaning behind this wording, particularly since this document has, under the sections where it describes the nature of what constitutes these categories, been redacted, which is of great concern to me. Would you be able to—

CHAIR: Senator Steele-John, for other members of the committee, could you just tell us what the document is?

Senator STEELE-JOHN: It's a practice guide: 'Intensive, super-intensive and supported participants'. It is redacted in a multitude of places.

Ms Campbell: Was it released under FOI?

Senator STEELE-JOHN: It was indeed.

Ms Campbell: Okay. Just so that everyone understands what's happening: this was released to you under FOI?

Senator STEELE-JOHN: Yes, it was. Thank you. Can you provide me with some additional clarity as to—

CHAIR: Senator Steele-John, would it be possible to circulate a copy of that document?

Senator STEELE-JOHN: Yes.

CHAIR: Could you get your staff, perhaps, to send the secretary an electronic copy so we can print it?

Senator SIEWERT: It's the standard practice of this committee, when we're talking to a document, to circulate it.

Senator STEELE-JOHN: Of course. No worries.

CHAIR: Are you aware of the document in question?

Ms Rundle: I do recall the document in question. I'm just not sure what the issue is yet.

CHAIR: Perhaps we'll hold these questions until the document has been circulated, and then we'll come back to that. I would like to have a look at it.

Senator CAROL BROWN: Chair, just in case we run out of time, when we were talking about Mr Rubinak, I did mention a letter that his mother had sent to the NDIS and the Minister for Disability Services. I was wondering whether—

Ms Campbell: I have got it now, thank you, Senator.

Senator CAROL BROWN: You have got it. And it hasn't been responded to?

Ms Campbell: The first letter, I understand, was responded to by the NDIA.

Senator CAROL BROWN: Is that 8 March?

Ms Campbell: Yes, that's my understanding, that there was a response from the NDIA.

Senator CAROL BROWN: I'm not sure if the Minister for Disability Services responded. But I'm only seeking to table it.

Ms Campbell: I think the NDIA responded on behalf of the minister.

CHAIR: Can we get copies of that made as well, please?

Senator CAROL BROWN: Thank you, Chair.

Senator SIEWERT: I would like to ask about some psychosocial disability issues. I think my questions cross between NDIA and the department. I have some specific questions about South Australia, and then I have broader questions about the continuity of support funding, as it relates to DSS. I've already asked questions about how it relates to health. Can I specifically ask about South Australia transitioning people onto NDIS and, in particular, PHaMs participants. First off, are you able to provide an update on the number of people who have been transitioned in South Australia to date? I have till December last year. But the last five months—well, it may not be five months, but can you provide the latest figures you've got, please?

Ms McDevitt: In relation to South Australia psychosocial, the vast majority—of both South Australian psychosocial clients and then, ongoing, with Commonwealth clients—will come in in the 2018-19 year. As has been mentioned before, both through trial and the early first year of transition, only children came in in South Australia, and adults have only been coming in recently, and so the vast majority of clients in existing South Australian and Commonwealth programs are scheduled to come in during the 2018-19 year.

Senator SIEWERT: I'm aware that some have already come in, so it doesn't negate the question. But thank you for the update.

Ms McDevitt: I was just giving the broader context.

Senator SIEWERT: Which is also why I'm keen to ask questions about the process.

Mr Lye: Senator, we're just looking for the number.

Senator SIEWERT: While you're doing that, I'll keep going. I understand there is some confusion from some in the sector around how the transition's going to happen, and the process for that transition. In terms of the process, can you confirm that both state and Commonwealth clients will be transitioning through that process? And that they will be assisted to transition?

Mr Whitecross: Firstly, in relation to the question you asked a moment ago, there are 657 PHaMs clients with approved plans.

Senator SIEWERT: How many?

Mr Whitecross: 657.

Senator SIEWERT: 657 with approved—

Mr Whitecross: Approved plans. A further 1,315 are eligible, so they're in progress or in draft.

Senator SIEWERT: That's in SA.

Mr Whitecross: Yes. In relation to whether people will be assisted, one of the things that PhaMs providers are funded to do is to assist their clients through the access and planning process. So we're working with those providers to ensure that they're working with their clients to go through that access process. As Ms McDevitt already said, the majority of these clients we're expecting to transition in the coming financial year, so we'll be working with providers to support them through that process.

Senator SIEWERT: Will all state and Commonwealth program people have had their eligibility determined by the end of June?

Mr Whitecross: That's the ambition—that that would happen—yes. And that's what we're all working to ensure happens.

Mr De Luca: Just to give you an update on where we're at, we've got less than 900 decisions to be made in access at this stage for South Australia. So, for the next four weeks, we've got just shy of 900 access decisions to be made to ensure that all those eligible—and that have been contacted and found and everything else—will be into the scheme by 1 July.

Senator SIEWERT: Does that include all Commonwealth and state program participants?

Mr De Luca: It includes all state, Commonwealth and new that we've got records on and, obviously, that we've been able to find and that meet eligibility. As you would know, in our quarterly report, there are always some that we can't find; there are always some that actually don't meet eligibility.

Ms Rundle: Also I'll add that, for those that are due to phase in—DSS will comment on this, I'm sure—some of the Commonwealth clients, I think the Commonwealth programs have got a slightly longer phase.

Senator SIEWERT: This is what I want to understand, because there's a slight difference, then, in what I've just been told, as I heard it. I apologise if I've heard it wrong.

Mr Whitecross: Just in case my answer was ambiguous, I was talking about the 2018-19 financial year, so they would transition by 30 June 2019—the PhaMs clients, that is.

Senator SIEWERT: Okay. Everybody else, other than PhaMs, will be assessed by the end of June. Is that it?

Mr De Luca: We might just need to clarify it exactly on the PhaMs point.

Senator SIEWERT: Could you perhaps clarify that over the break. Is it everybody, or not PhaMs? Then, could you tell me what's happening with PHaMs, if they're not being at least—

Mr Lye: Senator, you did ask, though, whether the PHaMs—obviously, the PhaMs clients who test their eligibility and don't enter the scheme are subject to continuity of support.

Senator SIEWERT: And I want to come back to that. Yes, sure; I absolutely take your point. They are questions I'll ask later, but could you take on notice whether they will have been—I'm now confused about whether their eligibility will have been assessed, not necessarily transitioned.

CHAIR: Perhaps we can clarify that after the break. We will go into suspension now for 15 minutes. When we come back, we'll clarify that. Then we will go back to Senator Brown, review Senator Steele-John's document and then go back to you.

Proceedings suspended from 10:59 to 11:16

CHAIR: We will resume with the Department of Social Services, still with the National Disability Insurance Agency. We will go to Senator Watt for a time while we review the document provided by Senator Steele-John and then we will go back to you, Senator Steele-John. Senator Watt, you have the call.

Senator WATT: Thanks for that. Mr De Luca, how many senior officers at the NDIA had worked in the banking and finance industry before joining the NDIA?

Mr De Luca: I can't comment on the total. We have almost 4,000 people between contractors and APS staff.

Senator WATT: Let's focus on senior officers.

Mr De Luca: We have about 78 senior staff at this point in time: 61 of those are APS; and 14 are contractors to our consultants.

Senator WATT: Let's work our way down. No disrespect: you've got a banking and finance background?

Mr De Luca: Yes.

Senator WATT: How many deputy CEOs have you got?

Mr De Luca: I have four deputy CEOs, and one of those has a banking background. Of the 78 senior staff, about 17 per cent have insurance and banking and financial services backgrounds. Some people—

Senator WATT: Of the 78 senior officers?

Mr De Luca: Seventeen per cent have insurance, financial services or banking experience. We have 18 per cent who have either got a disability or worked in disability. We have about 48 per cent who have government, whether it be Commonwealth, state or public sector, experience and then we have a spread across the rest.

Senator WATT: Again, with your deputy CEOs—you've got four deputy CEOs—one has a banking and finance background. How many have an insurance background?

Mr De Luca: Mr Walter has an insurance background. Mr Francis has had scheme experience.

Senator WATT: So there are four: one 's banking and finance, two are insurance—

Mr De Luca: One insurance, one scheme. Mr Francis, what would you classify yourself as?

Mr Francis: It's a bit of both: it's insurance in a work injury insurance scheme.

Senator WATT: And the fourth is Ms Rundle.

Mr De Luca: Yes, at a deputy CEO level.

Senator WATT: How many of your senior officers worked at Bankwest at the time you were there?

Mr De Luca: How many of the senior officers? When you say senior officers, my direct reports?

Senator WATT: Yes.

Mr De Luca: Two.

Senator WATT: Of?

Mr De Luca: I've got 10 direct reports: an EA, an EO, four deputy CEOs and four others. Across all 10 of those, two have worked with me previously.

Senator WATT: Was there an open merit based appointment process for each of those people who worked with you at Bankwest?

Mr De Luca: Of all the appointments that I have made—when I first arrived at the agency, generally, most of my executive team were either in vacancy, people seconded into the roles or people acting up in roles. I went through a process of putting a structure in place that was signed off by the board. A number of those roles were APS and a number were contractors. The rationale for some of those roles being contractors is, post transition, the role fundamentally changes quite significantly. If I use our markets and provider role, I'd say that we're introducing—

Senator WATT: I'm conscious of time—

Mr De Luca: I just want to give you the context—

Senator WATT: I'm running out of time. The two direct reports who were at Bankwest with you did they go through an open merit based process?

Mr De Luca: No. They're both contractors. A search firm was appointed. It found and assessed candidates, did some reference checks against, basically, the skills that were required. Post that, we then conduct our own checks, police checks and others, place the remuneration benchmark decision, put forward to the—

Senator WATT: They may be very capable people. I don't know them. Did you suggest those individuals to the search agencies?

Mr De Luca: Yes.

Senator WATT: You suggested to the individuals that they apply?

Mr De Luca: No. A search agency, in terms of contacting them and—

Senator WATT: You left it to the search agency.

Mr De Luca: Yes.

Ms Rundle: If I might jump in, this is not uncommon as you know, with a lot of contracted positions. We will often see good people and tap a number of people on the shoulder and ask for their CVs. We do this right across the public service for contracting positions through recruitment firms and things like that.

Senator WATT: Mr De Luca, did you suggest any other people, other than the two Bankwest people, to the search agency for those roles?

Mr De Luca: For those roles, probably not that I can recall.

Senator WATT: I don't know if this is right or not but it's been reported that you—and I'm sorry to pick on you—have the code name email address, is that correct?

Mr De Luca: I have a—

Senator WATT: Code name email address. Is it Operation Green Light?

Mr De Luca: When I joined the agency I took over what the previous CEO had. There were two email addresses, one which is a public facing email, which is CEO office. It's on the website. It's available to anyone who wants to look for me and send me communication. It's the email address I use generally to communicate out to the sector.

Senator WATT: That's the public email address?

Mr De Luca: That's the public email address. I receive emails and I communicate through it. I also have an internal email address, which was established for the agency. It's my name with my initial. I can't say much more than that. It's the way I have had email addresses at other organisations with my—

Senator Seselja: That would be a tough code to crack!

Mr De Luca: I know that I have had people email me, including journalists who have been able to find it as well so it can't be that hard.

Senator WATT: I'll leave that and hand over to Senator Brown.

CHAIR: I'm sure you could have a code name as well.

Senator WATT: There'd be a few people in here who would like to give me a code name I reckon.

Senator CAROL BROWN: I want to move to access to the computer systems. How does the agency track IT system outages? What I mean by that is do you track, or have any measures that track, terminated sessions, involuntary logouts, failed logins or hours that the system is unavailable?

Mr De Luca: Yes, we do. We get regular updates from our technology provider, being the Department of Human Services, depending on the impact of any outages, so whether it's a priority one, priority two or priority three, which is based on the systems and the impact. If there were any circumstances, depending on the severity of that, we would then be provided alerts that the system is having some issues and then updates on the work that's being done to address it.

Senator CAROL BROWN: You individually track those issues? I've called them involuntary logouts. Do you track separately terminated sessions and involuntary logouts? I'd probably be better off if you could answer in the terminology that you use to track the outages.

Mr De Luca: I haven't got the report in front of me to give you the exact terminology, but we are alerted that there are outages and the impact and severity of those outages in terms of how long it's happened, what impact it's having to who—so whether it's a Telstra issue across the whole network, whether it relates to a specific product system or the CRM system, or whether it relates to the portal or the website.

Senator CAROL BROWN: How often do you get those reports?

Mr De Luca: I'll separate two things. One is a report of how the period has previously been. Each week at our executive team meeting we get a report from the Department of Human Services that shows us the impact over the prior week, if there's been any—

Senator CAROL BROWN: And that's broken down in terms of—

Mr De Luca: Products, product systems—

Senator CAROL BROWN: the outages—

Mr De Luca: and severity.

Senator CAROL BROWN: and what caused the outage?

Mr De Luca: It depends if they know what the cause is at that point in time and whether it's still ongoing. It depends on whether it's been closed off as an issue or it's still open as an issue. That's separate to whether we get alerted during the day to say we are having an outage. That's usually either an SMS message or an email message and then updates on that.

Senator CAROL BROWN: Are you able to provide on notice that information?

Mr De Luca: A report over the past period of time?

Senator CAROL BROWN: Yes.

Mr De Luca: Yes, we can certainly provide you a report on that.

Senator CAROL BROWN: Okay. Would that be the report that you receive, or are you just going to put one together for the committee?

Mr De Luca: Senator, you let us know what period, time frame, you would like that to be over, and we'll make sure you get that.

Senator CAROL BROWN: The last six months from 1 January.

Ms Campbell: From 1 January until?

Mr De Luca: From 1 January to 31 March or 30 April? Yes.

Senator CAROL BROWN: Yes, 31 May.

Mr De Luca: 31 May, yes.

Senator CAROL BROWN: Has the agency been having problems with the customer relationship management system, the CRM, in recent days?

Mr De Luca: Yes, Senator.

Senator CAROL BROWN: How long has it been out for? It's been out?

Mr Francis: I don't have the specifics. I know that it's not a solid period of outage. The issue becomes one of intermittent outages and the problems that that then causes. We've been having an increased level of outages—and, when I say 'increased', I can't quantify that—for approximately the last couple of weeks, which I know has been worked on. It's definitely been worse in the last few days.

Senator CAROL BROWN: Can you just explain: for what period of time has it been out? Do you have that information?

Mr Francis: I don't have the specifics. I'll say it's approximately the last two weeks where we've been having problems. That doesn't mean it's been out for two weeks; that means—

Senator CAROL BROWN: I think you said it's been worse in the last few days.

Mr Francis: Yes, that's correct. I can get some clarification of that for you because I don't have the specifics on hand. I do know that people within the operational arms of our business

have been working very closely with our ICT folks and the people at DHS to try to rectify those issues.

Senator CAROL BROWN: Is it a national outage? Is the problem across the country?

Mr Francis: I would have to get specifics in terms of the regions it's specifically impacting.

Senator CAROL BROWN: So you don't even know the extent of the outage?

Mr Francis: We have 14 different regions, and each of those different regions has a number of different offices, and I don't know that it's affecting all of those offices, no.

Senator CAROL BROWN: What's the DHS working on? You must have an understanding—

Mr Francis: Absolutely. I have people who are very specifically allocated to deal with this type of issue, and they provide us with information about what they're doing to rectify it and the impact it's having on our performance.

Senator CAROL BROWN: But you can provide on notice—I'm talking about the CRM and the problems that you've been experiencing, I think you said, in the last couple of weeks.

Mr Francis: Yes.

Senator CAROL BROWN: It's actually got worse, not better.

Mr Francis: Yes.

Senator CAROL BROWN: So let's have a look to see what effects that is actually having. Is it true that the LACs haven't been able to contact participants to cancel appointments, because they cannot access the CRM?

Mr Francis: I can't answer that. I don't know if that's the case. I just don't know.

Senator CAROL BROWN: Have you got any feedback?

Senator WATT: Is there anyone here who knows? There are a lot of people back there. There's got to be someone who knows.

Ms Rundle: We'll get somebody to provide it.

Mr De Luca: If we can come back to it, we will get somebody to provide some further details.

CHAIR: Can we go to Senator Steele-John's questions on the document then?

Senator CAROL BROWN: How long will it be?

CHAIR: Are those people in the building? Are they coming here now?

Ms Rundle: Are you talking about the ICT people?

CHAIR: For Senator Brown.

Ms Rundle: We'll find out for you. I was just remarking to Mr De Luca. Just to be clear: we do know there's an issue, and we have been quantifying the issue. We just don't have the information with us now. The CIO is working very closely with DHS, who've been very responsive, and they're hoping they'll have a fairly quick resolution to it.

Senator CAROL BROWN: But your own evidence here is telling us that it's already been two weeks and it's actually getting worse, and you're telling me that you can't let the committee know what effect that is actually having on on-the-ground services?

Ms Rundle: Senator, what we're saying is that we didn't come with the information. We're sorry we didn't, but we didn't.

Senator SIEWERT: You've known this is an issue for over two weeks. Wouldn't you expect that we would be asking about it and that we'd know about it?

Mr De Luca: Yes. Firstly, Senator, I think what's been articulated is that there have been some issues over the last couple of weeks. It's only in the last couple of days that it's got more significant. They're working through what the cause is and what the impact is. I can't comment on the magnitude of the impact and the cause at this point in time, but we'll try to get some information as quickly as we can.

Senator CAROL BROWN: When you first started having issues two weeks ago, when did the NDIA actually talk to DHS about these issues? It's got worse.

Mr De Luca: Yes, Senator. The way that the model operates is that, for any issues that we're alerted to, whether those alerts come through staff using the system, the local area coordinators having the issues or DHS advising us of the issues, our CIO's function will work with DHS to investigate and find out what's causing those issues and what can be done to rectify them.

Senator CAROL BROWN: It must be of great concern to you, Mr De Luca, that it's actually getting worse.

Mr De Luca: Yes.

Senator WATT: Did we find out if there's someone here who knows—the CIO or someone like that?

Mr De Luca: Our CIO is not here, so we can't ask him, but I will make sure somebody gives me an update shortly.

Senator CAROL BROWN: We want to know the impact it's having, and the fact is that we can't even get an answer from Mr Francis about whether it's a national problem.

Mr Francis: There's a broad implication for that. If I say it's a certain percentage of the regions—it's a very specific question.

Senator CAROL BROWN: I would have thought you would have brought someone along who can answer the questions.

CHAIR: Let's wait and see if there is someone else here. Let's go to Senator Steele-John for 10 minutes.

Senator STEELE-JOHN: Do you want me to speak only specifically to this document and then pass back to Labor?

CHAIR: Let's hope that by then we've got some clarity. Yes, we will go onto this topic.

Senator STEELE-JOHN: Great idea. Was this document circulated to you as well during this time or only to the committee?

Ms Campbell: We have the document.

Senator STEELE-JOHN: What are the factors which lead into the classification of 'supported intensive' and 'super-intensive'?

Ms Rundle: What are the sorts of characteristics that would stream people into these sorts of streams?

Senator STEELE-JOHN: Yes.

Ms Rundle: As we talked about earlier, when you look at either diagnosis or functional impairment and a combination of both, we start to get an understanding from talking to participants about whether they have a low-support need—where they're able to do things for themselves and they need a few supports in their life—right through to people who've got very complex needs and they require quite a complex and multidisciplinary response. Early in the scheme, I think there'd been some modelling done to show that, generally, you'd have a percentage of people who would generally fall into those streams—knowing, though, that people often move between them. A good example would be psychosocial, who are episodic in many cases; they might be people with a low-support need and at other times they might have a high-support need. We're not suggesting in any way that we categorise anybody in any stream and they stay there. It's just a guide for us to try and understand what sorts of supports those people may need. That answers that question, and you probably have others.

Senator STEELE-JOHN: I do. This document is redacted more than 10 times. I would like to know exactly why that is the case.

Ms Rundle: Yes, I can explain that. Firstly, I should explain why the document was generated in the first place. It's like everything we've talked about. We've talked about planners needing more guidance for consistency across the nation. And one of the things that we did in 2016 was to try to provide more guidance around people with intensive or super-intensive needs—complex or very complex needs. In the document, it describes how you'd approach the whole experience and the conversation with those participants and what you might consider by way of supports. The pieces that are redacted are the pieces that go to guidance around hours of support that you might give a participant who fits into a particular stream. The reason we did that is that it is only a guide, because everybody gets an individual plan and their needs should be based on something that is unique to them. It is simply a guide, and we didn't want the document to be misread as us having an absolute categorisation of funded supports. Secondly, we're always mindful that, whilst providers act in the interests of participants in the main, we do have instances of sharp practice amongst providers—people gaming the system. So we're always mindful that we need to be a little careful of that too.

Senator STEELE-JOHN: Just to clarify, underneath these redacted sections there would be suggestions as to how many hours a participant classified in this way may require in support?

Ms Rundle: That's what I understand. That's the advice we got in the break. I haven't had a chance yet myself to sit down and compare both documents, so if it's different we will come back and let you know.

Senator STEELE-JOHN: So this would be for use by planners and administrators? Who would specifically be using this document.

Ms Rundle: Planners—anyone who plans with a participant. It's there to enable them to think about the sort of supports they might suggest to the participant. The other thing I should add is that, in the main, people with very complex needs are usually matched to an agency planner rather than an LAC.

Senator STEELE-JOHN: Yes. But you can understand, can't you, in a context where we've spoken in depth about the lack of training for planners, particularly in complicated

areas, why it might be concerning for me to hear that a guide existed which spoke to a level of hours, given that planners have shown themselves to be in some cases underexperienced in these situations and therefore might take the guide as an implicit or explicit direction as to how many hours to allocate?

Ms Rundle: It's a good point, and I think we've always got to balance these things. On the one hand, we could be criticised for not giving any guidance at all. Then the potential for large variation in plans exists. On the other hand, we provide guidance, and there's always the risk of people taking it literally. What I should say is that all of these things are backed up by training for our planners, but also, more importantly, we've got supervisory processes in place, and also levels of delegation in place. When you get things that are very complex and people are unclear, they often need to go to a more senior person to get advice.

Senator STEELE-JOHN: I can understand that, but my concern is that, because I cannot see this information clearly, there is no way for me to go and place what is within this guide next to what is actually happening on the ground and to independently verify that, if you put those figures side by side, you aren't actually seeing that this is being treated as a rulebook. Are you suggesting to me that this is more to be treated as a thought experiment?

Ms Rundle: No, I'm suggesting that, if you don't give any guidance at all, there's the potential for more variation when you've got some new planners. As you know, we've scaled up significantly and, despite everything that we're doing, we do see some variation in the quality of plans. So we're acknowledging that, and we're doing a lot more work in the pathway and our training schedule to try to address that. I think the only way I could answer your question is to look at a specific example, which of course we could do outside of the committee. I'm more than happy to have the right people sit down with you and take you through the guidelines. If you give us some examples, we can work out whether or not people are taking it literally and giving people incorrect plans as a result.

Senator STEELE-JOHN: Has the agency considered any other way in which to put it? This goes, again, to communication. In an atmosphere where there is a perception, rightly or wrongly, that the agency sometimes makes decisions without appropriate consultation, you can understand why discovering a document that has been heavily redacted and that relates in some way to guidance around one of the most critical aspects of a plan, which is the provision of hours of support, would be highly concerning, again, to members of the community.

Ms Rundle: Yes. I'd just respond briefly by saying that we're learning quite a lot, I think, about how we need to interact better with the particular groups of participants and their advocates and carers and others in relation to the sorts of guidelines we write. And I think you know that we're doing not only the general pathway but also the complex pathway and we're working with participants and others.

Senator STEELE-JOHN: Yes, I'm across that. I've got two more questions on this. One is: since you can't tell me what is underneath these sections, do you know of the research and consultation that fed into the production of the numbers that will be underneath these sections?

Ms Rundle: I really can't answer that. I don't know. The numbers won't have appeared from nowhere.

Ms Campbell: We might take that on notice. It might be best if the agency takes that on notice to give you a more informed answer.

Senator STEELE-JOHN: Yes. I would like to know the process of consultation that went into the creation of these numbers. I mean, I'm about to become a scheme participant personally, which means that this might be the first time that a participant is questioning the agency in this way. First of all, I am not particularly comfortable with the idea that I might be in some way classified by the agency without my knowledge. And I'm not particularly comfortable with the label of 'intensive', 'superintensive' or 'supported'. I find that more than a little bit offensive, and I wouldn't imagine that I'm alone in that feeling. So could I also get you to take on notice the process by which you came up with those titles and whether those titles are under reconsideration?

Ms Rundle: We certainly will.

Senator STEELE-JOHN: Thank you.

Mr De Luca: And I think your observation is very consistent with the feedback we've been receiving through the pathway. And our challenge really is knowing that there are different types of disabilities and different types of groups and how we design the right processes and support around that. But the basis is that everybody is an individual, and all situations and circumstances are unique. And really choice and control—in part, we may have a view that is a classification of a psychosocial mental health illness and needing certain supports, but we also want the individual, family members and carers to say, 'This is how I want to—

Senator STEELE-JOHN: Language is incredibly important, as I'm sure you are aware.

Mr De Luca: Yes.

Senator STEELE-JOHN: I'll come back to you, but do we have some answers now?

CHAIR: Senator Brown has the call. Do you have any clarification on Senator Brown's earlier question?

Mr Francis: The earlier question as it related to the implementation of the plans?

Unidentified speaker: No, about the system.

Mr Francis: I do have some more information here. I'm acutely aware that it doesn't answer all the senator's questions, but I can read to you what I do have: 'The Office of the Chief Information Officer is working with a dedicated DHS team, who are addressing the situation. They are also engaging directly with the most affected partner sites to address their connectivity issues. The issue is believed to be caused by the Direct Access 2012 platform and an associated software-based load balancing process. DHS are in the process of replacing this platform with Direct Access 2016 and a hardware-based industrialised load balancing process. This will provide greater capacity as well as more visibility on the workload. DHS are working 24/7 to configure this new platform, which has both greater capacity and increased diagnostics. The work will take place over the weekend 1 to 3 June. The office of the CIO and DHS will undertake user testing on Monday 4 June 2018. If user testing is successful, DHS will transition an increasing number of Direct Access connections into the new platform. This should take pressure off the existing platform, which will further improve overall connectivity.'

Senator CAROL BROWN: The information that we've got is that for six out of the last eight working days there hasn't been any access. You're not able to confirm that?

Mr Francis: The information I have is not that there is no access but that it's intermittent access.

Senator CAROL BROWN: What does that mean to you?

Mr Francis: No access means to me that nobody can get in.

Senator CAROL BROWN: What's 'intermittent'?

Mr Francis: 'Intermittent' means that it gets in and then the access drops out at different points in time.

Senator CAROL BROWN: Which is basically no access.

Senator WATT: It's unreliable.

Mr Francis: Well, it is a different—

Senator CAROL BROWN: If you're halfway through doing something and it drops out, you've lost it.

Mr Francis: We acknowledge that it's a problem, absolutely, and we're trying to do all that we can to work with our partners at DHS to try and fix it.

Senator WATT: We have a number of specific questions, and I'm going to take a punt that we're not going to get answers to those because the person is not here. May I just suggest that in the future, if there is a big problem like this, it might be a good idea to bring the right person in so that questions can be answered?

Mr Francis: Sure.

Senator SIEWERT: I would like to follow that up before we move on. The information I have is that this has essentially stopped people working for a significant period of time—whether it's intermittent or not.

Mr Francis: Yes, I understand.

Senator SIEWERT: Can you take on notice which regions have been affected and for how long? Has anybody resigned over this issue, because they haven't been able to do their work? Have you had complaints from participants about the fact that people have not been able to do the work that they said they could do for participants' plans et cetera? How much is it costing to fix?

Senator CAROL BROWN: I have a lot of questions, too, which I'll put on notice.

Senator SIEWERT: There are a lot more questions. How many people's plans—if you have that information—have been affected by this outage?

Mr De Luca: Impacted?

Senator SIEWERT: Yes.

Senator CAROL BROWN: I will move now to plan reviews and the Ombudsman's report. How many unscheduled plan reviews are waiting to be considered?

Mr De Luca: Right now?

Senator CAROL BROWN: Yes.

Mr De Luca: In terms of unscheduled plans, we have, as at 31 March, 54 open for 14 days or less. The act requires us to conduct a plan review within 14 days and, if it's not conducted within 14 days, there's an interpretation that a decision has been made, which becomes a reviewable decision, which then leads into section 100, which is review of reviewable decisions. As at 31 March, we have 2,822 open. For those that relate to when the Ombudsman review was conducted, the peak of the review saw about 14,000. We have now 1,431 remaining over 120 days.

Senator CAROL BROWN: Does that number include requests that are made within the 30 days of the plan initiated by the participant or their representative?

Mr De Luca: There are three types of plans.

Senator CAROL BROWN: Just to clarify: the figure for unscheduled reviews provided in the quarterly report specifies that the figure does not include requests in the 30 days or last three months of a plan.

Mr De Luca: As at 31 March, we've completed 18,729 unscheduled reviews. Is your question: within the numbers that I provided, does it include scheduled reviews or unscheduled reviews? I just want to make sure that I'm looking at the right figure.

Senator CAROL BROWN: You gave me figures that are about unscheduled reviews.

Mr De Luca: Yes, unscheduled reviews. The way that the process works and the act outlines is that a participant can ask for an unscheduled plan review at any point in time once they've got a plan. That could be for changes of circumstances—that is, 'I want to move to self plan and change plan management.' From that point, we've got 14 days to have a scheduled review in place. This includes all of those in that 14-day period, from the time that we're advised and requested.

Senator CAROL BROWN: So the figures that are in the quarterly reports figures do not include requests in the first 30 days or the last three months of a plan? Is that right?

Mr De Luca: I just want to make sure that I'm looking at the thing that you are referring to. I'm just reading through what I've got here in the unscheduled reviews in the quarterly report.

Senator WATT: The question is: do those numbers you've got in front of you include requests that are made for unscheduled reviews in the first 30 days of a plan or in the last three months of a plan? We understand that the figures you're reporting on don't include those.

Mr De Luca: I'd have to check that. I'm just not 100 per cent sure, so let me check that.

Senator WATT: Can we try and get an answer on that today?

Mr De Luca: Yes.

Senator CAROL BROWN: Do you know how many reviews have been requested in the first 30 days?

Mr De Luca: How many have been in the first 30 days since when?

Senator WATT: Of the plan.

Senator CAROL BROWN: Of the plan.

Mr De Luca: Do you mean from at any point in time since the trial? It would be good to know the time horizon.

Senator WATT: Let's say over the last two years.

Mr De Luca: I haven't got that data in front of me. All I know is that what's articulated in the quarterly report is that since the transition there's been 41,895 unscheduled plan reviews. For this financial year, there's been 18,729 completed.

Senator SIEWERT: Of the unscheduled ones?

Mr De Luca: The unscheduled, yes. And there are many reasons why the unscheduled get called. Some of those things need to be addressed with systems and processes. In many cases, we haven't been able to make plan amendments, and it might be quite simple. We've got a technology change coming through in June which will allow us to make plan amendments. The second part is assistive technology, as I alluded to earlier, which requires three quotes and for us to come back and then change and do an unscheduled plan. Given we've made changes to under the \$1,500s to not require quotes, we do not need to make an unscheduled plan review for those circumstances. So there are many things that we're doing which will reduce the number of unscheduled reviews that really shouldn't be required.

Senator CAROL BROWN: But you're going to come back and tell us whether those figures include—

Mr De Luca: I'll come back to you with that.

Senator CAROL BROWN: Maybe on notice. I think you probably won't be able to do it today. The Ombudsman has written that participants have been told that applying for a review will result in a cut to their current funding and that they'd been threatened. Has this occurred?

Mr De Luca: I can't comment on that. I know that was quoted and there's been commentary about that, but all I can say, from our perspective, is there's no directive to cut plans—there should be no directive at all—and there should be no culture in the agency to drive people around reviews.

Senator CAROL BROWN: But are you concerned about that statement?

Mr De Luca: I'm concerned that it's been raised, but I can't comment on how accurate it is. All I can say, from my perspective, is that there is no directive to cut plans unilaterally or go through that process.

Senator CAROL BROWN: So you're not concerned enough to actually investigate the statement that's been made—not the statement, but what it's based on?

Ms Rundle: We're just taking a bit of counsel here.

Mr De Luca: My colleague was letting me know that we've got some really good evidence that articulates that the outcomes don't reflect that. In terms of planned reviews, over the last quarter we've seen 37 per cent of plan reviews increased by 37 per cent, and we've seen 35 per cent of plans reduced by more than 10 per cent—so 37 per cent above 10 per cent and 35 per cent below 10 per cent and about 28 per cent remained within the 10 per cent range.

Senator CAROL BROWN: Mr De Luca, you've already indicated that you were concerned about the statement that participants had been told that applying for a review will

result in a cut to their current funding, but are you not concerned enough to investigate the basis of that statement?

Mr De Luca: All I'm saying is there's certainly been no directive from me or any of our management team around it, we haven't heard firsthand around that and our data—

Senator WATT: That's a really serious finding in the Ombudsman's report.

Mr De Luca: Yes.

Senator WATT: I'd expect that, as the CEO, you'd want to take some active steps to find out if it's true. I'm assuming that you don't tell your staff, 'Go and do this.' That's one thing, but with this finding having been made, after a pretty comprehensive review by the Ombudsman, what have you done to see if it's true?

Mr De Luca: We've got a plan in place and a program in place to look at all the issues that were identified within the Ombudsman report and we are going through those systemically.

Senator WATT: What about this one? What's been happening?

Mr De Luca: I can't give you a comment on an update, but—

Senator WATT: Is there anyone who can?

Mr De Luca: Mr Francis's area is responsible for it, but he's only been here three months. All I can say is we're looking into all the issues that were put forward in the report. We've accepted the issues that were put forward in terms of the 20 recommendations. We've got a program in place to work systemically through all those issues. At this stage, we've seen nothing that would tell us otherwise—

Senator CAROL BROWN: But does the plan that you've put in place to address those recommendations from the Ombudsman's report include this issue?

Mr De Luca: I'd have to say that certainly we've taken on board all of the issues, and the plan would have actions around training, capability and culture.

Senator CAROL BROWN: So you are investigating the issue?

Mr De Luca: All I'm saying is that we've got a program across all the things. I can't give you an update on where we're at on each of the specific items to it, but we are looking into it, because nothing at this stage has confirmed to us that that has been the case.

Senator CAROL BROWN: But are you doing more than just looking at your data? Are you going—

Mr De Luca: We're not just looking at data, Senator.

Senator CAROL BROWN: I'm not trying to verbal you here, Mr De Luca, but that's what you started to say in terms of the response. You started talking about data.

Mr De Luca: And I just wanted to come back and say that the facts in terms of what's happening in the plans don't reflect that.

Senator CAROL BROWN: And my question still stands: what exactly are you doing to investigate what is a very serious statement in the Ombudsman's report?

Mr De Luca: I can't give you the specifics to it, but we've got a number of initiatives looking at all the issues of the program.

Senator WATT: What does it say about the culture that's developed within the agency that the Ombudsman found that staff have been threatening people with cuts to their funding if they seek a review?

Mr De Luca: Firstly, what it says is that there has been some feedback around that issue which we need to address. Secondly, it actually tells us that all the issues that we're working through from the agencies' initiatives are trying to address the core heart of what the scheme's all about and making sure that we've got the right workforce and that the culture is right within the agency, as well as the planning practices in place to actually deliver on the scheme. We've been doing some work around our values refresh, ensuring that we've got the right values and the right culture in the agency to deliver on the scheme, the expectations of participants and what the scheme's all about. We're doing significant work in terms of the training that's required within the agency to be successful within it, as well as, obviously, all the systems and processes to enable that to happen.

Senator WATT: Given this finding by the Ombudsman, isn't it the case that people may very well be choosing to not seek a review because they've experienced that kind of a threat, so the figures that you've got there may be understated compared to those who've actually got problems with their plan?

Mr De Luca: I can't comment on the hypothetical of that, but generally we've got to get down to the core element here, which is to make sure that people who ask for a plan review or an unscheduled plan review get it.

Senator CAROL BROWN: Mr Francis, are you in charge of the Ombudsman's plan? Who's in charge of—

Mr Francis: The people who are working towards rectifying the issues in that?

Senator CAROL BROWN: Yes.

Mr Francis: Yes, I am.

Senator CAROL BROWN: And this is one of the issues that you're investigating?

Mr Francis: As Mr De Luca referred to previously, there's a significant plan of work to address all of those recommendations. I can tell you that, whilst it doesn't constitute the investigation per se, I have personally asked questions of both the people in our call centre and the people, again, in our technical advisory space about anything they might know about the genesis of these types of comments and where they may have come from. To a person, those people have all certainly denied any understanding of anything that might have driven people towards providing that type of feedback. That doesn't constitute an investigation—that does tell you part of what I personally am aware of.

Senator CAROL BROWN: So there's no investigation, okay.

Senator WATT: Could I ask a question on a different topic: the decision of the NDIA to contract Serco to take over its call centre operations. I have seen the media release from 20 April 2018 in which you say that you have decided to engage Serco on a two-year contract. To start with, until now it's been the Department of Human Services that's operated this call centre?

Mr Francis: That's correct.

Senator WATT: We asked them some questions about this last night, and according to them they are doing a very good job of running the call centre. So why have you chosen to get rid of the DHS and go with Serco?

Mr De Luca: Firstly, when I arrived the decision was already made in terms of moving to a different provider. That was based on mutual discussions between the agency and the Department of Human Services. From our perspective, the performance isn't at the level that we would expect and would want, particularly when you go through the quarterly report and see the number of complaints around timeliness and how long people have had to wait for calls. As at the end of 31 March, for participants the average wait time for the nine months was four minutes and 14 seconds and for a provider five minutes and 39 seconds. The arrangement with Serco is 80 per cent of calls in 60 seconds, so a material improvement on that.

Senator WATT: Being answered?

Mr De Luca: Yes.

Senator WATT: Not necessarily resolved though?

Mr De Luca: Well, it's about answering them first and then about actually what the issue is.

Senator WATT: And does 'answering' in the Serco contract mean answered by a human being or answered by some sort of an electronic system?

Mr De Luca: No, by human beings.

Senator WATT: So the target will be that at least 80 per cent of calls will get a human being on the other end within 60 seconds?

Mr De Luca: Yes.

Senator WATT: But may then be transferred to another call centre operator?

Mr De Luca: It depends what the issue is. This is our general inquiries line for participants and also people who aren't participants yet and want to understand something about the scheme. It could be pre being part of the scheme, and also for providers. That's different to, obviously, the pathway program, which is about people who are in the scheme and then have a local area coordinator as a point of contact for them.

Senator WATT: In the last year, what was the NDIA's call abandonment rate?

Mr De Luca: I will give you the figure for the provider first. Between the period of July to the end of April, the abandonment rate was 43.2 per cent for the provider call centre. The month of April was 43 per cent. The overall average across the whole of those 10 months is 16.5 per cent.

Senator WATT: What went so badly wrong in April?

Mr De Luca: I can't comment on that. There have been ups and downs across the whole year, so there were periods where it was six per cent, periods where it was 27 per cent. Each month was varied. For general inquiries for participants, the financial year to date is 19.9 per cent abandonment calls.

Senator WATT: So basically in the year to date about 20 per cent of NDIS participants have called the NDIS or NDIA call centre and have hung up.

Mr De Luca: Yes, and it might not just be participants, because a general inquiry could be you or I calling about the scheme and asking questions about the scheme and eligibility. As I said, our pathway model is very much that, once you're in the scheme, you get a local area coordinator as a contact person so you don't have to call the call centre. So this is a general number.

Senator STEELE-JOHN: Can we clarify whether we're talking about the participant dropout rate or the provider dropout rate in the year to date.

Mr De Luca: There are two separate numbers. The 19.9 per cent is for the general inquiry for individuals, participants or non-participants who are calling. The 16.5 per cent is for providers.

Senator WATT: What were the average waiting times for each of those categories for a call to be answered by an operator?

Mr De Luca: The average speed of answer for that same period for the general, which would be individual participants, was four minutes and 53 seconds.

Senator WATT: That's year to date?

Mr De Luca: That's year to date. And for providers, six minutes and 51 seconds.

Senator WATT: And the target from Serco will be 80 per cent.

Mr De Luca: Of calls answered within 60 seconds.

Senator WATT: For both providers and the general line.

Mr De Luca: Yes.

Senator SIEWERT: We were asking DHS last night about this, and they were talking about the targets they had. They weren't 60 seconds for one line, and three minutes. Who set those targets—did you or they? Did they self-set them?

Mr De Luca: I can't comment on how they were set at the beginning. This arrangement's been in place for a number of years. But I would assume—and maybe I shouldn't assume—that it was between ourselves and DHS at the time to sit down and say, 'What do we think are the right service standards?'

Ms Rundle: That's right. In fact, I didn't negotiate them either, but that's I think how it happened. I just thought I'd add—and obviously I can't speak for DHS and the multitude of the call centre arrangements they need to have in place—they've always been very responsive. When we had these peaks which Mr De Luca just outlined, they immediately swung in additional resources. I wouldn't want to convey that we haven't got a good partnership with DHS, because we have.

Senator WATT: But you wouldn't be getting rid of them if you were perfectly happy.

Ms Rundle: We have mutually agreed that there's probably a better way to outsource the contracts.

Senator WATT: They're happy to give up this contract? They didn't give any indication of that last night.

Senator SIEWERT: I have just gone back to my notes. The target for participants, at this stage—these were the updated figures, which will be on your last report—was four minutes and four seconds, and the target was three minutes. It's now 60 seconds. Did you talk to them

about meeting that new target, or was there just a discussion that you didn't want to do this anymore, basically, and you would go out to tender? Was that the process?

Mr De Luca: I can't comment. I wasn't here at the time the decision was made.

Senator SIEWERT: Ms Rundle?

Ms Rundle: I'll try and shed as much light as I can, too. I think the 60-second target is something that's materialised after. In working through what specifications we would want for a new provider, our new targets have arisen through that process. The target of three minutes for participants and five for providers is an average target across the year with DHS. I wasn't present when they were struck, either. But I understand that was through discussions about what we all considered to be reasonable at the time.

Senator SIEWERT: Thinking has moved on, so now it's 60 seconds.

Ms Rundle: Yes.

Senator SIEWERT: Why don't you employ these call centre staff internally?

Mr De Luca: Firstly, right now, when we are in transition—with what we need to do over the next couple of years—taking on more activities wouldn't be the right risk management strategy. We've got a significant schedule of rollout to complete over the next two years to get to full scheme. Bringing more activities in house without the capabilities just wouldn't be the right risk management strategy. It doesn't mean that after two years time, given we put in a contract in two years, this wouldn't be something we'd consider at that point in time. But right now, from a risk management perspective—and the board went through this thinking in the early stages, certainly before my time—taking on activities right now that add more risk to the rollout of the scheme wouldn't be the best thing for the scheme.

Senator WATT: Even if you wanted to do it in house, would your staffing cap—the ASL number—allow you to put on the staff that would be needed?

Mr De Luca: As part of the arrangements with the Department of Human Services for the call centre support, we allocate ASL to DHS for it. This financial year, there are 280 roles within the agency which are allocated to the Department of Human Services for ASL. To your hypothetical question, we're already including 280 roles today for contact centre support. This gives us the ability by outsourcing it to look at 280 additional roles we can put into planning functions.

Senator WATT: We're going get to this later, but was there any ASL cut for you in this year's budget?

Mr De Luca: Cut?

Senator WATT: Yes—have your staffing numbers been reduced?

Mr De Luca: No.

Senator WATT: Because DHS, obviously, has had another big cut to its staffing numbers.

Ms Campbell: Staffing numbers have actually increased significantly.

Senator WATT: How many staff are currently employed in the DHS call centre—is it 280?

Mr De Luca: We've got an allocation of ASL for 280. As Ms Rundle alluded to, it's an average over the year.

Senator WATT: Where is that call centre?

Mr De Luca: Where is the Department of Human Services call centre? There are a number of centres across different locations in different states.

Senator WATT: There aren't one or two that deal with NDIS matters?

Mr De Luca: No. There are dedicated teams within their locations across the country that take on calls and they use their resourcing accordingly to scale up or scale down, depending on the number of calls.

Senator WATT: What's the total value of the Serco call centre contract that you've entered into?

Mr De Luca: The two-year contract is \$3 million for transition and \$60 million for the contract overall.

Senator WATT: So \$3 million for transition?

Mr De Luca: Yes; for set-up costs and establishment.

Senator WATT: Did you say \$60 million?

Mr De Luca: Yes; \$63 million overall—outside of the establishment.

Senator WATT: Over two years?

Mr De Luca: Over two years, and an expectation that in this first financial year there will be about 1.8 million calls coming through. Obviously, the contract is based on volume as well, so there'll be a floor cost but variable costs depending on the number of calls and volume.

Senator WATT: Can you break that \$60 million down by each year of the contract?

Mr De Luca: It's a two-year term, so I can't do it exactly; however, I would say it's pretty equal between FY19 and FY20. They are in the process of recruiting at the moment and being ready for some of their resources in late June. We have a three-month period in parallel transitioning Serco in and DHS out.

Senator WATT: So late June is the—

Mr De Luca: Start of over a three-month period.

Senator WATT: DHS will continue taking calls for a period of time as well?

Mr De Luca: Yes.

Senator WATT: When would you expect it to be fully run by Serco?

Mr De Luca: On the basis that everything is operational, we're aiming that, by September, they will be taking all calls.

Senator WATT: How many staff will Serco employ?

Mr De Luca: It depends on volumes. We provide, like we do with the Department of Human Services, them with a schedule of our transition plan of when people would be coming into the scheme. As you may know, we can start making access decisions for participants up to six months before we transition in. The volume depends a little on each quarter of when we'd expect people to be calling us about inquiries about the scheme because

we communicate to them through the states and territories that we'll be moving into a certain region. So, it's not a flat number of X number of people every day.

CHAIR: Senator Watt, have you got many more questions in this area?

Senator WATT: Probably about five—I wouldn't mind finishing off, if that's okay.

CHAIR: Finish off this area and then we'll go to Senator Siewert.

Senator WATT: Sure. But you must have some expectation of the number of staff approximately at its height or—

Mr De Luca: I haven't got that with me right now.

Senator WATT: Can you take that on notice for us.

Mr De Luca: I'm happy to come back to you. There was some modelling done—part of the probity process was each of the people put forward a proposal. We gave them the expected volumes of participants across it, and they put forward their modelling of it.

Senator WATT: Will the Serco staff be full time or casual?

Mr De Luca: It'll vary. They will have a number of dedicated permanent staff within the call centres and, depending on volume, they might need to scale up contractors or not.

Senator WATT: Can you take on notice a breakdown of the expected percentage permanent as opposed to casual.

Mr De Luca: Yes, and, again, it might vary over time. They have committed to, in line with our own objectives, having up to 15 per cent of their workforce with a disability. As part of it, they're very committed to our values and the scheme.

Senator WATT: And what rate of pay will the Serco staff receive?

Mr De Luca: What are their employment arrangements?

Senator WATT: Yes.

Mr De Luca: I can't comment on that.

Senator WATT: You don't know?

Mr De Luca: I can't comment on their employment arrangements.

Senator WATT: Was any work done to calculate whether it would be cheaper to use Serco staff than to continue with DHS or Commonwealth public servants?

Mr De Luca: Through the evaluation process each of the six parties that put forward their proposals for the contract gave us their costing base. We did a value-for-money assessment on those. We also took the Department of Human Services's forward projections of their costs, which were higher than what Serco's proposal was.

Senator WATT: Could you actually table the Serco contract, whether it be today or—

Ms Campbell: It might be something we take on notice, because no doubt there is commercial-in-confidence material in that.

Senator WATT: There might be parts, but you're not in a tendering process, so it's not as if we are giving away how much the Commonwealth is expected to pay. There might be parts.

Ms Campbell: I expect Serco have some confidential material that they don't want publicly released, but we'll take it on notice.

Senator WATT: Where will the Serco call centres be located?

Mr De Luca: There are two in Victoria.

Senator WATT: Metropolitan or regional?

Mr De Luca: One is in Dandenong and the other one is in metro Victoria.

Senator WATT: Will Serco deliver any other services from the same locations?

Mr De Luca: At this stage, not that we're aware of. We will have co-located staff as well.

Senator WATT: What service standards will Serco be required to comply with?

Mr De Luca: There are a number of service standards in the contract. There is the service standard of how many calls they need to answer, which is 80 per cent of calls within 60 seconds, but there are a number of other ones. Given your question that we've taken on notice, we might be able to provide that.

Senator WATT: Is there a separate service level agreement between the department and Serco, or is that essentially the same thing as the contract?

Mr De Luca: That would be part of the contract, yes.

Senator WATT: I'm particularly interested in seeing the service standards. What penalties will be in place if the call centre does not meet its contracted requirements?

Mr De Luca: Can I take that on notice and provide it to you?

Senator WATT: Yes. I suppose the ultimate penalty is termination—

Mr De Luca: Yes, exactly.

Senator WATT: If you could outline that as well. What will be the disability employment policy at the Serco call centres? Is this required under the contract?

Mr De Luca: Yes. As I said earlier, Senator—

Senator WATT: Sorry.

Mr De Luca: That's okay. I know you had a lot of questions there to get through.

Senator WATT: I'm trying to go as fast as I can.

Mr De Luca: That's okay. As I said earlier, part of the expectation was that we wanted of all of the providers who tendered for it is alignment on culture and values as well as a focus on disability. They've committed to employ in the workforce up to 15 per cent of their staff with a disability, which is our own internal target as well.

Senator WATT: I have a couple of quick ones to finish off. Does the contract have any options? Is it a two plus two plus one?

Mr De Luca: It does have options for extension. I believe it's one plus one plus one, but I'd need to confirm that.

Senator WATT: Yes. I thought it was a two-year contract.

Mr De Luca: It is a two-year plus options.

Senator WATT: Right.

Mr De Luca: So two-year plus extension options.

Senator WATT: If you could come back to us on that.

Mr De Luca: Yes.

Senator WATT: Are there any penalties in the contract for ending the contract rather than taking up an option? If you get to the end of the two years, is there any penalty if you opt not to allow them to exercise that option?

Mr De Luca: It's at our discretion I think to terminate it after the two-year period.

Senator WATT: With no penalty, right. This last question is for Ms Campbell. You obviously, until a few months ago, were the secretary of DHS.

Ms Campbell: I was.

Senator WATT: What do you think went wrong so that at the end of this period the NDIA decided to move on from DHS? What do you think needed to be done differently while you were there for DHS to continue this?

Ms Campbell: Of course, these questions are probably best directed to DHS.

Senator WATT: Sure.

Ms Campbell: The only thing I would comment—and Mr De Luca has already said this—is that it was mutually agreed that DHS would not continue with these services before Mr De Luca took up the role and while I was the secretary. That was because the assessment at that time was that Human Services had other priorities.

Senator WATT: It might be a convenient way for DHS to meet some of their own staffing cuts though, mightn't it?

Ms Campbell: The ASL was given by NDIA to DHS to cover it.

Senator WATT: I'm sure there were also DHS staff there.

Ms Campbell: There are DHS staff, but it was just envisaged that, with the other pressures that DHS had at the time, this was work that could be done elsewhere. Also because the NDIA, as we've discussed, was looking for a different performance standard, which means more people or different ways of doing things, that might be met better by someone else. So it was mutually agreed at that time. I wouldn't say that anything went wrong; it was a decision.

Senator SIEWERT: I'll go back to where we left off just before the tea break. You were going to go and look for some numbers for me over the break in terms of people transitioning in South Australia.

Mr Whitecross: I think I referred to a number before the break which included all Commonwealth clients, including other mental health programs. Is what you want to focus on the number of people who've transitioned in from PHaMs, specifically?

Senator SIEWERT: Yes.

Mr Whitecross: It's 29 at the moment. That's with plans. And there are 53 eligible and 103 in progress. According to our projections, that's ahead of schedule because we were planning for most of the participants in PHaMs to transition during 2018-19.

Senator SIEWERT: How many do you anticipate will be transitioning during 2018-19?

Mr Whitecross: The number of people we had in our data at the end of December was 1,290 in South Australia. We wouldn't expect all of those people to transition because some will not meet the eligibility criteria. I think the rejection rates were about 20.

Ms Strapp: The current rate of ineligibility at the moment around PHaMs is just under 20 per cent, so we've expected around that rate for PHaMs to need ongoing continuity of support.

Senator SIEWERT: So that's the number that are ineligible, the number of people that are withdrawing their applications and those that don't make an application when you anticipate that they would?

Mr Whitecross: This goes to the thing that I was talking about before the break. In the initial process arising from the section 55, a number of people don't proceed with an application for one reason or another. Those names bounce back to us, and then we work with the provider to get the provider to re-engage with the client to support the client, generally speaking, through to putting in a claim. We're aware that this happens for a range of reasons, but it's part of the contractual arrangement with the PHaMs providers that they'll support people through that. So if that initial approach from the NDIA doesn't result in them progressing with an access request, we get the PHaMs provider to pick them up and work with them to do their access request.

Senator SIEWERT: How successful have you seen that process to be? Do you have the data? You might want to take it on notice. When you do that intensive level of support, do you get a number of people then applying?

Ms Strapp: We have been monitoring that data. I have to be honest, it does kind of go up and down. We're working really closely with providers and looking really closely at the data we get back from the NDIA around who's withdrawing, the numbers withdrawing, the numbers who we're unable to contact and the numbers that we say are declining to phase in. In some months the data does look better, and some months it goes back. I think it's important to note, particularly in South Australia, that most of our providers only started transitioning clients in March this year, so it is very early. But we understand, from the feedback we get from providers, that sometimes it takes a few months to work intensively with a client to get them to even consider the NDIS as an option.

Senator SIEWERT: That's the feedback I'm getting.

Ms Strapp: We've allowed that, I guess, in their funding. In South Australia their funding, for 2017-18, is almost full funding. We're allowing them next year to have that room to work with clients who might take a bit longer, and to work with them around how we can best support them and how the NDIA can best support them, to get those clients who may be reluctant to phase in to do so, and around what kind of support the local area coordinators can provide to those clients.

Senator SIEWERT: I understand what you're saying in that they've only started transitioning now. I want to ask a question more broadly now, not just about South Australia. Now that we're further along, I'm trying to get a broader picture across the states about how the very issue we've just been talking about is playing out in the other states. With that intensive level of support, are we seeing more people going back and engaging? I want to move on to continuity of support, because this is linked to continuity of support. I know you've got PHaMs, but I'm wondering whether the agency has an understanding across all the Commonwealth programs on that. Do you keep that data?

Mr Lye: I might have a crack. I think I understand what you're saying. One learning is in the pathways work, that the NDIA is leading, around sensitivity for people with psychosocial—I think there are some obvious learnings there out of that process that they speak to: 'How do we engage this client group?' Clearly, we've not done as well as we might

have done. Learning, on our side, with our psychosocial programs, has been that we've had to be much more engaged with individual providers to work with them much more actively than we might have done at the start. As Ms Strapp said, I think we're having reasonable success with them now, but it's up and down each month.

I think the other thing that's happening is that we're not the only provider of Commonwealth psychosocial programs. Health is as well.

Senator SIEWERT: I know. That's why I was also looking at the NDIA for those other programs. I have been asking Health as well.

Mr Lye: We understand that. We have engaged with Health—as most recently as yesterday—around how we collectively work with providers to help smooth that transmission. Those providers, to be fair to them, might have the majority of their funding coming from the state government. They might have some funding in the Health space and some from us. They're all slightly different arrangements around the transition that are impacting them as well as reforms that are happening in the PHN space. So they have a fair bit of change in their world, particularly in South Australia, as you're seeing now come on stream. We're going to do some intensive work with the NDIA and Health, with those providers, to try and help deal with some of those issues from their perspective. Most notably, when you talk to providers that are going through this period of transition, they see clients going to the NDIS as a loss of business.

We've had facility through the Sector Development Fund and the Jobs and Market Fund to boost the local care workforce. I think one of the challenges is to work with providers around seeing the opportunity. Just because their client transitions into the NDIS it doesn't mean they lose them. They can be a provider in that new world. The idea that people have, that suddenly their block-funding grant is going to be cut over time, misses the point. They have the opportunity to support those people in the new scheme, at higher levels, generally, too than what they've got.

Senator SIEWERT: I get what you're saying, but certainly people that I've had contact with aren't coming from that perspective. They're coming from the perspective that we've just been discussing, and that is: it's not as easy to transition people as the assumptions that were made at the beginning. People have built up a lot of trust and they get worried and anxious about shifting.

Mr Lye: That's true.

Senator SIEWERT: That's certainly the feedback that I'm getting.

Mr Whitecross: It's important to respect that concern because it is important. But, as I said, our experience is that at the moment, for example in South Australia, we're ahead of our projections. While there may be concern there, we have been transitioning more quickly than we expected, although we're talking about very small numbers. But also, if you look at the more mature sites across Australia, which have been in transition the longest, the number of people with a primary psychosocial disability is in line with the Productivity Commission estimates. There isn't a pattern here of there being fewer people with a primary psychosocial disability in the NDIS than was expected, so we are realising what we expected.

Senator SIEWERT: I think that needs further exploring, but I'm aware that I'm going to get pinged and I did want to move on to continuity of support. I'm going to put some

questions on notice about those assumptions and about some of the data. Going to continuity of support, I was asking in health as well around PIR and day-to-day living. In terms of PHaMs, in order to be able to qualify for continuity of support, will people have to test their eligibility with NDIS first under the new funding process that's been announced?

Mr Whitecross: Generally speaking, the answer to that is yes. However, for certain clients it would clearly be a waste of their time to test their eligibility. An obvious example is if they're over 65. We are working with PHaMs providers to identify people where it wouldn't be a sensible use of everybody's time to put them through an access process just to discover that they're ineligible.

Senator SIEWERT: They're manifestly not eligible if they're over 65.

Mr Whitecross: I should note that, apart from the over-65s, in theory, the eligibility for PHaMs is meant to align, so we wouldn't expect that to happen very often. But we recognise that in practice it will, and that's why we're trying to work to make sure, where it's evidently not the case that they're going to be eligible, that we don't put them through that process. But that's different from clients electing voluntarily not to test their access because they prefer one service arrangement to another service arrangement.

Ms Strapp: Can I add to that? I think what you might be asking about—and we've been talking to some of the peaks like Mental Health Australia about this—is that cohort of people that are maybe too unwell at the moment, so it might not be in their best interest. We're working really closely with the mental health reference group that the NDIA chair around what kind of arrangements we can have in place for those specific cases where at this point in time it might not be the best thing for someone to test their eligibility. We're certainly aware that there are some issues around that, and we're looking at how we can resolve that.

Senator SIEWERT: What's the time frame for that?

Ms Strapp: Ongoing continuity arrangements commence 1 July 2019, so we'd look to be resolving this pretty quickly. But we'd be expecting those clients to still be supported by their existing PHaMs provider until 30 June 2019.

Senator SIEWERT: I get the transition point. The thing is that, in theory, people are all rolling through a process of transition now. And it's difficult, then, for providers and people supporting people that are currently on PHaMs, if it's not in the best interest of the person but they've got this end date and that's uncertain as to what's going to happen—whether they should actually be starting a process. So that's why it's good to resolve this issue sooner rather than later. So what's the time frame for resolving the issue that we've just been discussing?

Ms Strapp: The next few months. I can commit to that.

Senator SIEWERT: Okay. Thank you. Can I ask a broader question?

CHAIR: It'll be the last one.

Senator SIEWERT: He's so tough! How is the level of funding that is allocated to continuity of supports determined?

Mr Whitecross: It's based on our experience to date about rates of ineligibility and numbers of people who are over 65 and known not to be eligible but also about rates of people under 65 who are found not to be eligible but who've attempted access. So we've used that to construct our best estimate of how many people won't be eligible at 30 June.

Senator SIEWERT: But what about the examples that we've just been talking about? Is there enough flexible—

Mr Whitecross: I don't think we're thinking about a large number of people in that category. I don't think they materially impact on that estimate.

Senator SIEWERT: Do I take it to mean there's enough flexibility in the funds to accommodate that group of people?

Mr Whitecross: If they meet the eligibility criteria for continuity of support, they'll get continuity of support. It's not a rationed service.

Senator SIEWERT: Okay. Thank you.

Mr De Luca: Chair, may I answer some questions?

CHAIR: Absolutely.

Mr De Luca: I know Senator Watt's left, but there were a couple of questions he asked earlier for which I've got updates. The first one was about the contract with Serco. It is two years, and then there are three one-year options afterwards at our discretion with no penalties. The second question that he asked was how many people they would be putting on board. Initially they will put on 305, with capacity for up to 415 seats in the two sites. And the second site is in Newborough.

CHAIR: I assume the capacity to put on more people would be related to meeting that 60-second target.

Mr De Luca: Exactly—80 per cent of calls in 60 seconds. But, given that there are fluctuations at the start of quarters for the transitions, there are points in time where our experience shows there's an influx of calls when we communicate to a region that we're coming in in three months' time or six months' time. They call us to find out eligibility and information. We usually have these peaks. That's why there's capacity to go up to 415.

CHAIR: It did sound like your calls were very lumpy, and that is because people are transitioning into the system?

Mr De Luca: It is.

CHAIR: Okay. Senator Brown.

Senator CAROL BROWN: Before I move on to my next set of question: where did you say it was? Newborough? Where is that?

Mr De Luca: I haven't been there, so I can't comment on it.

Senator CAROL BROWN: Which state?

Mr De Luca: It's in Victoria.

Senator CAROL BROWN: I want to go on to staffing levels now. How many APS staff does the NDIA now employ?

Mr De Luca: I'll give you the numbers as at 31 March. In terms of headcount for APS, at 31 March there were 2,567.

Senator CAROL BROWN: Do you have it as FTE or any other figure there?

Mr De Luca: Yes, we do. As FTE, it's 2,464.

Senator CAROL BROWN: Have you reached your staffing cap?

Mr De Luca: Our ASL cap for this financial year as at the end of the year is 2,460. We're below that at this point in time.

Ms Rundle: As at 31 March, the ASL was 2,140.

Ms Campbell: But I think your cap has to include the ASL from DHS, so you have to add the two together.

Ms Rundle: That's right.

Mr De Luca: If you add the 280 for DHS, which will be held for this financial year, the total number is 2,420 versus a cap of 2,460.

Senator CAROL BROWN: So you nearly have reached your cap.

Mr De Luca: We're pretty close to it, yes. We've got some people coming on board in the final month of the year, so we'll be pretty much there or thereabouts. And next year our cap increases to 3,000. That's 540 more roles within the agency plus an expected 210 extra for the DHS contact centre moving to Serco.

Senator CAROL BROWN: Have you asked the government to lift the staffing cap?

Mr De Luca: No, we haven't. At this stage we go from 2,460—

Senator CAROL BROWN: I know; I'm just rolling through my questions, Mr De Luca. You haven't requested the government to lift the staffing cap?

Mr De Luca: No. I'd just remind you that, when we've been here previously, I've always said that we're doing the work on the pathway which will help us inform resourcing requirements. If at any point in time we believe the resourcing requirements as a result of the pathway would be more than our cap then we would have a conversation with government and make a request.

Senator CAROL BROWN: So what is the total amount the NDIA has spent on consultancy services in the last year and each of the last three years?

Mr De Luca: I haven't got the three-year numbers, but let me provide you with this. As part of the Murray motion, for the financial year of 2016-17 our reportable consultants' actual spend was \$35,329,000. For the calendar year 2017, that reportable spend was \$33,971,000.

Senator CAROL BROWN: So you're talking about 2016-17 and then you gave me a calendar year.

Mr De Luca: Yes. The way that we provide the reporting is that every six months you provide a 12-month figure, so it's basically 2016-17 for the 12-month period and the 12-month period for all of calendar year 2017.

Senator CAROL BROWN: So you'll be able to provide—

Mr De Luca: historical data for you?

Senator CAROL BROWN: On notice?

Mr De Luca: Yes.

Senator CAROL BROWN: Do you have an up-to-date figure now? No?

Mr De Luca: In terms of how much we've spent for what period?

Senator CAROL BROWN: You've given me calendar year 2017. Do you have a progressive figure for 2018?

Mr De Luca: No, I don't have that here. We can put that on notice.

Senator CAROL BROWN: Okay. What is the total amount the NDIA has spent on agency and temporary staff, who are not APS employees, in the last year and each of the last three years?

Mr De Luca: Can I provide you the same periods that I did for the consultants and then take on notice the previous periods?

Senator CAROL BROWN: Yes.

Mr De Luca: For the financial year 2016-17, contractors, labour hire and recruitment were \$29,749,000. For the calendar year 2017, that number is \$34,781,000 reportable.

Senator CAROL BROWN: So how many non-APS contractors are currently working for the NDIA?

Mr De Luca: As at 31 March, similar to the APS numbers that I've given you for that same period, the number of contractors and secondees—because we do have secondees that come from other agencies, states and territories—is 1,313.

Senator CAROL BROWN: Right. So the figure that you gave me in terms of how many APS staff you employ is the current employment figure from 31 March, isn't it?

Mr De Luca: Yes.

Senator CAROL BROWN: Okay. The Productivity Commission recommended the staffing cap be removed. Since that recommendation was made, has there been an analysis of its merit or what would it mean for the rollout of the schedule if the cap was lifted? Have you done any work on that?

Mr De Luca: Our work to date has been very much on what I would call bottom-up requirements, part of the pathway, which is giving us the sense of a more involved planning experience for participants, carers, and family members. That information will inform what our resourcing requirements would be. We've been doing time in motion, applying that to, also, the scale-up of the scheme.

Senator CAROL BROWN: I think we had a long discussion before around the Productivity Commission and some of the work that you're doing in looking at the recommendations. Are you looking at all 20 recommendations?

Ms Campbell: Across both the department and the agency. I think Mr De Luca did talk about the fact that they are doing this review with the pathways process, and looking at the staffing profile, and he indicated earlier that if there was a need for additional staff, at that point would be when he would discuss it with government.

Senator CAROL BROWN: Yes. I just want to confirm: the NDIA are doing work on all 20 recommendations. You are looking at all 20 recommendations. That's what I was told earlier.

Ms Campbell: Senator, some of the recommendations will be applicable to the agency. Some will be applicable to the department. So the portfolio, I think it's fair to say, is looking at those—but not all 20 within the agency.

Ms McDevitt: I can just add there, as far as the Productivity Commission report recommendations, there was a report that went to the Disability Reform Council on 30 April,

and they agreed that they would keep monitoring the implementation of all of the recommendations.

Senator CAROL BROWN: Perhaps on notice, Mr De Luca, could you tell me which of the recommendations the NDIA are actually doing any work on? I understood from the previous responses that you were looking at all 20.

Ms Rundle: I think, firstly, it would be better for us to give you that in writing afterwards, Senator, on notice, but—

Senator CAROL BROWN: That's what I said.

Ms Rundle: Yes.

Senator CAROL BROWN: So are we clear, then? Is that fine?

Ms Rundle: Yes.

Senator CAROL BROWN: I'll just quickly turn to under-utilisation. What are the latest figures on under-utilisations? Do you have any unpublished figures that you can share?

Mr De Luca: Unpublished, did you say, Senator?

Senator CAROL BROWN: Yes. What are the latest figures you've got?

Mr De Luca: If I take you to the quarterly report that we released earlier—

Senator CAROL BROWN: That's 31 March?

Mr De Luca: Yes. I haven't got any later than that.

Senator CAROL BROWN: So there is nothing later?

Mr De Luca: No. This is what we publish and provide to the market, on a quarterly basis.

Senator CAROL BROWN: Yes, but you're providing them to a Senate committee.

Ms Campbell: And to ministers as well. Both Commonwealth and state and territory ministers receive this quarterly report as well.

Senator CAROL BROWN: Do you report to the board quarterly or monthly?

Mr De Luca: We don't provide more regular reporting to the states and territories or the ministers. We do have our sustainability committee that meets on a regular basis to review it.

Senator CAROL BROWN: Okay. Could you just let me know what it is, quickly?

Mr De Luca: The latest?

Senator CAROL BROWN: The latest that you're prepared to give me, yes.

Mr De Luca: The 2013-14 utilisation to date is 64 per cent. The 2014-15 is 75 per cent—

Senator CAROL BROWN: I'm sorry; I just wanted the latest figures.

Mr De Luca: The total average is 64 per cent, at this stage.

Ms Rundle: Senator, I think it's important just to explain something—that, when Mr De Luca started reading from earlier years, it's because, year on year, even the early utilisation of earlier years can change, because of the way the funds are allocated across those years but might be activated in the year after, if you know what I mean.

Senator CAROL BROWN: Okay. Has the agency intervened in any market to specifically address the problem?

Ms Rundle: Firstly, we are looking at our role, and our market-enablement work that we're doing inside the agency—and there'll be, at some point in the near future, some advice externally about that, which will help us work out what we monitor, and when we might intervene in the market—bearing in mind that every time you intervene in the market, you also might prevent an emerging market, so you need to exercise that fairly judiciously. But the best example I can give you, Senator, is from last year, for short-term accommodation. When we saw that there was an issue, we did some analysis, we worked with DSS and our scheme actuary, and we very quickly intervened and we changed the pricing so that participants wouldn't be short of short-term accommodation.

Senator CAROL BROWN: I'm not sure if that's the only time you've intervened but, on notice, can you let us know where and how? I also want to ask: is it the agency's responsibility to ensure market development and avoid under-utilisation?

Mr Lye: We both have a role to play—the budget announcement around the Jobs and Market Fund represents a piece of work that DSS is involved in looking at; the development of markets and also the development of the NDIS workforce. So we have a range of activities that we will prosecute through that budget measure to try and make sure that markets evolve. I think Mr Francis mentioned before our work with the Aboriginal-controlled health sector around development of service provision, particularly in rural and remote but not exclusively.

Senator CAROL BROWN: How many providers have ceased delivering services, either by cancelling registration or becoming inactive?

Ms Rundle: We could try and get that before the end of the session, Senator, if we can.

Senator CAROL BROWN: I'm interested in whether you can give me the information by service category, and whether providers are withdrawing from some categories but not others, and a breakdown by state and region.

Mr De Luca: If I can come back to your earlier question, Senator: since the scheme's been operating through registration of providers, there's been 120 providers that have been deregistered. That can be for a variety of reasons—whether they have chosen not to continue to provide services, or a change in business model—so we don't have all the specific reasons why, but it is 120 to date.

Senator CAROL BROWN: But that's been initiated by the provider—all those 120?

Mr De Luca: Yes, from the providers, but there could be many reasons why.

Senator CAROL BROWN: Yes, okay. Will you be able to provide the other information on notice?

Mr De Luca: Sorry; what was the other question? Just to make sure I picked it up.

Senator CAROL BROWN: I'm sure the *Hansard* will have them, but can you advise, by service category, whether some providers are withdrawing from some categories and not others? And please provide a breakdown by state, territory and region.

Mr De Luca: Yes. We do have all the service categories by product and by state, and change, in the quarterly report.

Senator CAROL BROWN: If you can perhaps clarify that on notice.

Ms Rundle: The other thing that might help you here, Senator, is if you look at the independent pricing review which was undertaken for the agency. That's quite a useful

document to look at to try and understand the provider experience. As you know, there are a bunch of recommendations in that which we are now responding to—and we probably should have said earlier that part of our role is, in fact, using prices as a lever in the market.

Senator CAROL BROWN: Is there any plan for the responsibility for delivering transport services to be handed back to the states?

Mr Lye: Senator, we released a discussion paper last night which has been worked on jointly with the NDIA and state and territory governments. That discussion paper canvasses a couple of options around how this might be done in the future. So we're at the stage of actually asking stakeholders that question—parents, transport providers. We're asking for feedback. That went onto the DSS website and was available from last night.

Ms McDevitt: Yes. Specifically, that's supported school transport, not for transport more broadly.

Mr Lye: Sorry, Senator, I assumed you were talking school transport, but you might have been talking more broadly.

Senator CAROL BROWN: So you were only talking about school transport.

Mr Lye: School transport, yes.

Senator CAROL BROWN: So it's not suggested that it be more broad?

Ms McDevitt: No.

Mr Lye: No, Senator.

Senator CAROL BROWN: So, when you say it's on the website, you've sent it out to—

Mr Lye: It's on the DSS website.

Senator CAROL BROWN: What's the process? What's happening?

Mr Lye: It's on the DSS website, I think.

Senator CAROL BROWN: I know, but, Mr Lye, you don't give me a heads-up about what you're putting on the website.

Mr Lye: Sorry. I'll let Ms McDevitt explain that.

Ms McDevitt: In relation specifically to supported school transport, which is currently delivered by states and territories, a number of states and territories receive an inclined offset from their funding contributions for doing that because we've had to consider what the longer-term arrangements could be for the delivery of support and school transport within the NDIS model and because it's quite complex because it involves families, school and providers. There's been a longstanding agreement, and the Disability Reform Council agreed last year, and again at their meeting this year endorsed that there would be a consultation process. The very initial beginning of that commenced last night, where we made a discussion paper available, and we'll be commencing over coming days, working with our state and territory colleagues, publicising the fact that that discussion paper is available and people can make submissions. Then we'll be, in June and July, working with states and territories again, commencing some face-to-face workshops around the country.

Senator CAROL BROWN: Who produced the consultation paper?

Mr Lye: It was a product of a working group that had representation from states, ourselves and NDIA.

Ms McDevitt: And the state representatives include disability, education and transport department representatives, as they chose, as appropriate.

Senator CAROL BROWN: Now I would like to ask some questions around the integrated plan for carer support. I don't know whether to congratulate you or not.

CHAIR: Senator Brown, no, I'm not going to take the call from you. Can we just do a stocktake, though? I'm conscious that we've only got just over half an hour left till the lunch break. Is this your last block of questions?

Senator CAROL BROWN: Given the time, probably, yes.

CHAIR: How long do you think it might take?

Senator CAROL BROWN: About three hours! If Mr Lye keeps his answers concise, I'll do it in 15 minutes.

CHAIR: Fifteen minutes, and then Steele-John will have the 15 minutes up until lunch.

Senator CAROL BROWN: Yes.

CHAIR: Can we try to keep to that?

Senator CAROL BROWN: Okay.

CHAIR: Thank you, Senator Brown.

Senator CAROL BROWN: In fact, I'd better be concise, too. There's \$113.5 million over five years listed in the budget papers. It wasn't clear in the budget papers exactly how much is going to be allocated to both phases. That's what you call them, Mr Lye—phase 1, phase 2? I don't know.

Mr Lye: All of that money is.

Senator CAROL BROWN: That's \$113.3 million over five years. That's made up of what? Where's that money from?

Ms Carapellucci: That's the additional funding that the government has committed to the integrated carer support service, and that has come from the introduction of an income test for carer allowance of \$250,000 per household.

Senator CAROL BROWN: Initially that income testing wasn't costed as saving \$113.3 million. Is there any other money other than what's been put in there.

Mr Lye: I think the reason the numbers have changed is that, when it was announced, we didn't have an extra year in the forward estimates. So it's gone from something like \$80 million to the \$113 million, which just reflects the extra year of funding building.

Senator CAROL BROWN: So that's about \$22 million a year. What other funding is there?

Ms Carapellucci: The other funding is the current funding that is currently in Commonwealth carer programs. That's then bundled together and it all goes into—

Senator CAROL BROWN: How much is it?

Ms Carapellucci: The current carer funding is \$168.87 million.

Senator CAROL BROWN: Is that per year?

Ms Carapellucci: No, it's the current financial year—2017-18.

Senator CAROL BROWN: So it's for a year, though.

Ms Carapellucci: That funding is gradually decreasing as some funding is transitioning into the NDIS. By 2021 there will be, without the additional money, \$94.86 million towards Commonwealth carer programs. With the addition of the extra money for the ICSS, by 2023-24 DSS-funded carer services will reach around \$125 million.

Senator CAROL BROWN: So, \$94 million and \$22 million, but what did you say the figure was? You said \$125 million by when?

Ms Carapellucci: By 2023-24.

Senator CAROL BROWN: Why do you believe that there'll be a reduction needed in funding? You're currently doing \$168 million.

Mr Lye: The current profile reflects the decision taken by government about which Commonwealth programs would fold into the NDIS.

Senator CAROL BROWN: I understand that, but I'm not asking that question. I am asking what analysis have you done that this bucket of money is adequate for these services and supports that carers will need?

Mr Lye: Ms Stuart can probably tell you the instances of care where dramatically boosting the reach of the program—but I think the other important bit about the extra funding is the redesign of the whole carer interface, which is meant to engage with people earlier and reduce the proportion of emergency respite needed in the system because we have a better up-front engagement with carers. So the extra funding allows us to provide a service to dramatically more carers, but it's also been worked on with the sector to make sure it's evidence based.

Senator CAROL BROWN: What do you base that on, that there won't be a need for the same level of emergency respite?

Mr Lye: We've looked at the evidence in terms of what works around the world and we've also worked closely with carer groups. This strategy is being engaged in—we've done a co-design with the sector all the way through. What we have tried to identify is the sort of things you need to put in place to take some pressure off carers so they don't find themselves in a situation where they need to access as much emergency respite. We still have provision for that, but the idea is that we get support to people up front.

Senator CAROL BROWN: What proportion of this funding is for the online services that will be rolled out in—is it October this year?

Ms Carapellucci: Yes, that's right. I don't have it as a proportion. The online services are \$18.8 million and the in-person services will be \$164.1 million. That's over the period of the current financial year through to 2020-21.

Senator CAROL BROWN: The \$18.8 million, that includes the extra services that are going online plus—they're going through the carer gateway?

Ms Carapellucci: Yes, that's right. That will encompass the enhancements to the carer gateway and the new services that will be provided online.

Senator CAROL BROWN: Can you just repeat those figures for me?

Ms Carapellucci: For the period 2017-18 to 2020-21, the allocation for online services is \$18.8 million and the allocation for in-person services is \$164.1 million.

Mr Lye: So the percentage is roughly 90 per cent in-person services.

Senator CAROL BROWN: Did you receive any questions on notice from me on the integrated carer supports and services from the minister's office?

Mr Lye: We have, and we have answers for those here today. We're happy to provide those.

Senator CAROL BROWN: When did you receive them?

Mr Lye: I'd have to take that on notice. I'm not sure when.

Senator CAROL BROWN: We got a briefing, which was very good of the minister to arrange that. I think we put these on notice on 10 April. What was the hold up?

Mr Lye: I'm not aware. We'll have to check why.

Ms Campbell: We'll have to check. We do have the information, though, if that would be of assistance.

Senator CAROL BROWN: That will be of assistance. It would have been of assistance if actually—I would like to know on notice when you received the questions from the minister's office.

Ms Campbell: We'll take that on notice.

Senator CAROL BROWN: Are you in a position to tell me about the level of funding across the nine services that have been described in the documentation that's on your website about the Integrated Carer Support Service?

Mr Lye: Yes.

Senator CAROL BROWN: At the briefing, the consumer directed care component, my understanding is that that is capped. There is a \$3,000 per annum cap on that component.

Mr Lye: Carer directed support?

Senator CAROL BROWN: If that's what you call it.

Mr Lye: We'll run through the list.

Ms Stuart: There were nine services listed in the attachment to the request for tender. I'll go through them in turn. The funding is over the period 2017-18 through to the 2020-21 financial year. The first is the carer pathway navigator, \$39.3 million.

Senator CAROL BROWN: Are any of these capped per individual?

Ms Stuart: I will tell you as we go through. It's not capped. Digital counselling, \$8.6 million, again not capped. In-person counselling, \$8.5 million. Carer online resources, \$2.9 million. Coaching online, \$3.4 million. Coaching in person, \$7.4 million. Online peer support, \$3.9 million. In-person peer support, \$5.7 million. Carer directed support, \$13.8 million. This is the only service where there's proposed to be a cap of any sort per person, and that's the \$3,000 figure that you've just mentioned. Emergency respite, \$89.4 million.

Senator CAROL BROWN: So the consumer directed component—what sort of services are people able to access?

Ms Stuart: It will be quite flexible and directed essentially by the carer, as the name suggests. The sorts of things we would like to focus that support on are assisting carers to engage in or remain connected with education and the workforce, and also assisting them with

planned respite activities. We're not talking about emergency respite, where someone is in a crisis, but activities that might help them and relieve them on a daily basis—assistance with transportation, someone to help them in daily activities of life that would free them up.

Senator CAROL BROWN: How did you come to that figure of \$3,000?

Ms Stuart: It's roughly around the same amount as their carer allowance is to start with. But we also have a very small program currently running, Carer Directed Support, which is around the same figure.

Senator CAROL BROWN: I think it's slightly higher than that. I thought it was \$4,200. You can advise me on that, then.

Ms Stuart: It sounds like you know more than I do, but I'll have to check that. I think that \$4,200 includes an administration component for the provider that currently provides it. When we're talking about the \$3,000, we're just talking about the money that would actually go to the services for the participant.

Senator CAROL BROWN: I'm running out of time. You've got the answers to my questions, so you can table those?

Mr Lye: Yes.

Senator CAROL BROWN: That's good. I'd be able to get those at lunchtime?

Mr Lye: Yes, Senator.

Senator CAROL BROWN: The RDPs—when are you making the decision on how many RDPs there will be?

Ms Carapellucci: We've just had a public consultation process, which closed on 11 May, around the RDPs. We're currently in the process of analysing the responses and we'll provide advice to the minister on that.

Senator CAROL BROWN: My question was: when will it happen?

Ms Carapellucci: In the coming months.

Senator CAROL BROWN: So between, I think, 11 and 20?

Ms Carapellucci: Eleven and 20 were the two options put forward.

Senator CAROL BROWN: Does that include one for the ACT particularly, not one that's shared with New South Wales?

Ms Stuart: As Ms Carapellucci, there were two options in the discussion paper. In both of those options, the ACT was bundled in with parts of New South Wales. We asked respondents to provide comments on those two options but also to make any other suggestions, and we did receive some comments from some submissions around making the ACT a region in its own right.

Senator CAROL BROWN: So no decision?

Ms Stuart: No decision.

Senator CAROL BROWN: And you can't tell me when it will be made?

Ms Stuart: My team is currently working through all the responses—

Senator CAROL BROWN: Sorry—both options had ACT not receiving a dedicated RDP and Tasmania only receiving one. That's correct, isn't it?

Ms Stuart: That's right.

Senator CAROL BROWN: Have you had consultation around the integrated carer support system with the state governments?

Ms Stuart: We're in the middle of talking to state governments at the moment.

Senator CAROL BROWN: What about—

Ms Stuart: The services in general and regional delivery and service areas in particular—to seek their views. We're halfway through that consultation. I've met with four of them so far and the remaining meetings are scheduled for next week.

Mr Lye: I think community services ministers are discussing a paper today on the service as well. They're meeting here in Canberra.

Senator CAROL BROWN: You've just started those discussions, though?

Ms Stuart: We received some written submissions from the jurisdictions. We received a submission from the ACT and the New South Wales advisory council to the minister. We wanted to follow-up on those and make sure that we had a specific conversation with each of the jurisdictions.

Senator CAROL BROWN: Are those submissions public?

Ms Stuart: There were 42 submissions received in—

Senator CAROL BROWN: I'm talking about the views of the state and territory governments. Is that what you said?

Ms Stuart: I'd have to check, Senator.

Senator CAROL BROWN: Mr Lye, do you know if I can have a copy?

Mr Lye: I don't think they are public, but if your question is, 'Are they available?' we could certainly talk to the jurisdictions about it. I'm not sure whether they'd see it as sensitive or not.

Senator CAROL BROWN: In the funding envelope, is there funding allocated to carer advocacy?

Ms Carapellucci: No. There's not a specific allocation for carer advocacy, but we do have the Carers Australia peak body funding that continues.

Senator CAROL BROWN: What happens with the young carer's bursary?

Ms Carapellucci: That will become part of the Integrated Carer Support Service.

Senator CAROL BROWN: Can you explain to me how that works?

Ms Carapellucci: Yes, Ms Stuart will provide more detail.

Ms Stuart: It's incorporated into the new model and it will still be called the Young Carer Bursary Program. The numbers that we would be able to provide through this are substantially higher. At the moment there are around 333—

Senator CAROL BROWN: At a reduced level of funding; is that right?

Ms Stuart: They're currently \$3,000 bursaries each year.

Senator CAROL BROWN: So is that going to continue?

Ms Stuart: Yes.

Senator CAROL BROWN: So the same level of funding but more recipients—

Ms Stuart: Yes.

Senator CAROL BROWN: So who's going to coordinate that? Who's going to be the administrator of that? I'll still call it a bursary.

Ms Stuart: Currently Carers Australia administer it.

Senator CAROL BROWN: I know they are, but—

Ms Stuart: There will still be a separate organisation. The plan is to have a separate organisation administering that to an independently—

Senator CAROL BROWN: So not necessarily Carers Australia?

Ms Stuart: I don't think a decision has been taken at this stage.

Senator STEELE-JOHN: To bring it to your attention, Mr De Luca, I also wanted to advise you that I've been contacted by a number of constituents, but one particularly who, when discovering a mistake in her plan in regard to her son, who journeys with autism, and wanting to have that mistake corrected, was advised by her planner that if she sought a review to correct the mistake the overall funding allocation would be reduced.

Mr De Luca: A mistake in the plan?

Senator STEELE-JOHN: Yes.

Mr De Luca: Have you got the details you can provide me?

Senator STEELE-JOHN: Yes, I can provide that to you. It is a broad cultural problem as far as I've been able to ascertain.

Ms Campbell: Senator, I'm not sure that was what your evidence earlier was—that there was a broad cultural problem.

Senator STEELE-JOHN: No. I'm just reflecting back to you that it is, in my experience, a broad cultural problem.

Ms Campbell: And I think Mr De Luca had an alternate view and we just needed to make sure that was on the record.

Senator STEELE-JOHN: Absolutely. In February Ms Gunn and Ms Rundle indicated—actually by saying 'yes'—that they were able to provide me with some information in relation to the pilot scheme that you are running to do with a review of the participant pathway. I also had a subsequent conversation with you about that in Perth. So I'm a bit confused to have some received some information back from the department which indicated that I can't have a look at those training materials because they're not to be made available to the public. So I just wanted to clarify that.

Mr De Luca: I'm not aware of why that's the case. But I know that our state manager in Western Australia is trying to organise a session with our head of training and with you to take you through it. It isn't something that we publish, so maybe the response is that it's not available on our website. But I don't think there's any issue with us taking you through that.

Senator STEELE-JOHN: Okay, I look forward to doing that reasonably soon. I've cut down on some of my questions; they'll go in on notice. I'll ask the most pressing. The NDIA has recently released an SDA provider and investor brief. Who would be the best person to talk to about that?

Mr De Luca: Now or—

Senator STEELE-JOHN: Now, yes.

Mr De Luca: I'll try and answer the questions.

Senator STEELE-JOHN: Lovely. It is with the goal, obviously, of assisting developers and service providers to understand how the SDA will work. I'll just briefly quote from the brief that was provided:

It is important for providers to note that an SDA budget to support a single resident dwelling is only likely to be provided to a very small number of SDA eligible participants (a small percentage of NDIS participants overall), even when the dwelling is in a configuration that makes shared supports possible.

This implies that not many NDIS participants will receive funding to live alone, even if that is what they want, and the statement would seem to contradict the core principle of choice and control within the act. So I would like you first to be able to explain to me the reason for making such a statement.

Mr De Luca: Firstly, the scheme was only envisaged to have SDA available to around 28,000 people within the scheme, which is about six per cent of participants at full scheme. In terms of the market brief, there weren't any changes to the current policy and rules around SDA. It was based on feedback that people wanted some further information to clarify. In terms of the expectations, obviously the core principles are always around choice and control. If it's the preference of individuals to live alone, that's something that would be taken into consideration in the plan. However, our experience has shown to date that many people actually want to live with one person or another person. So it's not necessarily about group homes; it might be actually sharing with one other person, or a small number of them. Our approach always is choice and control first, and individualised plans, but also recognising that the SDA was only ever to be for a smaller proportion.

Senator STEELE-JOHN: How was that proportion of six per cent arrived at?

Mr De Luca: It was the Productivity Commission's analysis and work. At this stage, we've got 7,624 people in the scheme with SDA in their plans, which represents to date just over five per cent of participants, so it's fairly consistent. It's expected to get to 28,000. Currently, we have about 535 registered providers. As you would know, obviously some of the challenges are in the development of the market. Over the last quarter, it was a 20 per cent increase. In the quarter before that there was a 20 per cent increase. So we're starting to see more people interested in developing it. What we need to do further is be able to provide the data to the sector and the market to actually say where are the opportunities and who are the participants who want SDA, to encourage the right development of supply. In part of the scheme today, a lot of the funding has come across in kind from states and territories. We've got to get to a point where there is a new market evolving and developing. I can't comment on how the assumptions were based at that point in time, but they are the Productivity Commission's assumptions.

Senator STEELE-JOHN: What conditions will a person who is SDA eligible have to meet in order to be able to live alone under the SDA?

Mr De Luca: I can't answer the specifics, but that would be part of the planning conversation. We can provide you a bit more information on that.

Mr Lye: To jump in, the Disability Reform Council has commissioned a review of the SDA pricing and payments framework. That review is a place where people who have a particular concern about this issue can register their view on it. I think Minister Prentice announced on Monday that there'll be consultations in June. We've got a provider on to do that review. There are some people obviously concerned with this issue, and we would encourage them to contribute to that.

Senator STEELE-JOHN: Thank you very much for that. I have a question to the minister. You haven't been getting a lot of those today, so I'll break the tradition. Can you tell me exactly the number of the staffing cap currently in place upon the agency?

Senator Seselja: I think that was covered earlier in terms of the ASL cap. But I'll ask either Ms Campbell or Mr De Luca.

Senator WATT: I think it might have been when you stepped out, Senator.

Senator STEELE-JOHN: Apologies.

Mr De Luca: This financial year, as at 30 June, we have a cap this year of 2,460 ASL. We're just shy of that at the moment—we're pretty close to the cap. Next financial year, the cap increases to 3,000. That's 540 more opportunities in the agency for APS staff. We also get a relief when the contact centre moves from DHS: that's another 210. So all up we'll get an increase of 750 capacity. What I said earlier to the other senators, though, is that part of our pathway work is informing what we actually believe we need based on time in motion experience. That may inform us that we may need a different number. At that point in time we would put that forward to government.

Senator STEELE-JOHN: But at the moment the maximum is 3,000 dead on.

Mr De Luca: Yes.

Senator STEELE-JOHN: How did the government arrive at that figure, Minister?

Senator Seselja: I'll ask Mr De Luca or Ms Campbell.

Ms Campbell: The department works with the agency to look at the profile. As Mr De Luca has just said, they are currently undertaking the pathway process to determine whether that's right—is it going to work? And if the agency doesn't think that's going to work they'll come back to the minister.

Senator STEELE-JOHN: But the problem is that many elements of the Productivity Commission's recommendations have been implemented. We just finished speaking about the SDA and the expected number of SDA participants within the scheme. The Productivity Commission recommended a workforce of 10,000, so I'm just wondering how the government arrived at the figure of 3,000.

Ms Campbell: I don't think that the 3,000 number and the 10,000 number are comparable, because, as well as the 3,000 average staffing level of public servants, there are other elements, such as the LACs. I'm sure that Mr De Luca and Ms Rundle might be better equipped to provide that data. But it's not directly comparable, because there are different elements. I think that the 10,000—

CHAIR: But the 3,000 is part of a larger number working in the disability space—

Ms Campbell: It's part of the 10,000.

CHAIR: Yes.

Senator STEELE-JOHN: So what's the total larger number then?

Mr De Luca: I think your assumption is right: in the early stages there was probably an expectation there'd be a workforce of about 10,000. The decision was made at a point in time, which was that the agency wouldn't be able to get all those people on board and therefore to partner with partners in the community, being local area coordinators. As at 30 June, our headcount for partners in the community on the ground—local area coordinators and ECI partners—is 2,925. That's about 3,000. It's expected that that would double over the next two years to 6,000. So we'd have 6,000 partners in the community—3,000 if you used our ASL current cap plus some contractors. So it's three plus six plus some contractors, and we have over a thousand contractors. That's broadly the 10,000 you're alluding to. The question is the mix.

Senator STEELE-JOHN: Thank you for that clarification. I'll now take you to some questions around the consultation processes in place. I'm aware that there have been specific minority groups involved in substrategies developed around the NDIS. Is that correct?

Mr De Luca: When you say 'substrategies' is that maybe talking about cultural and linguistic differences?

Senator STEELE-JOHN: Yes, and LGBTIQ.

Mr De Luca: As part of the tailored pathways, we've had 37 workshops across the country. Over 1,100 people have attended those 37 workshops. They've been based on ATSI—Aboriginal and Torres Strait Islanders; remote and very remote; cultural and linguistic; complex; ECEI, so children up to six years old; LGBTIQ; and psychosocial. Within psychosocial we've also had Mental Health Australia help us with what their views would be of a successful pathway for people with mental health issues.

Senator STEELE-JOHN: Wonderful. Can you provide me, particularly in the area of LGBTIQ and CALD communities, the number of specific meetings which have taken place for groups currently working in those respective spaces?

Mr De Luca: I don't have all the specific meetings exactly. I know, though, that within CALD we've had 88 people attend the various sessions and 27 for LGBTIQ. I understand that LGBTIQ was only one workshop, whereas there were a few others for CALD. There have been multiple workshops.

Senator STEELE-JOHN: Yes. In addition to that I'd love to know at what stages in these development processes the meetings were held, who was invited and what other methods of giving feedback were made available other than attending these meetings? And how was the progress fed back to the groups post the meeting? You can take that all on notice.

Mr De Luca: I will. Also, just so you're aware, Senator, we provide a regular update on the pathway to people who have been attending and the sector more broadly. I think we gave one a couple of weeks ago. We are now in that period where we're taking all the insights we've heard to help inform the question, 'What does that mean we need to do differently in terms of our pathway?' But I can take the rest on notice for you.

Senator STEELE-JOHN: Are you satisfied with those participation numbers? I'm thinking of the extent to which the NDIS affects the LGBTIQ community—27 is a small number.

Mr De Luca: No. There's probably two parts. The first part is there's been work going on on what I would call the strategies. We recently released a CALD strategy. In the second strategy, pathway is one element of it. From our perspective, we've had a reasonable attendance but is it necessarily the true representation? I think it's one of those trade-offs of: how many consultation sessions do you have before you need to make some changes.

Senator STEELE-JOHN: Could you also take on notice the number of complaints you've received in regards to any of these consultations.

Mr De Luca: To the workshops?

Senator STEELE-JOHN: Yes.

Mr De Luca: I can.

Senator STEELE-JOHN: Finally to close that part, could you give me an idea if NDIA staff at various levels are trained in cultural competencies and the intersection of those cultures with disability, such as CALD and LGBTIQ?

Mr De Luca: It's a great question. We have a new person leading our training and development at the moment, and part of the work they're doing is to ensure we've got the right profiles for each of the roles and the right cultural training. At the moment, we do disability awareness for all of our staff members. Today we've been invited to join some cultural awareness training in the Northern Territory for ATSI on a two-day program. So we're starting to do more of it. I would say, where we sit now, we haven't been as rigorous of that to the past but we believe it's really important.

Senator STEELE-JOHN: It's been brought to my attention on a number of occasions from the provider space that there is a profound challenge in the continuation of payment at the point at which a plan finishes its first iteration and moves into its second iteration—during that stage of review. There can sometimes be a one-month, two-month, three-month gap between the end of one plan and the beginning of another in which the continuation of service is made particularly difficult. Can you give me an idea of whether the agencies are aware of this issue and what you are doing to address it?

Mr De Luca: It's the right observation. I touched on it very briefly at the last estimates, but it was very early in our awareness. So when we were made aware of a number of the payment issues late last year, beginning of this year, we set up a national payments team. We established that and now, over the last three months, we've got a better understanding of where the issues are and what aren't the issues. To date, we've basically found that for 19 per cent of the issues, there was no payment required. That's the first thing. So that was just incorrect. Seventy-five per cent of the issues are actually errors in the service booking or the claim. I'll go through that in more detail in a moment. Basically we are required to make payments for about six per cent manually. Some of those relate to your point—I'll come to that in a moment. When you go through the 75 per cent, 46 per cent are service-booking issues so they got the service booking wrong, and we need to improve the service booking. Sixteen per cent were missing some information. For seven per cent, there was insufficient funds in the line items. Four per cent is a bulk payment and then there's four per cent, which is

your issue that you've raised. In the system currently, even though a plan is not supposed to expire, once you're in the scheme, you've got a plan until a new plan is put in place. Unfortunately, the way the system was designed, it has a date. If you haven't put in place a new plan by the time that date occurs, it would form a view of it being expired and, therefore, a service booking can't be claimed against it.

We have about 2,000 plans at the moment that have that issue. We generally work with providers and say, 'We're working to get the plan in place,' get that resolved. We try to contact participants up to three months before so that doesn't happen. We then advise the providers that, if that's the issue, ideally they can continue to provide the services and we will pay for them manually until that's rectified. We are making systems changes in the next couple of months, which, I think, will alleviate a bit of that pressure.

Senator STEELE-JOHN: If I'm talking to a provider who has identified this issue with me—and there are many—where is the best place to point them?

Mr De Luca: There are specific contact details for the national payments team that we've advised providers that are registered. The national payments team is on our website as well. If you need to point them my way, we'll deal with it.

Senator STEELE-JOHN: I will do. Would you be able to provide those figures to me so that I can close the loop with some people who have raised concerns?

Mr De Luca: Yes, very much so.

Senator STEELE-JOHN: During planning sessions, does the NDIA keep a record of those who are present during those sessions and the role in which they are present during those sessions?

Mr De Luca: That's a really good question.

Mr Francis: I would have to find out for sure. I'd be surprised if we don't but I will verify it.

Senator STEELE-JOHN: Could you confirm to me what information you keep about both numbers present and the roles in which they are present? And provide to me the number of planning sessions which have been undertaken in which a service provider has been present during the planning session and a family member as well. Because you will be aware that there is a concern and a tension and a complexity around the presence of service providers during planning sessions. I'm trying to get to identify the scope of the issue there.

Mr De Luca: It's a really interesting question at the moment. We work on the basis that the participant chooses who they would like to have.

Senator STEELE-JOHN: Absolutely.

Mr De Luca: So family members, carers, and, in many cases, they do ask for a provider to be in attendance. As part of the recent pathway improvements for our system, we allow, if the participant chooses, sharing their plan with providers so they can see that. So it's a choice for the participant, but we can give you a bit more information.

Senator STEELE-JOHN: That would be from the beginning, a subtotal of all of the plans you've undertaken, broken down in those ways?

Mr De Luca: Yes. We don't necessarily have all the records during trial because we changed system so it will be from when we—

Senator STEELE-JOHN: From when you changed the system.

Mr De Luca: Yes.

CHAIR: I would suggest, if it's not being recorded, it is pretty important that it be recorded. Thank you, Senator Steele-John, for curtailing your questions. I know you will put many more on notice.

Senator STEELE-JOHN: I will indeed.

CHAIR: On that basis, we will suspend for lunch. We will resume with outcome 4—Housing.

Proceedings suspended from 13:37 to 14:30

CHAIR: We will recommence this hearing of the Senate Community Affairs Legislation Committee, continuing with the Department of Social Services on outcome 4: housing. Senator Cameron, you have the call.

Senator CAMERON: I don't know what officers I need here for the NRAS.

Ms Campbell: I'm sure they're about to join me at the table.

Senator CAMERON: Thanks. Secretary and Minister, I'd like to raise an issue that has been a key issue in my office for some time now. I'm getting more and more complaints about Ethan Affordable Housing, specifically about the owner of that company: a guy called Ashley Fenn. I have come to the conclusion that this guy's a crook and he should not be engaged in the NRAS. I think the scheme has been operating quite effectively. The scheme has delivered a rental discount for many families, and that is an important issue. Firstly, Secretary, is the scheme generally operating as it was designed? There aren't any huge problems or systemic problems in the scheme?

Ms Campbell: I think it's correct to say yes. There have been a lot of very positive outcomes from the scheme. Housing has been delivered. But we are aware that there are a number of complaints about some of the providers within the scheme.

Senator CAMERON: When you say 'some of the providers'—I keep my eye on this scheme pretty well—the key complaint I get is about Ashley Fenn. As I said, I don't think this guy should be trusted with one cent of public money. He's currently a director of 31 companies. He's a former director or secretary of 18 companies. Three are in external administration. Ethan Affordable Housing was registered as a charity. The charities commission rescinded its charity status. The commissioner, when he did that, was quoted as saying:

When we find serious circumstances of mismanagement or deliberate breaches of the ACNC Act we will revoke charity status. We make no apology about taking a tough stance when necessary.

This is a person who set himself up for public office. He has donated \$430,000 to Family First in Victoria. He was reported to have been seeking \$600 million of government funding through the government's Automotive Transformation Scheme; I just hope he has not received one cent of government money. He was using NRAS tenancy application forms to push another of his companies, called Flexible Furniture Solutions. This guy is a crook. The sooner he's locked up, the better. The sooner he's kept away from public money, the better. I have had some discussions with the minister's office, as you're aware. I've had some discussions

with you, Secretary, on this issue. Could you give me an update on where this guy is in the context of the NRAS?

Ms Campbell: The department takes all allegations of fraud against its programs very seriously. It undertakes its own investigation and also refers, when appropriate, to other entities. That includes bodies such as the Australian Competition and Consumer Commission and the Australian Taxation Office. I think it's worth clarifying the ability of the department to act around the NRAS. There were some changes made last year that have facilitated our ability to investigate some of these concerns. Between January and December last year the department received 173 complaints regarding NRAS in relation to seven approved participants. The complaints included issues to do with: the behaviour of tenants; repairs to dwellings; lack of communication between property managers; and the business practices of approved participants, which I think is the area that you're most focused on. Of the 173 complaints received last year, 94 involved Ethan Affordable Housing and 67 involved Quantum Housing Group. The majority of the complaints involving Ethan and Quantum went to not passing on the NRAS incentive to investors—

Senator CAMERON: Can I stop you there. Is Quantum associated with Ethan?

Ms Campbell: I'll ask Ms Bennett to clarify, but there are common directors.

Ms Bennett: And common staff. There are previous directors that were in common, and there are staff that previously moved between them.

Ms Campbell: The majority of these complaints went to: not passing on the incentive; providing false or misleading information; and requiring investors to use the property management service that was related to those approved participants. Until November last year the NRAS regulations did not allow the department to take action in response to these complaints. As such, the department referred these matters to the tax office and the Australian Competition and Consumer Commission for investigation. But, since November and December last year, amendments were made to the NRAS regulations to allow the department to transfer an allocation from one approved participant to another, if certain grounds were met.

Following these changes, the department's informed everyone who's complained about any approved participant of how they can go about requesting a transfer away from those approved participants. We went backwards to all those people who had complained and advised them of that. Now, when we receive a fresh complaint, we explain what information we need in order that I can take the decision to move that allocation to another approved participant. We are, of course, very keen to keep the houses within the NRAS system to achieve the objective of providing affordable housing to Australians. That's how we've gone about those issues. I've also taken other actions in recent times. I'm happy to talk about some of the issues where people have asked for transfers. Would that be of use?

Senator CAMERON: Sure.

Ms Campbell: We've received 336 requests from 254 investors so far to transfer their allocations. These requests have come from five approved participants. For Ethan, we've had 278 requests from 201 investors; for Quantum, 50 requests from 46 investors; for BRAL Investments, five requests from four investors; for Kenjad, two requests from two investors; and for Crown Property, one request from one investor. The requests generally relate to the

failure to pass on the NRAS incentive, providing false and misleading information to the investor or breaching consumer law.

We asked investors to nominate one of the grounds that allows us to transfer the allocation to another provider. We are working through those transfers. Of the 336 requests for transfer that have been received, four have been approved; there are 13 further notices where I have written to approved participants requiring them to provide information as to why a transfer shouldn't occur; and there are a further 319 requests under consideration. We've asked for more information from 49 of those, and one has been withdrawn. It's taken longer than we had expected. We continue to work through that and we continue to allocate resources to this issue. But we are very focused on protecting the integrity of this scheme to ensure that people are not behaving in an inappropriate manner. We are working within the law, of course; that's the NRAS legislation and the regulations that go with that.

Senator CAMERON: I don't want to go into any great detail about what the government or the department are doing. I'm sure there are some NRAS investors listening in. From my perspective, the department and the minister are working on this. But I don't think we should be giving out any public details about exactly what you are doing. This guy is well funded. My view is that Ethan Affordable Housing just should not be in the scheme. We should be doing whatever we can to protect the investors. I thank the department and the minister for your cooperation. I think this is a bipartisan position. I don't know about you, but I want this guy out; I want crooks out of the system. The system has been working well. It has provided good benefits to investors. It has provided good benefits to the people in rental accommodation. It is a key way forward. I just want this crook out—because you can't have a position where an individual, for his own benefit, is ripping people off. I also understand that some of the companies that he has registered are in the US. I am concerned that public money might get siphoned off overseas by Ethan Affordable Housing. I am very concerned about that and I just wanted to raise that with you as well. We need to make sure that Ashley Fenn doesn't take money that is due to investors and then move it offshore.

Ms Campbell: We are exploring the full range of legal actions available to us in this matter.

Senator CAMERON: I want to go to some general issues on NRAS. Some of the dwellings will expire by the end of April 2019—319 will have exhausted their 10-year incentive period. Another 1,410 will expire in April 2020, as the scheme winds down. By April 2026 all 36,736 incentives will expire. You indicated that you want to try and keep as many in the scheme as possible. How are you managing the wind-down of the scheme? From Labor's perspective, we think the scheme has been a success. We would like to see more investment in the scheme. We originally had targeted 50,000. The government stopped the scheme at 36,000. We are of the view that there is a latent demand for this type of accommodation. So how are you going to manage the wind-down? One of the key issues is that, over that 10 years, many of these investors would have had significant capital gain. So there is an incentive for them to move out. How are we going to handle that?

Ms Bennett: This scheme was for 10 years and it was a staggered implementation. You are correct that the 10 years is starting to expire. But any decision on the future of the NRAS arrangement would be for a government to make.

Senator CAMERON: Has the minister or the department had any discussions with state governments, organisations representing NRAS incentive-holders or other relevant stakeholders on how to manage the needs of existing tenants, particularly those who are experiencing hardship?

Mr Thomas: We are in regular contact with our state and territory colleagues on NRAS. Notwithstanding talking to approved participants, we are in regular contact with a couple of groups that represent housing providers. We have been discussing the expiration of the 10-year incentives and how we might be able to assist them with the wind-down. Of course, in the previous budget the government announced a housing affordability package. That also goes to promoting affordable housing and supporting community housing providers.

Senator CAMERON: Yes, but that is the NHFIC. That's the main area there, isn't it?

Mr Thomas: That's one of the measures.

Senator CAMERON: That's the main measure and, as you are aware, that's not sufficient on its own to fund housing for low-income families.

Mr Thomas: The NRAS 10-year incentive was an original feature of the scheme. Those first dwellings, those first incentives, are starting to come off in 2018.

Senator CAMERON: That's not what I asked you. There is a funding gap for investment in that housing area. I will leave that. I'm going to back to that on its own. I will stick with the NRAS position. I will come back to that. I'm sure you have officers looking in, so they can have a look into that. Where are the 319 dwellings that will exit the scheme? Do you have the locations of them and the next tranche, the 1,410?

Mr Thomas: They are predominantly in Victoria. In terms of the actual spread, I would have to take that on notice.

Senator CAMERON: I am happy for you to take that on notice. Can you also advise what proportion of affordable housing these dwellings comprise in these locations.

Mr Thomas: I will take that on notice.

Senator CAMERON: By April 2026, as we have said, the 36,736 NRAS incentives will have expired. Do you know what percentage of the total stock of affordable rental housing these NRAS properties represent?

Mr Thomas: I will take that on notice.

Ms Bennett: It would be very difficult to forecast where you would be on affordable housing in 2026 when the end of this arrangement comes. While we can have a look at that question, that crystal ball gazing about other policy levers might come in. As you know, jurisdictions are constantly looking at social housing, different investment arrangements and where the housing agreement might end. So I doubt it will be possible for us to forecast and say what the affordable housing stock would look like when this ends. We will have a look at it.

Senator CAMERON: I have seen some figures that say only a maximum of two per cent of rental stock is available for low income.

Ms Bennett: Today?

Senator CAMERON: Yes. And in some areas there is two per cent rental stock available for all demographics. So it really is a big problem.

Ms Bennett: What I was suggesting was that what the forecast might look like in eight years time would be the challenge.

Senator CAMERON: The Treasurer seems to know all these things. He has his 10-year plan for tax cuts. So if it is good enough for the Treasurer to push forward 10 years, why can't we in this area?

CHAIR: I am not sure the official can answer that one, Senator Cameron.

Senator CAMERON: It was unfair! Does the department maintain demographic information on the tenants in NRAS dwellings?

Mr Thomas: We do collect that at the end of every NRAS year.

Senator CAMERON: Could you provide details of that?

Mr Thomas: We will take that on notice.

Senator CAMERON: Is that by household type? Does it cover sole parents, income and all that?

Mr Thomas: I'd need to have a look at the data.

Senator CAMERON: You can take that on notice. That would be helpful. Could you provide information on the dwellings that will no longer be eligible for subsidy by 1 July 2020? Can you give us an idea of where that breakdown is?

Mr Thomas: Yes. I will take that on notice.

Senator CAMERON: I think it is about 1,700 dwellings by that time. Has the department made any estimate of the number of NRAS properties that may be sold prior to the expiry of their incentive? Are you asking that question now?

Mr Thomas: No, we haven't made any estimate of it.

Senator CAMERON: Do you think you should start? If that incentive goes, those tenants are going to end up having to find alternative accommodation in a really tight market and they will have to pay an extra 20 per cent. This is going to be really difficult for a lot of these tenants.

Mr Thomas: Those sorts of decisions would be up to the property owners to make.

Senator CAMERON: I don't disagree that it is up to the property owners. But why can't the department start to make some inquiries and get an assessment as to what the challenge will be in terms of these NRAS rental hospitals?

Ms Halbert: As Mr Thomas said, we have been having discussions with investors and participants and state governments. Some of the approved participants, owners of the properties, are community housing. Our understanding is that, as far as possible, their intention is to maintain that level of affordable housing going forward.

Senator CAMERON: How did you make that assessment?

Ms Bennett: Based on the number that are community housing or church based.

Ms Halbert: And feedback from those organisations.

Senator CAMERON: Could you provide me details of your estimate of those that may maintain and those that you think might leave the program.

Ms Halbert: We will take that on notice and see what we can provide.

Senator CAMERON: What happens if an NRAS property is sold prior to the termination of the incentive? Does the subsidy effectively terminate?

Ms Campbell: My understanding is that an approved participant can transfer that allocation to another residence.

Senator CAMERON: They can transfer?

Ms Campbell: They can transfer. I think I approve transfers pretty regularly—of quite large chunks of houses that have been—

Senator CAMERON: And then that is reallocated to other affordable houses?

Ms Campbell: If the particular premises are sold, an approved participant may seek to allocate them to another place or build new ones as well, I understand.

Senator CAMERON: I would be pretty keen to get some further understanding of your discussions with the states as to where it is all going.

Ms Campbell: About the way forward.

Senator CAMERON: Yes—the states, the approved participants and the investors. I would like you to provide me on notice a strategy for moving forward. As I understand it, your 2016-17 annual report found that NRAS reduced the proportion of tenants in rental stress by over 23 percentage points.

Mr Thomas: Yes.

Senator CAMERON: That's a good outcome?

Mr Thomas: That's a good outcome, yes.

Senator CAMERON: Do you anticipate an increase in the number of people experiencing rental stress as people coming out of the NRAS scheme re-enter the housing market?

Ms Halbert: That would be a factor of whether they remained in the current accommodation or what other type of accommodation they moved into.

Senator CAMERON: Where in the drafting processes are the remaining NRAS legislative reform regulatory amendments? Are there more in the pipeline?

Ms Bennett: These issues are being considered at the moment; they are matters for government.

Senator CAMERON: What consultation is taking place on the development of any revamped regulations?

Mr Thomas: We did a consultation process about two years ago on changes to the operation of the NRAS legislative framework. That started the process. Of course, there have been changes made—and changes to the act are currently before the parliament. As I said earlier, we continue to liaise with those bodies that represent housing providers—be they community housing or the for-profit side of things—around possible further changes and also

take into account the submissions they may have provided to us as part of that consultation process.

Senator CAMERON: Thanks. Chair, I understand that other senators have got other commitments they would like to fit in, so I'm happy to cede and come back to some of the more substantive issues in this process.

CHAIR: We'll come back to you, Senator Cameron. We'll go to Senator Rhiannon.

Senator RHIANNON: Thank you, Senator Cameron. In the 2017-18 budget I notice that there were 87 mentions of 'affordable housing' or 'housing affordability'. It compares interestingly with the 2018-19 budget, where there were only five mentions of those words—only five times those words were used, two of which were in reference to measures in the previous budget. Does this indicate that the government thinks little more needs to be done in the area of housing? Is it the assessment that the 2017-18 budget delivered for affordable housing? Is that the conclusion that has been reached?

Ms Campbell: I don't think you can reach that conclusion on government priorities from the number of words in the budget paper. Affordable housing remains a very high priority for the government. It did put in place a number of measures in the 2017-18 budget. We continue to work on those measures. I don't think that you can assert that, just because there may not have been as many words in this budget—

Senator RHIANNON: From 87 down to five is a big change. I'm not saying that words are everything, but clearly the issue is not being discussed as much. It's not given as much emphasis in the budget. It's not being talked about and it's not being written about.

Ms Campbell: The measures that were put in place in the previous budget go for a number of years. Mr McBride might be able to assist us.

Mr McBride: I think a lot of the measures announced in last year's budget haven't even commenced yet. NHFIC, the process that would set up the bond aggregator and the infrastructure funding, is due to start on 1 July this year. We spent the last year negotiating the NHHA, which I'm sure will be a topic of discussion later on. So a lot of those measures are still playing out. I think it would be fair to say that we're still bedding down the 2017-18 budget measures and that has been our focus through this year and will be for the next little while.

Senator RHIANNON: Meanwhile, the homelessness crisis in Australia is so extreme. You would know the figures as well as any of us, but they're worth repeating in the context of what we're trying to deal with here. The latest census data indicated a 13.7 per cent increase in homelessness. The latest statistics from the Australian Institute of Health and Welfare indicate—and I found these figures so shocking—that 261 requests for homelessness assistance couldn't be met on any single day. There are 261 requests per day not being met. Do you really think that we're on track to deal with those figures? Is that what we're concluding from your opening remarks?

Ms Campbell: Senator, I don't think we said that. We appreciate that this is a very difficult public policy area and we work closely with the states and territories. There are shared responsibilities in this area. As in most public policy challenges, we continue to work through that. I don't think we're ever able to say that something is resolved, but, as Mr McBride said, the measures that were introduced in the 2017-18 budget are continuing to be

implemented, so I don't think that there is any suggestion that the department or the government is not focusing on this space.

Senator Seselja: In fact, Senator Rhiannon, you may recall that, when it came to homelessness funding, for instance, one of the big calls from the sector was, instead of having one-year, two-year and three-year funding agreements for homelessness, that there be certainty. I believe at the time the states and territories—and Mr McBride can correct me if I'm wrong—asked for five years, and we came through in the last budget. The reason we didn't have to restate it in this year's budget is that we committed to it in perpetuity for the first time, rolling it into a broader housing affordability agreement. So the characterisation that you're seeking to put forward is completely wrong. Being able to put that money in in perpetuity, which is more than what was asked for by the sector, gives significant certainty in terms of homelessness funding going forward. Of course, we continue to negotiate with the states and territories. We are very, very committed to making sure, in a range of ways—and much of that is in this portfolio and, of course, in other portfolios as well—that we are making housing affordable, including dealing with the serious issue of homelessness.

Senator RHIANNON: Thank you, Minister. I'd like to move on to the Productivity Commission report, *Introducing competition and informed user choice into human services*. For *Hansard*: I notice the laughter. I think it's quite timely, because so much of the problem we're dealing with is how housing is dominated by marketplace relations.

But to ask a question here: the report makes a number of recommendations, including increasing competition between housing providers and charging social housing tenants market rent. I was interested in that; we've already gone down that track enormously, but it would seem that we're going down that track in an absolute way—if that's how it plays out. Can you give some examples of where similar reforms, as outlined by the Productivity Commission, have been implemented in other countries—or even jurisdictions—and resulted in a decrease in homelessness and an increase in rental affordability? Even one example.

Ms Campbell: Again, this is the shared responsibility with the state jurisdictions. I don't have the Productivity Commission report in front of me. Mr McBride may be more familiar with that.

Ms Wilson: No, I don't have it either.

Mr McBride: Neither do I. But I think that for both those examples, whether increased competition or market based rents, what we have seen in the emerging community housing sector is an aggregation of the sector. Whereas before you had lots of small providers, each with their own quite high overheads as a proportion of their income, they're now agglomerating. So we have smaller, bigger and more sophisticated community housing providers.

That has led to fewer overhead costs as a proportion of their rents and more sophisticated funding arrangements so they'll be better placed to take advantage of the bond aggregator when it comes in from 1 July. We have also seen a move in that sector away from relying solely on income based rents to having a mixed market approach where they charge some people income based rents, some people discounted rents and some people full market rents as a way of cross-subsidising across their sector so that the sector remains viable. Ideally, with the benefit of the bond aggregator and other measures, it will grow.

Senator RHIANNON: But the question was: can you give us an example where it has worked? The trend in Europe is where the social public housing mix is up to 20 per cent or 30 per cent—I would imagine you'd be well aware of that—whereas in Australia it's 4.5 or 4.9 per cent and going down. And it's now really being pushed into the marketplace.

I would go back. Ms Campbell, I think you asked if anybody had a copy of the report. But, surely, you must know what the essence of that report is? It very much is about increasing competition between housing providers and charging social housing tenants market rent. So my original question was: can you give an example of one country or one jurisdiction where it has worked?

Mr McBride: I guess my answer is that, arguably, it's starting to work here.

Senator CAMERON: Oh, rubbish!

Senator RHIANNON: What did he say?

Senator CAMERON: It's working here.

Senator RHIANNON: It's working here? I've just given you the homelessness figures! They're disgraceful! I really thought you'd come here and be embarrassed about it and have a whole lot of things to say about what you're doing.

Mr McBride: The question is not whether homelessness has gotten worse—and we acknowledge that it has. It's whether what the sector is doing now is putting them in a better position than they otherwise would be.

Senator CAMERON: Again, rubbish! This is just a joke!

Senator RHIANNON: It's tragic, because you're talking about people's lives. If people have security in their housing then their health is better, the education of their children is better, our communities work more successfully and it's better for the economy. Productivity can really start to get going. Housing is so fundamental, and you're taking us down the other track.

Mr McBride: I don't think anyone disputes that.

Senator RHIANNON: You may say it's not disputed, but if you follow this position, which you seem to be, of pushing social housing to the private market—

Mr McBride: That's not what I said, Senator—

Ms Campbell: No, can I be really clear. This is a Productivity Commission report.

Senator RHIANNON: Yes.

Ms Campbell: Has the government responded? Has the government clarified?

Mr McBride: No.

Ms Wilson: No.

Ms Campbell: There are a lot of reports that come out and government considers those reports. I don't think there's been a definitive position put forward following that report.

Senator RHIANNON: Has the department, following on from that response, been asked to prepare, in any way, for the implementation of any of the recommendations relating to social housing?

Ms Campbell: The minister talked about the National Housing and Homelessness Agreement that is being put in place from 1 July.

Mr McBride: Correct.

Ms Campbell: I don't think that that's directly related to the PC recommendations.

Ms Wilson: No, it's not.

Ms Campbell: But there were a number of measures announced in the 2017-18 budget that the government has put in place around homelessness. Your question relates to the PC report.

Senator RHIANNON: Yes.

Ms Campbell: Mr McBride has indicated that we haven't done any work to address those recommendations.

Senator RHIANNON: But my question was: have you been asked to prepare in any way for the implementation of the recommendations? Have you been asked?

Unidentified speaker: No, not at this stage.

Mr McBride: The recommendations didn't relate only to our portfolio—also the Treasury portfolio. But we haven't been specifically asked to respond.

Senator RHIANNON: You haven't been asked?

Senator CAMERON: I am not surprised.

Mr McBride: Many of those suggestions were in the Productivity Commission report weren't new. They have been floated in many reviews before, so it wasn't—

Senator RHIANNON: But the PC carries weight, as we know, which is why it's very relevant to explore that today. The reports recommends a 15 per cent increase in Commonwealth rent assistance to complement other contestability and competition reforms. What evidence is there that such an increase in the context of other recommendations is sufficient to avoid housing stress for all households?

Ms Campbell: Those recommendations are the Productivity Commission's recommendations. If you are asking about evidence that supports those recommendations I think that would be better directed to the Productivity Commission.

Senator RHIANNON: Yes, that obviously needs to be done but as this is so relevant to your future work it's very legitimate and very necessary to explore it here. Considering what you're saying about the productivity—but in the context of your work, what is your opinion on what increase would be sufficient, in the context of the other recommended reforms. I'm talking there about the Commonwealth rent assistance—that suggested 15 per cent.

Ms Campbell: It's not open to me or to any officer at the table to provide an opinion. We can talk to you about government policy and whether or not we have provided advice on that matter. To my understanding we have not provided advice on that matter.

Senator RHIANNON: Have you done any work on it, where you'd be looking at the CRA, because Commonwealth rent assistance has become so central to how housing is managed from the federal level and there is speculation periodically that that is going to dominate federal policy.

Ms Campbell: Commonwealth rental assistance is one of the large programs we manage, so we do from time to time have a look at it and look at what magnitude—and how it meets the needs, but we haven't provided any advice in the context of this PC report on CRA.

Senator RHIANNON: I just want to understand more with regard to Commonwealth rental assistance and how it sits, because it is now a very significant recommendation. The Productivity Commission carries a lot of weight. It's often the way governments are able to usher through policy—when it comes from the Productivity Commission. The central recommendation regarding housing assistance is to move to a single financing system, which would see the Commonwealth rental system used to be a subsidy for social housing or housing through the private market. So it would be a very significant change. Has that been given consideration in terms of—

Mr McBride: Commonwealth rent assistance also goes to the market and also goes to those in community housing. The difference the Productivity Commission was recommending is that it's paid to people in public housing.

Senator RHIANNON: Yes.

Mr McBride: As I said before, this is nothing new. I think it was in the Henry review and many reviews prior to that.

Senator RHIANNON: But isn't it that to you it is more dominant—that that becomes—

Mr McBride: I don't think so.

Ms Wilson: I started my career working in public housing matters in the Commonwealth. That issue was around then as a proposition. It has been a perennial proposition put forward in a number of years over a very long period.

Ms Campbell: Ms Wilson is retiring today—after a very long period!

Senator RHIANNON: All the best for your retirement.

Senator STORER: I have questions on homelessness.

Ms Campbell: We will just swap the officers at the table. We might have Ms Wilson back at some stage.

Senator STORER: Regarding the general figures, is it correct there are approximately 100,000 people homeless in Australia? Is that the raw figure you would have?

Unidentified speaker: A bit more than that.

Ms Halbert: More than 116,000 people were estimated to be homeless on census night 2016.

Senator STORER: Do you have the South Australian figures?

Ms Halbert: In 2016: 6,224.

Senator STEELE-JOHN: Could I have the WA figure?

Ms Halbert: It is 9,005.

Senator Cameron interjecting—

Ms Halbert: Sorry, I couldn't hear you.

Senator CAMERON: You don't have them?

Ms Halbert: I have all of the states and territories.

Ms Campbell: We have each state from the census.

Senator Seselja: The question is to just put each of them on the record. Do you want them to be tabled? Would that be easier?

Ms Bennett: On census night in 2016 the ACT was 1,596, New South Wales was 37,715, the Northern Territory was 13,717, Queensland was 21,671, South Australia was 6,224, Tasmania was 1,622, Victoria was 24,817, and Western Australia was 9,005.

Senator STORER: Is the figure of the growth being 13.7 per cent correct, as per Senator Rhiannon?

Ms Halbert: Around 14 per cent.

Senator STORER: In particular, with regard to causes, how many cases of domestic violence would be a source for the reason for homelessness?

Ms Halbert: In 2015-16, around 38 per cent were expected to have been related to domestic violence.

Senator Seselja: If I could add, it's one of the reasons that, as we're negotiating with the states now with the new agreements, women and children experiencing family and domestic violence are at the top of the list in terms of the key focus, amongst a number of other key areas.

Senator STORER: This is a new agreement did you say?

Senator Seselja: This is the agreement that's being currently negotiated. In last year's budget we announced changes to the package. This is what was known as NAHA and EMPA—two separate funding packages, bringing them into one, having sustainability in terms of homelessness funding, which had been on a temporary basis or a periodic basis prior to that. There is a list of key priority areas as those areas are negotiated. One of them is obviously women and children escaping domestic violence.

Senator STORER: My next question is on what steps the department is taking on the rise of homelessness in general. What would you summarise as the response to this 13 or 14 per cent increase?

Mr McBride: I think I mentioned before that through the new agreement, the National Housing and Homelessness Agreement, homelessness funding will be perpetual, so it won't be funded on an ad hoc basis. It will be indexed for the first time, so that funding will actually increase. The states have to match the Commonwealth. It starts off as a \$110 million a year commitment and then builds with indexation. The states have to match that. It is now part of a broader housing agreement, which is about \$1.5 billion a year—once again that is indexed—and it's up to the states to use any of that funding for homelessness, should they choose. As part of the agreement, as was mentioned before, we have national priority cohorts and under the homelessness priority cohorts we have women and children affected by domestic violence, children and young people, Indigenous Australians, people experiencing repeat homelessness, people exiting institutions and care into homelessness and older people as our priority cohorts we anticipate, or hope, that the states will address as part of this agreement.

Senator STORER: In regard to best practice elsewhere, the place often cited is Finland, where homelessness has decreased statistically. Do we feel that the reformed National

Housing and Homelessness Agreement that has been announced will be as successful as the program has been in Finland in reducing the rate of increase of homelessness?

Mr McBride: I think the states are doing better than they were and increased funding will help that. So you would anticipate those two things together will lead to a better outcome. I think we will measure progress as we go as to what impact that has.

Senator STORER: And I'm told that, in summary, the Finland approach really is to put housing first. Would you characterise Australia as reflecting that approach or is our approach still markedly different to that?

Mr McBride: Under this new agreement, it will be up to each state to come up with a homelessness plan, and it's up to each state to work out how they wish to approach the problem. There's certainly a focus on putting people in houses as a way to stabilise their situation. I think that is necessary but not sufficient. So most of the states perhaps don't have housing first but they have housing in conjunction with other measures that are needed to stabilise people's lives. But each state approaches it slightly differently, and, under the new agreement, that's their prerogative. We give them money. We indicate our priority areas, but it's up to them how they approach that.

Senator STEELE-JOHN: But you'd be aware, Mr McBride, where Senator Storer is going with this. Indeed, this might well be a question for the minister. Does the minister have a view on the value and applicability of the housing first approach to homelessness in the Australian context? Has the department done any work to explore whether a housing first model would be appropriate for the Australian context?

Ms Campbell: And is the Finland experience applicable with the state and territory responsibilities? I'm not aware how in Finland those services are shared with various levels of government. One of the complicating factors with housing in Australia, of course, is that there is both a Commonwealth and a state and territory element to the provision.

Ms Halbert: No, that's right. We haven't specifically done work on the Finland approach, but I might say—and this is going into next outcome—in looking at the way we fund our support for families and children et cetera, we have been talking with states and territories about new approaches and what that support should encompass, not in terms of building houses but in terms of the support that families need to benefit from other programs.

Senator STORER: I'm fairly new to this area, but there's a heavy focus in the media on Finland's approach. So the department has not officially studied it?

Ms Halbert: Not to my knowledge, no.

Senator STORER: Are there any plans that they would be doing so or is up to the states to do so?

Ms Halbert: As I said, we're looking at all the support we provide for families and children in my particular area, and we have discussions with states and territories about the place of housing and risk of homelessness in that context.

Senator STORER: So it's up to the states and territories themselves?

Ms Halbert: No, no. We've been talking with them about how we can work together on recognising the role of stable housing in allowing families to stabilise.

Senator STORER: Some of the statistics noted are that in this case providing more permanent supported homes rapidly reduced Finland's need for crisis accommodation. They're building many units and they only have effectively 54 emergency shelter beds because they have so many units already for housing. So I will take that up with the states, too.

Ms Halbert: I think others have talked about the government's strategy to support the increase in affordable housing, and that is part of the overall national approach.

Senator Seselja: If I can briefly add to that, I think what the officials are getting at is, if you look at who provides public housing stock, it's obviously state and territory governments that do that, and we support them with various agreements to do that, but we don't deliver that housing ourselves. That's delivered by them. Apart from giving money to the states, which is a very important part of supporting it, and Commonwealth rent assistance, which is another way of supporting people in private rental and other forms of rental, we've looked at what other levers we can pull, including, for instance—in another portfolio, but announced in last year's budget—bringing more money into the community housing sector. We look at all of the levers we can pull, but the main lever that the Commonwealth would pull, as a general rule, apart from some limited exceptions, would not be generally to build the housing ourselves. That's not our primary role—

Senator STORER: Or prescribing that it be done.

Senator Seselja: but we acknowledge that we have a significant role to play in conjunction with the states and territories. But we have different roles and we work with them in that context.

Senator STORER: But you would not be prescribing certain funds for the states to do so.

Ms Bennett: Furthermore, the states develop priorities that relate to what's unique to their circumstances. It could be inner housing or housing stress. It can be domestic violence. It could be Indigenous housing in remote areas. So there are a range of priorities in each state. In terms of the contribution of funding and what they put up themselves, they work out their priorities and what strategies they have to deliver on those priorities.

CHAIR: Unless this is a follow-up question, I will go back to Senator Cameron.

Senator STEELE-JOHN: It is a follow-up to Senator Storer's question. Not for the first time, Minister, I find your responses to Senator Storer's questions to be particularly disappointing. You've spent a significant period of time outlining the way in which you're working with state and federal governments to address the housing situations via the new agreement, but would I be right in suggesting that neither you nor the department have sought to explore this topic of a housing first approach to the homelessness situation? This is not new. It is not specific to Finland. It has been shown to be quite applicable and successful in the US context as well, and I would be rather concerned to discover that the department had not undertaken any specific work to inform its discussions with the states and territories.

Senator Seselja: I'll ask officials to fill it out. It wouldn't be a surprise to anyone that you would be critical of efforts from the Commonwealth. That's to be expected. But when we look at the issues that are being addressed, what I've outlined to you is last year's budget—and earlier I touched on this—in terms of the real commitment to long-term funding when it comes to homelessness directly and a number of other issues. I pointed out the differing responsibilities, and we don't shy away from that. We don't say, 'It's all a state and territory

responsibility, therefore we're not going to do anything about it.' We look at all of the levers we can pull, we look at the different responsibilities and we look to work as best we can with states and territories and directly with community housing providers and others to make sure that we are addressing it at a number of levels: the amount of housing stock, the amount of Commonwealth rent assistance and the amount of finance that's coming into the sector. We are addressing it at any number of levels to try and make sure that those who are doing it tough, those who are at risk of homelessness and those who are homeless are looked after. So I reject your assertion that work isn't being done. It's quite comprehensive. It's never going to be enough, in one regard—

Senator STEELE-JOHN: No, it's not comprehensive, Minister.

Senator Seselja: We could spend the next hour and a half restating a number of the areas that we're doing—

Senator STEELE-JOHN: We could well, but I'll make the point to you that a housing first approach—

CHAIR: You're not here to make a point. You're here to ask questions, Senator Steele-John.

Senator STEELE-JOHN: I'm very aware of that, Chair. I can forgive you, Minister, for not particularly being across this part of your brief—

Senator CAMERON: Chair, I wouldn't mind asking questions of the minister.

Senator STEELE-JOHN: but a housing first approach to the homelessness situation—

CHAIR: Senator Steele-John, this needs to be a question or Senator Cameron will have the call.

Senator STEELE-JOHN: Yeah, yeah. So will you please—

CHAIR: No, Senator Steele-John, that is not how you treat the chair. Senator Cameron, you have the call.

Senator STEELE-JOHN: No, I wasn't saying, 'Yeah, yeah,' to you. I was moving on to the—

Senator CAMERON: Thanks, Chair. In regard to the NHHA agreement, there is no agreement in place nationally, is there?

Mr McBride: The agreement has been signed by the Northern Territory, and that's enough to bring the multilateral agreement into force. So the agreement at the multilateral level is effectively in force now. Before we can start paying states, they have to sign both the multilateral and bilateral agreements, and we're in negotiations now with all of the states and territories on those bilateral agreements.

Senator CAMERON: How long have you been in negotiations?

Mr McBride: I think since the announcement, or particularly since the legislation was announced, and then—

Senator CAMERON: Over a year.

Mr McBride: Yes.

Senator CAMERON: Over a year. So what makes you think that this is suddenly going to be resolved?

Mr McBride: In the negotiations to date, as I said, the Northern Territory have signed up, and our bilateral discussions with the states have been quite positive. If you look at the agreement, to get the \$1.5 billion in funding the states have to have a housing plan, which most of them do already, a homelessness plan, which most do already, and a commitment to provide data and transparency. So, given that it's a substantial amount of money in play here, you would expect the states, most of whom roughly comply with the requirements of the agreement already, to see this as a deal worth signing.

Senator CAMERON: Can you provide a copy of the agreement that is now the national agreement?

Mr McBride: I think so. I think it's available publicly now that it's been signed off. I'll have to check that, but I don't see why not.

Senator CAMERON: If someone has got one available, I'd be quite happy to get it today. Where do you say it is on the web?

Mr McBride: I'd have to check.

Senator Seselja: We'll get back to you.

Mr McBride: It partially reflects the legislation that went through earlier this year.

Senator CAMERON: Were you involved in the remaining bilateral negotiations?

Mr McBride: Yes.

Senator CAMERON: Are you reaching an agreement with New South Wales?

Mr McBride: Those discussions are ongoing, but they've been positive.

Senator CAMERON: What does 'positive' mean?

Mr McBride: I think from where we started, the states now realise that they are closer to what the agreement requires than they first thought and that most of them, from where they are already, are pretty close to where they need to be, so the bridge to getting towards something that would be satisfactory under the agreement would not be that far, and on that basis we should be able to come to terms.

Senator CAMERON: Given that you've been negotiating for 13 months, how much longer do you think it will be before you can sign off?

Mr McBride: I think states will sign off as the bilaterals come to a conclusion and that will start happening quite soon.

Senator CAMERON: Is it possible that some states will not finalise negotiations before 1 July?

Mr McBride: It's possible, yes.

Senator CAMERON: What happens then with the funding?

Mr McBride: They won't be able to be paid until they do sign.

Senator CAMERON: So is that like a punitive provision?

Senator Seselja: No. It can be back dated to 1 July if it's signed after, I understand.

Senator CAMERON: How are the states going to provide homelessness services if you don't provide funding?

Mr McBride: We're hopeful they will sign.

Senator CAMERON: No, I'm not interested in hope. I'm asking you—

Mr McBride: They will fund it from their own internal sources, presumably.

Senator CAMERON: So they'll fund it from their own funds?

Mr McBride: Until they sign up and get the Commonwealth back payment. You'd have to ask the states how they intend to fund it, but I imagine that would be how they are.

Senator CAMERON: Part of the proposal is that the states have a publicly available housing strategy that references how housing supply will meet projected demand and the reforms which will enable that to occur. Is that correct?

Mr McBride: That's correct.

Senator CAMERON: Does the Commonwealth have a similar plan?

Mr McBride: The idea behind the NHHA was that at this stage we don't have an understanding of the relative states' growth patterns, what they expect their growth to be and, therefore, what their housing and homelessness requirements will be. The whole underpinning logic of the agreement is that the states are better placed to make those plans themselves and that, in conjunction with much better data that we'll be getting under this agreement, will allow the Commonwealth to have a better understanding of the overall picture of the housing market.

Senator CAMERON: Isn't that because the body that did that work was junked in the 2013-14 budget?

Mr McBride: If you're referring to the National Housing Supply Council, I think even the National Housing Supply Council had to deal with data that was suboptimal. What we're doing through this agreement is—and the states have been very supportive of this—committing to work together so we have more comparable data across the nation so we have better snapshot of the overall homelessness picture

Senator CAMERON: It's great hearing how everything will be fixed up, the states are close to agreement and they all agree with you and this, that and the other. There's no agreements coming out. This is now 13 months.

Mr McBride: The Northern Territory have signed, and we're in bilateral negotiations.

Senator CAMERON: If it's the Northern Territory that is the pacemaker, we've got real problems, haven't we? You've got to get the main areas signed up.

Mr McBride: We have had and are continuing to have a series of bilateral negotiations with all the states and territories.

Senator CAMERON: Do you have any projections on how housing supply will meet the projected demand?

Mr McBride: As I said, the reasoning behind the NHHA is that the states are better placed to look at their growth patterns and from that we will get data as to their projected supply and that will get us in a much better position to have an understanding of future demand versus supply.

Senator CAMERON: If you hadn't scrapped the National Housing Supply Council four years ago, you'd be in a better position to understand where things were, wouldn't you?

Mr McBride: It's a bit of a moot point.

Senator CAMERON: It's not a moot point. Why is it a moot point?

Mr McBride: Because the National Housing Supply Council, for all its efforts, was only ever going to be as good as the data it had to use. What I suspect will put us in a better place going forward is to have that data comparable from state to state and then measurable across the nation. That will put us in a much better ongoing position to monitor demand.

Senator CAMERON: What states are still telling you they are not prepared to provide it?

Mr McBride: None. Uniformly, the states have been quite positive in participating in a process that leads to improved data.

Senator CAMERON: They're all so positive, but you still can't tell us when—this was supposed to be signed up by 1 July, wasn't it?

Ms Campbell: By 1 July this year. So next month.

Senator CAMERON: You've been trying for 13 months. You've got a month left.

Ms Campbell: My experience with Commonwealth-state relations is sometimes they only get resolved towards the end of the negotiating period.

Senator CAMERON: But there was no period set out, was there?

Ms Campbell: The period starts on 1 July.

Senator CAMERON: No, the agreement is supposed to start on 1 July, not the negotiating period.

Ms Campbell: My experience is that sometimes negotiating parties leave it up to the point where the agreement's about to start.

Senator CAMERON: Mr McBride, what are the obstacles still to be overcome?

Mr McBride: We're just working through the bilaterals and whether they satisfy the terms of the agreement, and we're getting quite close.

Senator CAMERON: Have all the states agreed to equal funding?

Mr McBride: To match funding for homelessness? Yes. That's the case at the moment, so it's just a continuation of existing arrangements.

Senator CAMERON: Is there other matched funding in the agreement?

Mr McBride: No.

Senator CAMERON: That's the only one. So the funding's fixed, you say?

Mr McBride: They will have to report how they spend the Commonwealth money. They'll also have to report how they spend their own money on the social housing sector.

Senator CAMERON: Has that been agreed?

Mr McBride: That's the multilateral, so once they sign up to that, they will have to sign up to it.

Senator CAMERON: But there's only the Northern Territory signed up.

Mr McBride: Correct, so far. States are aware and they're still participating in negotiations. Our expectation is they will sign.

Senator CAMERON: Like most things this government does, it's a bit of a mess. It's 13 months since you made this announcement in the last budget and you still don't have—the

only signature you've got is the Northern Territory. I'm not denigrating the Northern Territory, but they are not the biggest state in this country. In fact, they're one of the smallest territories.

Senator Seselja: I guess the easiest way in negotiation to get it done quickly, from the Commonwealth's perspective, would be to give the states everything they want with nothing in return. We saw that approach in previous agreements and we chose to take a different approach. So that does require negotiation. It would be very easy for us to have got it done if we asked them for nothing and just handed over the money, but we've chosen to ask for some accountability to go with this agreement.

Senator CAMERON: But you've backed off even on the accountability in some areas.

Senator Seselja: Are you saying we should have gone harder?

Senator CAMERON: No, I'm just stating a fact. Is that correct—that you've softened the approach on accountability?

Senator Seselja: I think what we're doing is we're in negotiation. As I said, we could have gone the approach of the previous government, which was roundly criticised even by members of that government who took it on later and had nothing in return from the states and territories for the spend. We think there should be accountability that goes with an agreement like this. That's part of the discussions and negotiation the Treasurer is leading.

Senator CAMERON: Is there any transitional funding available for states that don't sign—where no agreement's been reached, even though it's imminent?

Mr McBride: Transparency first. Compared to the former agreement, the NAHA, there will be more transparency under this agreement.

Senator CAMERON: That's not what I'm asking. Did you listen to what I'm saying?

Mr McBride: I'm coming to your second question now. I was listening. No, there's no—

Senator CAMERON: Why don't you answer the questions I ask you, instead of just going on—

Senator Seselja: There's no need to be rude, Senator Cameron.

Senator CAMERON: Why don't you just answer the questions I ask you?

Senator Seselja: There's no need for you to be constantly rude to officials who are doing their best to answer your questions.

Senator CAMERON: Not very well.

Senator Seselja: You may not like it, but there is no need to be rude.

Senator CAMERON: Are there transitional arrangements in place if those agreements are not signed by the states?

Mr McBride: When the states sign, there will be that capacity—

Senator CAMERON: So there are no transitional arrangements—is that what you're telling me?

Mr McBride: That is the transitional arrangement.

Senator CAMERON: Do you collect information on the number of people that use services funded by the soon-to-be defunct partnership agreements?

Mr McBride: The homelessness agreement is what you're talking about?

Senator CAMERON: Yes. The NHHA is replacing the old NAHA. Correct?

Mr McBride: Yes. But the NAHA wasn't a funding—

Senator CAMERON: There are a number of services funded by the old NAHA—

Ms Wilson: I think maybe you're referring the NPAH, the National Partnership Agreement on Homelessness, which is now going to be rolled in.

Senator CAMERON: Have you got any number of the people that use the services?

Mr Thomas: Currently under the NPAH there are approximately 700 services funded.

Senator CAMERON: ABC Radio National has reported today that Tasmania's only provider of emergency accommodation for men, Bethlehem House, has the state's one and only bed for men in need for emergency crisis accommodation. You're aware of that report?

Mr Thomas: I'm aware of that report.

Senator CAMERON: Is that report accurate?

Ms Campbell: I don't know we would have that information, because that would be run by a provider.

Mr Thomas: That report was in the media.

Ms Campbell: We wouldn't be able to verify whether that was true or not.

Senator CAMERON: I know the report was in the media, but sometimes that does mean that a department might be interested in it and do something about it and look at it.

Ms Campbell: We are interested in it. We are working through these negotiations with the state and territory governments.

Senator CAMERON: In your discussions with Tasmania, has any assessment been done of the shortage of crisis accommodation for people experiencing homelessness?

Mr Thomas: Our discussions with the Tasmanian government have been around funding arrangements, but there's never been anything other than it would be the state or the territory responsible for determining the services that are funded and the location of those services.

Senator CAMERON: You haven't raised the issue of the shortage of crisis accommodation?

Ms Campbell: State and territory governments generally have a far better understanding of the need for crisis accommodation and longer-term accommodation than we in the Commonwealth have. I think Mr McBride talked about the different priorities of the state and territory governments depending on the issues they see as most pressing in their jurisdiction. I would expect that the Tasmanian government would take this into consideration when determining where they allocate these resources and to which services.

Senator CAMERON: You're saying you don't really care?

Ms Campbell: I didn't say I didn't care at all.

Senator CAMERON: If the federal government actually cared about this issue, why isn't it trying to deal with it?

Ms Campbell: The federal government has constitutional powers. State and Territory governments have powers in other areas. My understanding is that it is a state and territory

responsibility where the priorities are allocated for housing in their jurisdictions. We are working with them on this agreement to get the resources for them to allocate.

Senator CAMERON: You've been working for 13 months and we've still got no agreement.

Ms Campbell: We have an agreement with the Northern Territory.

Senator CAMERON: I wouldn't put that as your greatest achievement. You've got an agreement with one of the smallest jurisdictions in the country, and that's a great achievement?

Ms Campbell: I didn't say it was a great achievement. They have a very large homelessness problem, and I think it's important for those people that we do have that agreement in place.

Senator CAMERON: The rental affordability index released last week, have you had a look at that?

Mr McBride: Yes.

Senator CAMERON: It found that Hobart is now the least affordable capital city in Australia for rentals. Are you aware of that?

Mr McBride: Yes.

Senator CAMERON: That's increasing pressure on homelessness services across the state, including in Devonport and Burnie. How does the NHHA address these increasing levels of homelessness in Tasmania?

Mr McBride: Through these 13 months of negotiations, the states have been quite adamant that they don't want the Commonwealth to be prescriptive as to how they spend their money. What the agreement will do, once signed, is give them money for housing and homelessness. It will highlight the priority areas the Commonwealth wants addressed—and I read some of those out with respect to homelessness previously—and it will then be up to the states, with the increased funding they get by virtue of the fact that homelessness will be indexed for the first time, to start addressing those issues in the way they see best.

Senator CAMERON: So is it correct that \$44 million a year was cut from federal funds for crisis accommodation in the 2013-14 budget?

Ms Campbell: Do we have that information?

Mr Thomas: I think what you're referring to there goes to the funding arrangements for the NPAH and the fact that there was no funding made available for the NPAH beyond the 2013-14 budget.

Senator CAMERON: Part of the funding previously included \$44 million for crisis accommodation. What funding have you provided over the last four years for crisis accommodation?

Senator Seselja: The funding ended. There was no funding.

Senator CAMERON: No funding?

Senator Seselja: There was no funding after the 2013-14 year.

Senator CAMERON: The question I have asked is: what have the Turnbull and Abbott governments done on funding for crisis accommodation? I know the answer is nothing. Why don't you just say 'nothing'?

Ms Bennett: If I could just add to that—

Senator CAMERON: Add to nothing?

Ms Bennett: In trying to get to a longer term agreement, which Mr McBride's talking about, there has been funding that's occurred every year under the NPAH. In terms of Tasmania, in their 2017-18 project plan, they identified that their priorities would be expanding supported accommodation facilities for homeless youth in the north and north-west, increasing the capacity of crisis shelters to respond to the demand, as they expect the demand to increase, and looking at supported accommodation for homeless or vulnerable older people. Those were the priorities identified by the Tasmanian government for the 2017-18 year. Given that current arrangements are under negotiation now—and I'm not dealing with this but Mr McBride is talking about this—with a list of federal priorities—

Senator CAMERON: Why are you answering it then?

Ms Bennett: Because I'm able to provide this component of information specifically about Tasmania.

Ms Campbell: Senator, we use whoever we can to best answer your questions.

Ms Bennett: I can go into some of the details that were provided on the Tasmanian data under the Specialist Homelessness Services Collection.

Senator CAMERON: You can provide me all those details on notice.

Ms Bennett: On the Specialist Homelessness Services Collection for Tasmania. I can do that.

Senator CAMERON: Thanks. I want to now move to the NHFIC—the bond aggregator, basically. Has DSS contributed any advice on potential board members?

Mr McBride: Not to my knowledge.

Senator CAMERON: What contribution does DSS expect the bond aggregator to make in addressing the high level of rental stress in the community?

Mr McBride: What the bond aggregator will do is give the community housing sector longer term finance at lower cost, and that will improve their viability, and allow them to grow to the extent they are able to grow. Because, as a sector, they offer below-market rents, they will be able to help people who are exposed to high-market rents in the private rental market.

Senator CAMERON: You know as well as me, Mr McBride, that not only did your own working group that you were part of—you were part of the working group, weren't you?

Mr McBride: No.

Senator CAMERON: Who was it from DSS?

Mr McBride: That was Treasury. We were part of a subworking group, sorry.

Senator CAMERON: You were in the subworking group, yes. In that subworking group, did you talk about the yield gap or the funding gap?

Mr McBride: Yes.

Senator CAMERON: So you are every bit as aware as I am that the bond aggregator on its own is insufficient to fund community housing providers to build houses for working poor and social security recipients. That's correct, isn't it?

Mr McBride: In and of itself, yes.

Senator CAMERON: Yes. Even the government members on the inquiry into the NHFIC raised the issue of the funding gap. What is the government doing about the funding gap, to make sure that social security recipients and the working poor can get access to housing on the basis of the community housing sector getting sufficient funding to build for these low-income people?

Mr McBride: I think, as we mentioned earlier on in the questions, a lot of the government measures from the 2017-18 budget are still bedding down and the bond aggregator is one of those. As those bed down—as the tax concessions for the community housing sector bed down—we will continue to work with the community housing sector. We're doing a review of regulation. We're regularly speaking to the community housing sector and we'll see how those measures bed down, and to what extent—

Senator CAMERON: You're as aware as I am that the community housing sector, in every one of their submissions to the Senate inquiry, said that the bond aggregator on its own is not enough, and that they'll need some yield gap funding?

Mr McBride: I acknowledged that before—as I said, in and of itself—but there are other measures directed at the community housing sector through the budget: the managed investment measure, the CGT discount measures. The sector themselves—

Senator CAMERON: But none of them are saying that's going to be sufficient.

Mr McBride: But these things are yet to bed down so we're not sure.

Senator CAMERON: No, it's not about whether they are bed down. They specifically said that, without specific funding for the yield gap, these measures will not work. In fact, one of the providers said your budget announcement had no centrepiece. Academics have looked at it and said it's not sufficient to look after the needs of low-income people. You know that.

Mr McBride: The yield gap is acknowledged. The magnitude of that is something we won't know for sure until we get further down the track with the budget measures that were announced in the 2017-18 year. But we're continuing to work—

Senator CAMERON: But that's not true, because your own working group said that it would need at least \$8,850 per dwelling.

Mr McBride: Based on—

Senator CAMERON: So why did you say there was no estimate? There was.

Mr McBride: No. What I said was: once the measures in the budget bed down—it was an estimate—we'll have a better sense of whether that estimate was an accurate reflection of where we are. As we're doing that, we are continuing to work with the community housing sector with regulation on how these measures bed down, on the rent settings they charge and on how stock is transferred from the public housing sector into the community housing sector. All of these will make a contribution to the viability of the sector.

Senator CAMERON: How can you charge social security recipients more? You can't do it.

Mr McBride: You won't necessarily have to do that. But social security recipients do have to rent in the private rental market; not all of them are in subsidised housing. So they could well end up in community housing, paying more than an income base rent of 25 per cent but less than they would have in the private rental market. Some of what the community housing sector is doing is charging full rents to people that can to cross-subsidise others. The mixed rental market in the community housing sector—

CHAIR: We will come back to you, Senator Cameron.

Senator CAMERON: Let me finish on this point. You know that is a very, very tiny proportion of the income for the community housing sector. It's not sufficient to meet the needs of low-income and social security recipients, is it?

Mr McBride: At this stage, no, it's not, but it is evolving.

Senator CAMERON: It's evolving!

Senator STEELE-JOHN: I just want to make sure that we have a crystal clear and accurate answer to this question: has the department at any time conducted research or considered the applicability of a Housing First approach to the homelessness situation in Australia?

Mr McBride: I'm sure we have, Senator. I don't have that information here, but we regularly look at the housing market and how other nations approach their housing market. The department will have done it. There will be a paper on it. I just don't have it at hand.

Ms Wilson: The other thing that I could add is that there is a network entity called AHURI, the Australian Housing and Urban Research Institute.

Senator STEELE-JOHN: I'm familiar with it.

Ms Wilson: They've done a lot of work in looking at international approaches to homelessness which they've published in the last 12 to 18 months, which staff in the department try to keep up-to-date with. AHURI is now managed by the Treasury portfolio in terms of the Commonwealth's interest, but we have, over quite some time, participated in their conferences, attended their seminars and had discussions on where the research agenda should go.

Senator STEELE-JOHN: Are Housing First solutions to homelessness currently under consideration by the department in any way?

Ms Wilson: Senator, we don't deliver the homelessness solutions. States and territories do through third parties—

Senator STEELE-JOHN: Are they forming part of your conversation with the states and territories around the national agreement?

Mr McBride: There have been discussions along those lines. As I said before, the purpose of the new agreement is not to be prescriptive as to how the states should approach this. We have ongoing meetings at officials levels where these issues are discussed.

Senator STEELE-JOHN: Would you be able to take on notice and provide me with the most recent piece of work that you've done in relation to Housing First approaches?

Ms Campbell: We'll take it on notice, Senator.

Senator STEELE-JOHN: Thank you. Let's move on. The Australian Institute of Health and Welfare released an update to its data in relation to homelessness and disability in February that showed that the percentage of homeless people who are disabled increased once again this year—as I hope you know—as it has done every year since records began in this area. I'd like to put the question to you: how do your programs target homelessness, in particular with regard to disabled people?

Ms Halbert: This department provides funding to the states. As Mr McBride has said, the states allocate those funds according to their priority needs, and obviously people living with disability are a priority group, so they would have a range of services. We also fund Reconnect, which targets young people at risk of homelessness, which would include young people with disabilities who are at risk or have become homeless. I don't think I have got the amount of funding, but I can call on Mr Thomas.

Ms Bennett: In terms of 2017-18, the funding that was provided under the national partnership for homelessness was \$117.2 million from the Commonwealth government. Then there was a contribution from the states. I can explain the across. Two hundred and seventy million dollars was matched, basically, between the Commonwealth and the states. In New South Wales, the Commonwealth provided \$30.3 million and the state provided \$39.59 million, so a total of \$69.89 million was spent specifically on homelessness in the priority areas that they identified. For New South Wales, their priority was to look at a broad number of performance indicators which trigger homelessness and its relationship to homelessness services, to look at more innovative approaches that bring sources of funding other than government and to do an economic evaluation of the homelessness system in New South Wales.

In Victoria, the Commonwealth provided \$23.21 million and the state provided \$36.94 million, making it \$60.15 million. Victoria's priorities went to—

Senator STEELE-JOHN: You could table these figures, just for the sake of time.

Ms Bennett: I can go through the figures very quickly.

Senator STEELE-JOHN: Okay.

Ms Bennett: Queensland was \$29.42 million of Commonwealth funding and \$39.42 million of state money, making a total of \$68.84 million. In Western Australia, it was \$15.42 million of Commonwealth money and \$17.88 million of state money, making a total of \$33.30 million. In South Australia, it was \$9.05 million from the Commonwealth and the same amount from the state, making it \$18.10 million. In Tasmania, the Commonwealth contributed \$2.86 million and the state contributed \$3 million, making it \$5.86 million. In the Northern Territory, the Commonwealth contributed \$5.42 million and the state matched that, making it \$10.85 million. In the ACT, the contribution by the Commonwealth was \$1.55 million and the state also matched that, making it a total of \$3.10 million. That brings us to a total spent in this area between Commonwealth and state governments of \$270 million.

Senator STEELE-JOHN: Thank you. Mr McBride, I think you said that as part of the state-Commonwealth agreement framework the Commonwealth had identified areas of priority and that one of those areas of priority was young people. Is that correct?

Ms Halbert: Correct.

Senator STEELE-JOHN: Is that using the standard definition of under 25s?

Ms Halbert: Children and young people are a priority area for the agreement—yes, under 25 years of age.

Senator STEELE-JOHN: Fantastic. So, beyond that stipulation in the agreement, would you be able to tell me how your various programs that you administer specifically target young people experiencing homelessness or at risk of homelessness?

Mr McBride: Under this agreement, we have just said to the states, 'Here is some funding.'

Senator STEELE-JOHN: I understand that. I'm talking beyond that in the agreement.

Mr McBride: Other than Reconnect, which I think is \$25 million a year—

Ms Halbert: I'm just going to get some information on Reconnect for you.

Ms Bennett: Before you do that, Ms Halbert, in terms of the money I've outlined for this year, the youth homelessness initiative across the Commonwealth and the states, of that \$270 million I mentioned, \$104.8 million was provided for youth homelessness initiatives and it went to 157 service providers. However, youth can also be counted in the women and children experiencing domestic violence. Of that, \$74.5 million of the total \$270 million was that targeted priority of women and children experiencing domestic and family violence, and that was funding to 145 service providers.

Senator STEELE-JOHN: Fantastic. Thank you. Finally, does the department in any way keep track of the nature of the affordable housing—that is, the public, community and affordable rental housing stock in Australia—in terms of its various features? I'm trying to frame a question around: do you know the percentage of Australia's affordable housing stock that would be appropriate for somebody with a disability?

Ms Bennett: Senator Cameron asked us a similar question about what information we would have and, while it was related to NRAS, he asked a broader question about what Australia's affordable housing stock was. We've said that we'll go back and have a look at what information we have, noting both what the definition of affordable is and what information we have from state jurisdictions. I will have to explore how much, if any, information we would have on what the household mixes are. It may be that there's public information that the Institute of Health and Welfare have, because they're often a source of data, or that AHURI has, which is the other research body, and we could provide a link if there is current information.

Senator STEELE-JOHN: If it would help to narrow the search area, I'd also be happy with just our public housing stock and the percentage of that which is accessible.

Ms Bennett: Public housing and social housing in some states are an intertwined definition about how it's placed, but we'll have a look and some of it will be publicly available or not.

Senator STEELE-JOHN: Thank you very much. That does me.

CHAIR: I assume you've got more, Senator Cameron. Senator Storer, you're okay? Senator Cameron, you have the call.

Senator CAMERON: Mr McBride, you're aware that the bond aggregator was modelled on the UK model and a number of countries have a bond aggregator in place. Are you aware of any countries or jurisdictions where a bond aggregator operates without a public subsidy?

Mr McBride: Look, I'm not, and these questions are probably best directed to Treasury.

Senator CAMERON: You were on the working group.

Mr McBride: Subworking group, but most of the work was done by Treasury. They've taken responsibility, and it's a question best asked of them. The department was on a subworking group; I wasn't.

Senator CAMERON: So you're telling me you haven't personally looked at it even to advise your own department?

Ms Campbell: Senator, we don't have primary responsibility for this function. It rests with Treasury. We can pass on to Treasury your questions.

Senator CAMERON: I must say, Mr McBride: you're the expert in this area for the department—you don't have any idea about this?

Ms Campbell: Senator, many of us have ideas about other people's areas of responsibility, but they have a general preference. I think the Secretary of the Treasury would prefer me to focus on social services and leave him to focus on Treasury.

Senator CAMERON: So it's a Treasury matter now. Can I tell you: there are none.

Ms Campbell: Thank you; we'll pass that to Treasury.

Senator CAMERON: You know that; I know that. AHURI in its report on NFIC says: (NFIC) will source lower cost and longer-term finance for registered providers of affordable housing—important for scaling up the sector. And that's an issue you raised, Mr McBride. It goes on to say:

However, as in other countries, government subsidy will still be needed to deliver low-income rental housing.

Do you agree with that assessment?

Ms Campbell: I'm not sure Mr McBride's going to be able to give an opinion. He can provide evidence on government policy, but I don't think he'd be able to give an opinion.

Mr McBride: NRAS—sorry: CRA goes to that sector, and it will be an ongoing form of subsidy.

Senator CAMERON: I'm not surprised that you raised NRAS as well, because that performs a similar function, doesn't it?

Mr McBride: The community housing sector does get NRAS—I think that was acknowledged earlier on.

Senator CAMERON: No, that's not what I asked you; I asked you whether NRAS performed a similar function to filling the yield gap?

Mr McBride: Yes.

Senator CAMERON: Has there been any consideration given to further funding beyond establishing the bond aggregator in the involvement you've had with the committee?

Mr McBride: No, Senator.

Senator CAMERON: None?

Mr McBride: None that I'm aware of. But, as I said, it's been a Treasury process.

Senator CAMERON: Given the need to address the funding gap that's been identified by the Senate committee and even the government senators, the Treasury's own Affordable Housing Working Group, AHURI's recent report into increasing affordable housing supply and key stakeholders, including CHIA and national shelter, will you be doing any work on this or has there been any work that you've been involved in since the 2017-18 budget in this space?

Mr McBride: We continue to work in the community housing sector but, as I said earlier, I think what we've been saying to them is that there are significant changes in the 2017-18 budget that will impact on that sector that haven't started yet. Once those start rolling out, we'll have a better picture of that sector's viability, the nature of that gap and then we will start considering possible responses.

Senator CAMERON: Are you seriously saying that, simply with the bond aggregator on its own, it could fill the gap?

Mr McBride: No, I'm not saying that at all. I'm saying, as I said before, that the bond aggregator and the other measures that will apply to the community housing sector are still to take effect. What we've said to the sector is we'll wait till they start taking effect, look at their impact and then we'll be in a better position to look at the extent of that gap and what potentially will need to be done to fill it—either at the Commonwealth or at the state level.

Senator CAMERON: In a reply to a QON from Treasury during the Senate committee's inquiry, it was indicated that Efic—the Export Finance and Insurance Corporation—will initially raise funds in the capital market on Efic's behalf. Was this an issue that you dealt with as part of your committee work?

Mr McBride: I didn't.

Senator CAMERON: No? So, again, that's another matter for the Treasury?

Mr McBride: The Treasury, yes.

Senator CAMERON: Can I now move to remote Indigenous housing. You've got an obligation—

Mr McBride: That's perhaps—

Senator CAMERON: I know you're shaking your head, but just wait a minute. Don't shake your head too quickly. Just let me answer the question—ask the question.

CHAIR: You can answer it as well?

Senator CAMERON: I can probably answer it as well—better than I've got from some of the officers!

CHAIR: If you can, let's move on!

Senator CAMERON: You do have a responsibility in the context of housing overall, don't you?

Ms Campbell: The government, with its machinery of government arrangements, allocates these responsibilities. We work together, but the primary responsibility, as we've just gone through with the bond aggregator, rests with the Treasury. I suspect, when we're talking

about Indigenous housing, we're going to say that the Department of the Prime Minister and Cabinet has primary responsibilities for these arrangements. Whilst we may know something in the periphery, they are the responsible entity and are best equipped to give you advice on these matters.

Senator CAMERON: I'm happy to know what you know from the periphery, if that's all you can provide me. I'm happy to get any information on this.

Ms Campbell: I'm concerned we won't be giving you accurate information, and it would be far better for it to come from the area which is responsible.

Senator CAMERON: If you can't give me accurate information, you can tell me that. Let me just ask some questions on this. As you're aware, an agreement has been reached with the Northern Territory, but the remote Indigenous housing agreement is not in place anymore in Queensland, South Australia and Western Australia. Has the department considered what the implications of this are if Indigenous families in remote areas that can't get access to housing move to regional centres to try and achieve housing? What are the implications of that?

Ms Campbell: I think we are going to say that this is a question best directed to the Department of the Prime Minister and Cabinet to determine whether that has been part of their analysis.

Senator SINGH: But it would affect your own department.

Ms Campbell: Insofar as—

Senator CAMERON: Insofar as the pressure would increase to get affordable housing in regional centres.

Senator SINGH: But also on community services and where all your existing resources are.

Senator CAMERON: You're the hip bone that's attached to the whatever bone. You know that.

Ms Campbell: Indeed, it is. We provide services to Australians in lots of different locations, and they move a lot—some in some different locations. But I don't think we've got anything further to contribute to this question, unless Mr McBride has some insights.

Senator CAMERON: So nothing on Indigenous housing?

Ms Campbell: I think those questions are best directed to the Department of the Prime Minister and Cabinet.

Senator PRATT: We didn't get much out of them in Prime Minister and Cabinet.

Senator CAMERON: Can I then move—unless you want to persist on that?

Senator PRATT: No. I was going to ask if you were aware that the Queensland government had said they would commit to \$1.08 billion to remote housing? Are you aware of that?

Ms Campbell: I may have seen that in the papers, but I don't think we have responsibility for that matter. Again, I think that rests with the Department of the Prime Minister and Cabinet.

Senator PRATT: So you're not aware of any agreements to match funding with state governments who put funding into remote housing?

Senator Seselja: Again, it is not an area for this department.

Senator PRATT: Thank you.

Senator CAMERON: Can I then move to the issue of the ABS having responsibility for improving housing-related data?

CHAIR: Let's hear the question and we'll see.

Senator CAMERON: I'm just asking: did DSS have any input into the decision, or can you provide me any reasoning as to why ABS would be the place to look at improving housing-related data, given that it's such a big issue within DSS?

Ms Campbell: The Australian Bureau of Statistics has data as its reason for being, Senator. I'll see whether Mr McBride knows any more. They are professionals in the collection of statistics.

Mr McBride: I think in addition to them, the Australian Institute of Health and Welfare also received money and there was continued funding to AHURI. I think it all came from the Treasury portfolio, we were made aware of it—

Senator CAMERON: Bloody Treasury portfolio!

CHAIR: Language!

Ms Wilson: The ABS is part of the Treasury portfolio.

Senator CAMERON: Yes, I know.

Ms Campbell: They have more money than us.

Senator CAMERON: I know they've got more money; I just wish they'd spend it properly—that's all. So we're not going to get anywhere on this either, are we?

Ms Campbell: I don't think we're able to assist you on Treasury matters, sorry.

Senator CAMERON: Let me go to Mr McBride, as you're my best bet on this because you've been in the weeds on this with Treasury. The Western Sydney City Deal—not yours?

Mr McBride: It was Prime Minister & Cabinet and it's now—

Ms Campbell: Sorry, which one is this?

Mr McBride: City deals.

Ms Campbell: I think it's industry, transport and—

Senator CAMERON: Again, this is the problem with this government.

Senator PRATT: You're all in these silos.

CHAIR: It's just about the division of responsibilities, which every government has. Portfolio estimates have been divided up in a roughly similar way for a very long time.

Senator CAMERON: It's about trying to deal with the issues. That's all I'm worried about.

Senator Seselja: We do.

CHAIR: I accept that. But, when it comes to specific questions, as you know, there are different areas of responsibility.

Senator CAMERON: Mr McBride, \$15 million was provided to accelerate planning and zoning reforms—this is an issue that you and I have spoken about here—to support housing

supply in Western Sydney. Were you involved in any of this development? Not you; I mean the department generally.

Ms Wilson: Not the details, Senator, but there are interdepartmental committees that are pulled together from time to time and submissions that cross the public service seeking comment on city deals. So, in the context of that activity, DSS has been a participant. We've attended a couple of meetings over the period since the city deals were announced and have provided commentary on submissions that have gone to the detail of the deals—but not the specifics of the negotiations, clearly.

Senator CAMERON: I'm not worried about the negotiations; I'm looking at outcomes. Can you provide any detail as to how this will work and what the implications are for affordable housing?

Mr McBride: I think it's a question best asked of the Department of Industry, Innovation and Science.

Ms Campbell: No; the Department of Infrastructure, Regional Development and Cities.

Senator CAMERON: The other aspect was housing-related data for the ABS. Was there any discussion of having a national housing supply council that could deal with this, with a focus on this issue?

Mr McBride: You'd have to ask Treasury. If there was, we weren't involved in any of those discussions.

Senator CAMERON: One of the other measures was the Pension Loans Scheme.

Ms Campbell: We know that one.

Ms Wilson: We had questions on that yesterday.

Ms Campbell: We had questions on that yesterday, Senator, but we might be able to assist you on that today.

Senator CAMERON: So \$11 million was provided to expand the pension loan scheme to everyone over the age pension age and increase the maximum fortnightly income stream to 150 per cent of the age pension rate. That would enable Australians to use equity in their homes to increase their incomes. How many pensioners do you expect to be using that?

CHAIR: Senator Cameron, your colleagues asked a series of detailed questions on this yesterday, going to precisely that area—

Senator CAMERON: Did they?

CHAIR: and specifically on those figures.

Mr McBride: We can answer it. It's 6,000 over the next four years.

Senator CAMERON: What are the current estimates of the shortfall in affordable housing in Australia?

Mr McBride: That, I'm not sure we have.

Ms Wilson: We can we take that on notice for you.

Senator CAMERON: Take that on notice. Could you also take on notice how many households are on the social-housing waiting lists, collectively?

Ms Campbell: That's state information.

Senator CAMERON: You need to be dealing with this. You can't have a policy, federally, without knowing these details.

Senator PRATT: Hear, hear!

Ms Campbell: And that's part of the negotiations with the new arrangements.

Senator CAMERON: Negotiating just to—

Senator PRATT: Knowing how many people.

Senator CAMERON: Haven't academics been looking at this? Aren't there published figures on this?

Ms Campbell: We'll take that on notice and see what answers we can get.

Senator CAMERON: You guys have housing. I would expect that you should be able to tell us this.

Ms Campbell: We have housing and it is a shared responsibility in a number of portfolios. Our housing relates to the programs we've talked about, the Commonwealth rental assistance. We've also indicated that the Treasury portfolio, the Prime Minister and Cabinet portfolio and the Infrastructure, Regional Development and Cities portfolio has responsibility. We don't have that with us today but we'll take that on notice.

Senator CAMERON: What's your estimate of the increased expenditure on Commonwealth rental assistance over the forwards?

Ms Campbell: I think we covered that in outcome 1. I'm not sure whether we've still got that information with us. I'll have a look and see if I've got it.

Senator CAMERON: If it's been asked—

Senator Seselja: Perhaps we'll take it on notice. We'll come back to you. If there's anything to add to earlier answers, we'll come back to you.

Mr McBride: Actually, in 2017-18 it's estimated to grow by 0.9 per cent.

Senator CAMERON: Has it been increasing faster than that previously?

Mr McBride: Historically, it has been, over the last few years. In 2016-17 it was 0.5 per cent. It's growth has been moderating over the last few years.

Senator CAMERON: Have you discussed, in negotiations with the states, the implications for Commonwealth funding, of Commonwealth rental assistance, if public housing is transferred to the states? Has that been an issue on the table?

Mr McBride: It's always an issue on the table when we meet with the states. It's an ongoing discussion. It's a discussion we're having with the community-housing sector.

Senator CAMERON: Have you had any outcomes from those discussions?

Mr McBride: Discussions are ongoing.

Senator CAMERON: Are you aware of how many households are experiencing rental stress?

Mr McBride: I have the numbers here, yes. We have percentages, if that would—

Senator CAMERON: What figures have you got? Have you got percentages or have you got hard numbers?

Mr McBride: I have percentages here. I can get you numbers, subsequently. In 2015-16 the proportion of low-income rental houses in rental stress—low income is the bottom two quintiles—was 44.2 per cent.

Senator CAMERON: So 44.2 per cent in rental stress.

Ms Wilson: In the bottom two quintiles.

Mr McBride: In the private rental market, that was higher.

Senator CAMERON: And you don't have how many households that is in hard numbers?

Ms Campbell: We'll take that on notice.

Mr McBride: I'd have to take that on notice.

Senator CAMERON: Has that been increasing or decreasing?

Mr McBride: It's been increasing.

Senator CAMERON: Since the issue of housing affordability was a centrepiece of the 2017-18 budget, has it still increased?

Mr McBride: It continues to increase, but—

Senator CAMERON: So the budget initiatives have had no effect?

Mr McBride: As we've mentioned before, very few of those budget initiatives have actually taken effect, so I think it would be too early to judge their impact.

Senator CAMERON: How many of the 10 affordability measures announced in the 2017-18 budget are now in operation?

Mr McBride: That I would have to—

Ms Campbell: Can we deal with the ones of the 10 for which we are responsible? That might be a better answer that we might be able to provide.

Mr McBride: We were responsible for Homes for Homes. That has started. We were responsible for social impact investing, I think.

Ms Wilson: That is in progress. It—

Senator CAMERON: So you're not sure what you're responsible for. Can you just then provide me, on notice, with that information and what areas of those 10 housing affordability measures DSS are responsible for?

Mr McBride: Certainly.

Senator CAMERON: What about First Home Super Saver Scheme accounts? That's not yours?

Ms Campbell: No. That's Treasury.

Senator CAMERON: Have you been discussing that in any of your little committees that you're involved in?

Mr McBride: No.

Senator CAMERON: Out of those 10 measures, how many of the measures were DSS consulted on?

Ms Campbell: This would have been in the lead up to the 2017-18 budget. I wasn't in the department. I am unable to answer that. I don't know whether anyone else can, so I think we'd be best to take that on notice.

Senator CAMERON: Thanks. Were DSS consulted on the decision to exclude build-to-rent from managed investment trusts?

Ms Campbell: I think that's unlikely.

Ms Wilson: No.

Mr McBride: No, we weren't.

Senator CAMERON: The Pension Loans Scheme—

Ms Campbell: We can talk about that.

Senator CAMERON: That's good. Do you think that will encourage older home owners to stay in their properties?

Ms Campbell: The measure is about ensuring people have got more access to more regular income. I don't know whether we think it's going to have a behavioural impact on people staying in their homes. I think people staying in their homes is often about services being able to be provided in the home—a matter, of course, for the Department of Health, around aged-care services in the home. I think there was also part of the package in the budget.

Senator CAMERON: How does this relate to the downsizing initiative announced in the last budget?

Senator Seselja: They're quite separate measures.

Senator CAMERON: They might be separate measures, but my view is that one works against the other.

Ms Wilson: We anticipate it will be quite a modest take-up, as has been the market commercially for reverse mortgages. There are about 40,000 reverse mortgages in Australia. As we gave evidence before, we anticipate that about 6,000 people will take up this measure. It's primarily aimed at helping people improve their living standards during their retired years by being able to draw on the equity in their home to do that. Given the size of it, it's unlikely to have a significant market impact in terms of housing market choices for older people. It's more about flexibility for them in that period.

Senator PRATT: Can someone use this scheme to pay their mortgage on their home if they have a considerable amount of equity in it?

Ms Campbell: We will assess their holdings to determine whether or not they can have a loan. I don't think they have to own the house outright.

Ms Wilson: No, but they have to have a reasonable amount of equity.

Senator PRATT: Of course.

Ms Campbell: It is possible that if they have a mortgage they could draw down on this loan scheme to pay that.

Senator PRATT: Yes. So your pension might not be enough to service your mortgage, but if you have a substantial amount of equity in it then you could use a reverse mortgage—

Ms Campbell: Or the Pension Loans Scheme.

Senator PRATT: or the Pension Loans Scheme to maintain your—

Ms Wilson: That's possible.

CHAIR: I'm happy to be flexible, but I will point out we only have four minutes to the break, and we are straying outside of outcome 4 at the moment.

Senator CAMERON: Okay. Is social impact investing your area?

Ms Wilson: That was outcome 1.

Ms Campbell: That was yesterday in outcome 1.

Senator CAMERON: Even though it's got an effect in housing?

Ms Campbell: I have some material. We might be able to answer the question.

CHAIR: Or perhaps take it on notice.

Ms Wilson: Anyway, let's see how we go.

Senator CAMERON: Have there been any trial projects identified for the first year's funding?

Ms Wilson: What we're doing currently is in progress. For the Sector Readiness Fund, which is about the broad social impact investing sector, we have opened a grant opportunity for organisations to apply, and that closes in June. We are also partnering with state and territory governments on selected social impact investments. That's still in progress. In respect of the homelessness component, I'll see if my colleague Dr Reddel has some information.

Senator CAMERON: Why don't you just take it on notice?

Ms Wilson: I can take it on notice.

Senator CAMERON: That's better than getting other officers up to the table for a couple of minutes.

Ms Wilson: Yes, we're happy to do that.

Senator CAMERON: You're keen! He's up here already!

Senator Seselja: Too late! It's been taken on notice.

Ms Campbell: We're a very responsive department!

Senator CAMERON: Yes. Just as a general question, the housing crisis that we're facing obviously has implications for DSS.

Ms Campbell: It does.

Senator CAMERON: What are the key implications that you are trying to deal with in relation to the housing crisis?

Ms Campbell: We know that stable housing is a very important part of an individual's and a family's wellbeing. That's why we work with our colleagues across the different portfolios to contribute to the Commonwealth government's housing and homelessness initiatives. I think what we've discussed today is how we're doing some of those programs, but of course this is one of our responsibilities under the machinery of government, and we do appreciate the broader flow-on impacts to wellbeing, whether it be health, educational outcomes or general outcomes for Australians and their children. Is there anything else?

Ms Wilson: I guess the cost of housing is clearly a significant contributor to people's standard of living. The availability of stable housing is important to the outcomes that Ms Campbell mentioned and also very significantly associated with employment outcomes. We also know that, to the extent to which people are able to achieve homeownership across their life course, their retirement incomes are better. So we do look at issues around the extent of people in different tenures, the living standards that they experience in those tenures, and the extent to which the cost of housing affects those living standards.

Senator CAMERON: This is my last question. So that I'm not asking questions in the future—hopefully I'll be up there answering questions, but—

Senator Seselja: I thought you were going. I thought you were retiring.

Senator CAMERON: No, but if you have an election before the end of the year and you guys hit the wall—

Senator Seselja: You were hoping. Jeez, we can only hope!

Senator CAMERON: Yes. So, if you can just provide details as to what areas you are responsible for, it might give Mr McBride less of a problem leading up to trying to deal with all the issues.

Mr McBride: I think Treasury undertook to do that, but we will make sure that we are part of that process so that you're fully informed.

Ms Wilson: And we'll make sure that it's clear between the two of us that we have the same list for you.

Ms Campbell: We'll work together on that answer.

Senator CAMERON: We're out of time, Ms Wilson, so can I say on behalf of the opposition: thank you for the contribution that you've made over the years. You've been a pest at times, not answering some of the questions I've asked, but you've always acted very professionally and in the best interests of the governments. I'd just like to wish you well in your retirement.

Ms Campbell: Thank you, Senator.

Senator CAMERON: You and me might end up, because I'll be retiring as well.

Senator Seselja: Chair, can I on behalf of the government do likewise and thank Ms Wilson for her service. I understand it's 32 years in the Commonwealth government. It's about as long as Parramatta has gone without winning a premiership, so that's a long time. Can I congratulate you on your very distinguished career. I've had the pleasure of working with you for a small part of that, but thank you for your service to our government, to other governments and to our nation—thank you very much.

CHAIR: I was going to do it at the end of the day. You won't be back at the end of the day?

Ms Wilson: No. I've got a leave pass now.

CHAIR: Goodness gracious! In that case, on behalf of the committee as a whole, sincere thanks for your efforts over many, many years. I won't say it's always been a pleasure, but we really thank you for your contribution. And you will miss us!

Ms Campbell: And we've got Ms Bennett retiring later this evening.

Senator Seselja: We'll deal with Ms Bennett later.

Ms Bennett: I'm back after the break.

CHAIR: The joy goes on!

Ms Campbell: There will be new deputies.

CHAIR: That ends outcome 4. We will suspend now and resume with outcome 2—Families and Communities.

Proceedings suspended from 16:31 to 16:43

CHAIR: We will resume this hearing of the Community Affairs Legislation Committee, continuing with the Department of Social Services outcome 2—Families and Communities. Ms Campbell, I believe you have a statement.

Ms Campbell: I do, thank you. The National Redress Scheme for Institutional Child Sexual Abuse Bill 2018 and the National Redress Scheme for Institutional Child Sexual Abuse (Consequential Amendments) Bill 2018 were introduced into the House of Representatives on 10 May this year and passed on 29 May. They are now with the Senate for consideration. To assist the Senate in considering the bill, I will clarify several issues that have been raised with the department about the operation of the bill and the national redress scheme.

To develop a national scheme, at least one state had to refer its powers in this area to the Commonwealth. Seven of the eight states and territories have agreed to opt in to the scheme based on the bills before the Senate. Western Australia is expected to join shortly. New South Wales has now referred its powers with legislation passing its parliament. Victoria is expected to complete this process in coming weeks. Having these states pass this legislation relies on the national bill remaining intact when it passes the Commonwealth parliament. Should the Commonwealth bill not pass, or if it is amended in any way, any referral of powers will be rendered ineffective and there will be no national scheme commencing on 1 July. If this happens, a new bill will have to be renegotiated not only with New South Wales and Victoria but with every state which has agreed to the detail of these bills and with each non-government institution that has decided to join. In summary, a process that has taken some 18 months will have to start again, and there is no guarantee a state parliament would provide a referral to a new bill. Survivors, who have already waited a long time for redress, will have to wait longer. All key elements of the scheme were negotiated and agreed with each state and territory. This approach is part of a system in which the average payment to survivors is \$11,000 more than that recommended by the royal commission. Put simply, more survivors will receive more in redress in this scheme. This approach recognises that for the scheme to be truly national all institutions must opt in. Some have considerable resources—others do not—but we need them all in the scheme so that all survivors have the opportunity to access redress.

If a Commonwealth bill is passed, those states which have not referred their powers will pass adoption legislation. Non-government institutions which have agreed to opt in will sign memorandums of understanding with the Commonwealth government governing matters such as information sharing and how they will take financial responsibility for their survivors. The Minister for Social Services will then need to make declarations declaring institutions as participating in the scheme.

The scheme is ready to commence on 1 July if the Commonwealth parliament passes this legislation. In preparation, the Department of Social Services is working closely with the Department of Human Services, which is responsible for service delivery, and with relevant government and non-government institutions. The departments of social services and human services have been developing the service delivery framework in close consultation with survivors, representative groups and advocates. Support and legal services have been funded to help survivors through the redress process. Careful attention has been given to application and determination of the process to ensure survivors are sensitively managed throughout.

I'll now address a few matters which have been of particular interest to this committee. Firstly, the national bill does not prevent incarcerated survivors or survivors with a criminal history from applying. People who have been convicted of a serious criminal offence and sentenced to imprisonment for five years or longer will go through a special process. People who have a serious criminal conviction will have their application assessed on a case-by-case basis. This is a decision of all governments and balances the need for the scheme to recognise the impact that childhood abuse can have on a person's life with the need to ensure the scheme is not brought into disrepute.

Secondly, the indexation of past payments is included in the scheme, as was recommended by the royal commission. However, the scheme will not deduct or index payments provided for access to counselling and psychological services or routine payments of treatment or other expenses like medical or dental bills. The scheme will not take into account one-off payments for specific purposes that are not in recognition of harm, even if the payment was requested by the survivor—for example, for consumer items or covering rent. Also in line with the recommendations of the royal commission, relevant prior payments will be adjusted for inflation to account for changes in the value of money over time. The scheme will be using a flat inflation rate of 1.9 per cent per annum when adjusting prior payments for inflation.

Thirdly, the scheme will no longer use a matrix for assessment. In consultation with stakeholders, an assessment framework will be used for the scheme and will be publicly available. This will be a high-level document demonstrating how assessments will be made under the scheme. It will be declared as an instrument once legislation passes. We've taken advice from the survivor groups and the independent advisory council that the language should be reasonably high level to avoid triggering or retraumatising survivors.

Fourthly, there are some key areas where changes have been made to the scheme following the recommendations of the Senate Community Affairs Legislation Committee on 28 March. In addition to changes made to the criminal convictions policy, the time a person can take considering a redress offer has been extended from three months to six months, with more time able to be provided if needed.

We're happy to answer any questions the committee may have about this important initiative.

CHAIR: Thank you very much, Ms Campbell. Are you happy to table that statement?

Ms Campbell: I am, and there are copies.

Senator SIEWERT: That would be really useful.

CHAIR: It is slightly outside the normal scope of these estimates hearings to look at a bill that's currently being inquired into. However, given the time sensitivity and the importance of this legislation, I think we should spend some time on it.

Senator SIEWERT: Thank you for the opening statement—it was very helpful—and for being available for our questions. I've got some questions about some of the components that you've mentioned and some that haven't been mentioned here. One of the issues that came up very substantially during the inquiry on the Commonwealth bill was the issue around counselling. As I understand the national bill, it still appears as if the \$5,000 cap applies, so could you take us through what is the situation with counselling. As you know, the report canvassed this issue a lot and people are advocating for life-long access. Could you clarify that for us.

Ms Bennett: If I could just start off with a broader picture, and then Dr Baxter can contribute to it. There were a number of issues about the life-long counselling, which was also that the responsible institutions pay for all the costs—the monetary payment, the counselling and the component of the direct personal response. That would have meant a constant and engaged relationship for life-long counselling between the survivor and the institution. How would you, with a 10-year scheme—it was also part of the royal commission recommendation that it be looked at—continue to do that? The royal commission envisaged, initially, that all counselling and all costs would go into a single trust fund. That was the idea that they first canvassed for a national scheme. It was very clear for institutions to advance every potential cost. As Ms Campbell said, particularly with the smaller institutions, many of them would not be able to do that. To meet a cost now in advance of what a 10-year scheme is, is to sell and close down everything that they owned. Furthermore, we didn't have—which has been raised—the power constitutionally to unilaterally compel non-government institutions.

The support that's already provided in a number of areas ranges from support already funded by Medicare to the state jurisdictions. With the state jurisdictions, while that hasn't been confirmed with every jurisdiction, most of them themselves, through their public health networks or equivalent, provide support. Some of these provide it through victims' support units. So already they're providing the support to survivors. So up to \$5,000 will go into those existing structures those states have—at the end of the journey as we finalise the arrangements with them and they sign on. It's not as if there is a cap on the \$5,000. It's being fed out to contribute to the systems.

The third element—you will recall from the statistics released by the royal commission that the majority of survivors are over the age of 50—was that the incidence of this abuse occurred many years ago and many of them have been in treatment and support up to this period of time. In discussions, some survivors had a strong view that they would like that funding themselves to be able to meet the costs of what they've already spent on it. In all of these components the royal commission made a recommendation, but, due to the fact of that fundamental bit where we could not compel a national scheme and make it compulsory unilaterally, balances had to be achieved in some areas.

Senator SIEWERT: So what you're saying is survivors will still have access to counselling through their life, because the states will be providing services?

Ms Bennett: And Medicare provides, on the recommendation of a GP, 10 annual visits.

Senator SIEWERT: You're talking about better access?

Ms Bennett: Pardon?

Senator SIEWERT: That's the program.

Ms Bennett: Yes.

Senator SIEWERT: So when people talk about, 'We've expanded it to lifelong,' it's basically existing services that states are providing, on top of the \$5,000, with the equivalent value—

Ms Bennett: With the potential \$5,000 lump sum that gets put into those systems, if that's what's elected by the particular jurisdictions. To date, New South Wales, Victoria and the ACT have confirmed that their respective services will deliver the counselling and psychological care component, and we're waiting for the other jurisdictions to confirm the arrangements.

Senator SIEWERT: There will be a lump sum payment into those services?

Ms Campbell: To the government.

Senator SIEWERT: To the government for those services for each survivor?

Ms Campbell: Yes.

Dr Baxter: We are also having strong signals from the other jurisdictions that they will also be providing either state based services or services through a contracted service provider as well.

Senator SIEWERT: There's a lump sum payment. They go to the government—

Ms Campbell: To the jurisdictions.

Senator SIEWERT: I'm seeking additional services, will it be marked off this as against my \$5,000?

Ms Campbell: I think we're leaving that to each jurisdiction as to how they administer that.

Ms Bennett: In signing the intergovernmental agreement, as part of the redress component—and the intergovernmental agreements are publicly available on the website—attached to them are the service standards about the provision of counselling and psychological care services. They're available on the website.

Senator PRATT: As a follow-up to that, you mentioned the 10 Medicare payments that people might also have access to if they haven't used them in any given time period already. In terms of continuity of care, if someone's lump sum has gone to a state service, and they've maxed out their \$5,000, is there a way of giving continuity of care with access to the Medicare systems? Have you joined that together for this or is people's care going to be fragmented?

Ms Bennett: We don't have an answer to that. That's part of the discussions that we're doing with the states. I do have to say that in our discussions with the jurisdictions, they recognise that it is important for people. Some people may use it episodically, and that doesn't matter, but some people want to be able to see a continuing of service. But I don't have those details with us at the moment, so we could take on notice where those discussions are going.

Senator SIEWERT: That would be excellent if you could. I heard the message loud and strong around how you want this is up by 1 July. I hear that. Let's put that issue to a side for a minute. There are various instruments that are required under this legislation, and rules et cetera. Any changes to the rules would not threaten the legislation itself, in terms of if there were a change to anything you've done already it has to go to the states and territories for agreement, doesn't it?

Ms Campbell: If we change the rules it has to go to the states and territories as well.

Senator SIEWERT: But not through the state parliament?

Ms Campbell: It has to be agreed by—

Senator SIEWERT: I understand that.

Ms Bennett: We can't commence the scheme without the rules, because when you read it, it refers to what the rules are, so we could not actually administer the scheme without the rules. We couldn't administratively proceed with the scheme.

Senator SIEWERT: Are all the necessary rules drafted now?

Ms Bennett: We're still finalising the arrangements.

Senator SIEWERT: Does the parliament get to see them when we're debating the bill?

Ms Bennett: They are tabled as an instrument, but the normal process is that the bill and the rules have to be passed. However, the department's submission, which came yesterday, for the hearing attached a sheet setting out what's covered in the rules. You may not have had a chance to see it yet.

Senator SIEWERT: No, I haven't. Particularly as the email system in this place has gone down at the moment it makes it even harder.

Ms Campbell: We could find a copy.

CHAIR: Who was that sent to?

Ms Campbell: I think it came to the committee, but if we could find hard copies of our system—

Senator SIEWERT: That would be really useful.

Ms Campbell: We'll get someone to do that.

Senator SIEWERT: Ms Bennett, I understand what you're saying in terms of you have to have the bill passed before the rules come into effect. However, it would not be the first time that drafts on some of these critical issues have been shared for people to have a look at. I'm sure that you've been consulting with survivors and others over some of them. This committee, for a start, has seen draft rules.

Ms Campbell: I think we could talk to the minister on that matter very urgently.

Senator SIEWERT: It may resolve some of the ongoing uncertainty.

Ms Campbell: And we'll get you a number of copies of that submission, which I think I signed the other day. We'll get a hard copy for you, maybe for tonight for the plane.

Senator SIEWERT: That would be great. I'm going to put some questions on notice, because we're going to seriously run out of time.

Ms Campbell: Is this with regard to the redress? I'm just thinking we'll need to turn those around for you very quickly in order to allow the committee's consideration of the bill.

Senator SIEWERT: Yes. That's a good point. There are differences between the Commonwealth and the national bill, and some of it I want to understand a bit better once I've read—

Ms Campbell: Our submission?

Senator SIEWERT: your submission in a lot more detail. The process then, in terms of getting questions back, is that they'll probably come through the bill inquiry, because then they won't get caught up in the others

Ms Campbell: In the other stuff.

Senator SIEWERT: Does that make sense?

Ms Campbell: I think that's a good idea, so that we can make sure that we prioritise it and get those to you as quickly as possible.

Senator SIEWERT: So it doesn't get caught up in the estimates and the time lines there.

Ms Campbell: Yes.

Senator SIEWERT: I do want to explore the assessment framework. The matrix has caused a great deal of angst for people in terms of seeing it. I understand that's going to be an instrument.

Ms Campbell: It will be.

Senator SIEWERT: Are we able to see the instrument before we vote on the bill?

Dr Baxter: That would be a question we'd have to ask our minister's office.

Ms Bennett: We'll ask about the rules.

Ms Campbell: We'll check with the minister in the same vein as we've discussed the rules.

Senator SIEWERT: That'd be appreciated. Could I just ask a couple of questions around this now? The matrix was pretty controversial. One reason was the fact that people didn't know it, hadn't seen it and all those sorts of things. Have you tested how you're going to run that in terms of when you were using the matrix? Did the same level of payments come out of it? How does it compare with the process that you're undertaking through the original matrix?

Ms Bennett: It maintains the average payment arrangement. It's just elevated and less explicit, which we've covered before. The matrix was developed in trying to capture the case studies and the hearings by looking at the types of quite explicit behaviour and incidents. It doesn't change the payment framework. It is very much about the event, the impact and the nature of the event, and it has categories and tiers through that, but it doesn't go into trying to describe what those are very explicitly.

Senator SIEWERT: Why did you drop the matrix and go with the framework?

Ms Bennett: Because it still gave us the same guidance. It gave the same information for survivors to be able to see the nature of things that could have occurred to them and then how it relates to an impact and a payment framework. It really was how many times this nature of sexual abuse happened with people with or without objects—those sorts of very graphic details. It was developed in consultation with people, particularly the advisory council, and

then tested it out administratively. It was a very early design, and I think it distorted what it was, but it was trying to say, 'If this happened, which was an example in the royal commission, where would it sit there from that graphic type of information?' The payment framework still gives a very clear picture of something between extreme cases and a grooming, what an impact may be and vulnerability factors. They're the principles that were always in that. They're the principles that align to factors that the royal commission recommended that we take into account. But, in the early days of developing and translating it, there had to be some work done to think about all of the evidence that was given in those private hearings—'where would that sit in those sorts of things?'

Senator SIEWERT: I've got a number of questions going on from there. Has the independent advisory committee seen the framework and provided feedback on it?

Ms Bennett: No, they provided the framework for the categories, what the measures were, and they've been taken into account and put into it. That was part of a report that went to the minister, and then the minister commenced discussions with the jurisdictions about whether this met their expectations on the agreed framework between particular states and territories.

Senator SIEWERT: Have any survivors seen the framework?

Dr Baxter: Senator, I can tell you that the framework itself will be tested through our process of testing communications materials that we've spoken to you about here before. The language of the framework is and will continue to be tested before it is made. The communications materials that I mentioned yesterday that wrap around that framework are also going through a rigorous process of testing through our communications experts based on some developmental research that we've undertaken with survivors and their families and advocates.

Senator SIEWERT: Have you tested both the matrix, which we never saw—I don't mean it in terms of the context we just had. I asked earlier whether the payments were going to come through the same. Have you run similar scenarios through both to assure people that they're—

Ms Bennett: But it doesn't change.

Ms Campbell: Have we run similar scenarios—

Ms Bennett: Can I just go through it? The categories, the impact and the tiered level is exactly the same as when we first did the assessment on the average payments. That has not changed. Some of the words in it are changing. There was no need to retest—

Senator SIEWERT: And how you apply it, surely, or not?

Ms Campbell: It's staying the same, how we apply it.

Ms Bennett: Apply it, yes.

Ms Campbell: The main change is the language and, in order to not retraumatise, to take out some of the more explicit description.

Ms Bennett: Graphic.

Ms Campbell: Graphic description.

Senator SIEWERT: Will that then be—

Ms Bennett: In the training of the staff that will be making recommendations to independent decision-makers and the training to the independent decision-makers, the types of incidents that constitute what is in the framework will be detailed.

Ms Campbell: The decision-makers will be able to see, because we expect that survivors will articulate what happened to them. Rather than have us outline it, they will articulate it. The decision-makers and the people working on it will have that guidance in the more graphic detail, and they'll be able to make that assessment.

Ms Bennett: So that they can understand the stories they'll be hearing. That's the component.

Senator SIEWERT: That's what I was trying to work out. How would you then enable the process, in an extremely sympathetic manner, to still be able to get the information that's needed in order to make those assessments?

Ms Campbell: We'll be asking survivors to put their applications in their own words—I'm just looking for confirmation—so that, rather than risk retraumatisation, we say, 'You tell us what happened,' and then that will be done. The decision-makers will have that information, but we won't be putting it out there to them.

Ms Bennett: The application form is not available yet, because putting it out before the passage of the legislation would be presumptuous, and so that we do not create expectation until we know that it has passed. People will be able to publicly look at that. It will be a form and they will see. Dr Baxter and I and lots of others have had numerous meetings on the application form, and there has been user testing conducted with survivors in the development of that. There are some fields that will be very easy, your name and your date of birth, and then there are components about where it was—'What do you recall it was called, the institution you were in?' 'Do you recall the time frame you were there or the age that you were there or the range?' All of that, how we gather that information, has very much drawn on what was in the hearings and on the users and the user testing that the Department of Human Services has done. In fact, it's been quite extensive; not just using the same group of users. They refresh that, because some might become familiar with it, and then how do they test it again? It's very close, but we can't finalise it and have it up until we have authority to do that.

Senator SIEWERT: Thank you. We've dealt with the issue of offenders. Can I clarify so that it's on the record? My understanding is that it's case-by-case for people that have been convicted of serious criminal offences. It's case-by-case and the Attorney-General of the relevant state will be making the decision? Is that—

Ms Campbell: The scheme operator, which is the secretary of the department, makes the decision, but the scheme operator will take into consideration—and my colleagues will correct me if I don't know this off by heart—the views of the Attorney-General of the jurisdiction where the abuse occurred and, if it's different, the views of the Attorney-General where the criminal conviction occurred for the survivor.

Senator SIEWERT: But the Secretary gets to make the ultimate decision?

Ms Bennett: On the basis of the advice from the independent decision-maker.

Ms Campbell: You get the independent decision-maker advice and then the scheme operator takes into consideration those views of the Attorney-General.

Senator SIEWERT: Takes the AG's views?

Ms Campbell: Yes.

Ms Bennett: It's page 67, section 63AB 1, 2, 3, 4. It's quite explicit about how—

Ms Campbell: It's been discussed in detail.

Dr Baxter: It sets out the factors for the operator to take into account, including those two views of the attorneys general, and it also specifies which of those is to be given the greater weight.

Senator SIEWERT: Thank you. And the AGs, in reaching their decision, have to take those—

Ms Campbell: Their recommendations. The scheme operator has to ask those views of the Attorney-General. It may be one or it could be two.

Ms Bennett: It also gives the capacity for AGs to perhaps nominate someone else as well. It could be some time later and someone's been on remand or rehabilitation or something, and that Attorney may also nominate another individual. In some jurisdictions, the redress responsibility has been given to a different minister. It allows them to nominate someone.

Senator SIEWERT: Okay.

Ms Campbell: That allows jurisdictions to have their own arrangements and their own views into that.

Senator SIEWERT: I want to go to the government's response to the inquiry. Can you take me through recommendation 7 of the committee inquiry and the government's response, or would you rather take this on notice?

Ms Campbell: It would be better if we could answer it tonight.

Dr Baxter: Could you let me know which one, Senator?

Senator SIEWERT: Recommendation 7:

The Committee recommends that in developing the minimum timeframes in the Redress Scheme, for the provision of documents or answers to an offer of redress, the Department should consider the special circumstances of survivors in remote communities, those with functional communication barriers and survivors experiencing trauma or mental health episodes linked to their abuse.

We had extensive discussions during the hearing into the previous bill around circumstances for those groups of people, but particularly for Aboriginal and Torres Strait Islander peoples.

Dr Baxter: Yes.

Senator SIEWERT: And the government said they agreed. Could you outline, with a little bit more detail than is in the response, how those issues have been taken into account?

Dr Baxter: The original time frame of three months was extended until six months, but there was also provision in there that either the person themselves or the operator on behalf of the scheme can put extra time in place, and there is no time limit on what that time is. So it would be looked at on a case-by-case basis, based on the circumstances of the case. You mentioned that Aboriginality is one issue that may be a factor; others are remoteness and the degree of trauma that a person might be experiencing. But the factors that can be considered are not limited; they can be simply looked at on a case-by-case basis.

Senator SIEWERT: I realised that it had been increased from three to six, as has been outlined. It was the special circumstances, but also the additional issue of assistance that people were talking about, because the system is—

Dr Baxter: Complex?

Senator SIEWERT: Complex. First off, on the special circumstances, will there be examples given to—

Dr Baxter: They are not specified in the legislation. There is no limited list of circumstances. We will look at the circumstances on a case-by-case basis when either the person indicates there are circumstances, or the scheme itself may have material from speaking to the person that indicates that there are circumstances.

Ms Bennett: That they need longer.

Dr Baxter: I should mention that, while Ms Bennett has mentioned that there is the application form and each step of the process, the procedures we are putting in place see that a person from the scheme contacts the applicant to talk to them at each step of the process. So they are also speaking to a human being, rather than just having to put a form in cold. Part of that is to check, at each point, how the person is travelling. There's a commitment in the principles of the legislation to this being a trauma-informed scheme. So it's about checking how that person is going, checking if there are any issues of frailty that might mean that the application needs to be expedited, and also checking the sorts of issues you're talking about that might lead to other circumstances.

Ms Bennett: I would add to that that during that process that someone is applying for redress, in that period, there are, funded by the department, community support services. We'll be encouraging people to utilise that as much as possible, and they might make a representation saying that they are going to need a bit longer before they make a final decision. So there's a number of ways in which we can ensure that there is space to meet someone's individual circumstances.

Senator SIEWERT: Are those community support services going to be on demand? How will they operate?

Dr Baxter: We estimate that about half of the people who are likely to come before the redress scheme are already connected with a service, because many of these services were existing through the royal commission process as royal commission community based support services. So we know that some of them are going to be doing proactive outreach to the group of people who are likely to apply, to say 'Do you need more support? Are you thinking about applying for the scheme?' But people will also be able to cold call. As I've mentioned, because the scheme itself will be having these touching points, there will also be prompting. If they are getting a sense from talking to people that they would really benefit from a support service, they may prompt and say, 'This may be a point for you to think about contacting a support service.'

Ms Bennett: And, if I can add, to the point that Dr Baxter made, we're very close to finalising what those arrangements are and we've continued those royal commission services for six months to help with the transition. I expect that many of them will be exactly the same, unless there is a conflict such as that they're a service provided by an institution that's joined the scheme.

Senator SIEWERT: There's a new offence: 'unauthorised recording, use or disclosure of the assessment framework policy guidelines'. Could you explain what—

Dr Baxter: This touches upon the issue that we discussed a moment ago. There has been very strong interest from survivors and their advocates to make sure that information that is used in the scheme is not able to be shared outside of the four walls of the scheme. There will be some back-and-forth between the scheme and institutions to verify information that's been provided and make sure the person was in that institution, but these provisions are to make sure that can't be shared. The reason that policy guidance that you've mentioned would be available would not be shared is because, as we mentioned before, our very strong advice from our independent advisory council and from survivors has been that it is likely be extremely traumatic and very triggering for survivors to see that in the private realm, not only in terms of the depiction of the events themselves but that process which much necessarily occur of ascribing dollars to those particular events.

Senator SIEWERT: You're talking about each person's—

Dr Baxter: I'm talking about both things: the individual person's records and also the guidance that Ms Bennett talked about a moment ago that will go to them in training. Our very strong advice has been that that is not material that should find its way into the public realm.

Senator SIEWERT: That's what I thought, and that's what I was seeking to understand.

Ms Bennett: It was two sides: not wanting institutions to see that, and not wanting other people inside the Human Services portfolio to see that. Those were the reasons those protections were wrapped around.

Senator SIEWERT: So you can assured—particularly, a survivor can be assured—that their information is protected as well, and nobody will know what sort of things that they have been asked to disclose.

Ms Bennett: Yes. In the process between survivor application and going to the institutions for verification, there will be core and basic information that needs to be confirmed, but the institution can't reject it and can't see the whole application. It's done with the view to the wish of survivors about protecting their privacy and not exposing them again.

Dr Baxter: There are a very limited range of circumstances in which that material would be able to be disclosed, and the applicant is made aware of all of those circumstances from the outset.

Senator SIEWERT: I realise I'm going to start running out of time in a minute, but I did want to address this issue of indexation because it's an issue I've certainly had a lot of strong feedback about. I get the point that the non-financial supports that people may have had aren't included. So what's included is basically the redress payments—

Ms Bennett: Explicitly redress payments. And it has to have been a scheme. I'm not picking out one particular thing, but some of the Catholic dioceses set up their own and they called it in the nature of it being redress. These are not payments that might have been made through approaches that might have gone to medical bills, such as getting your teeth fixed or those other arrangements. These are explicitly those that came under those schemes or state government redress schemes.

Senator SIEWERT: Yes, I was going to say, 'Let's use WA, for example.'

Ms Bennett: Yes. The royal commission always said that there needed to be a recognition that those payments were made and they had a purchasing value at that point in time, and that that would be taken into account.

Senator SIEWERT: Have you worked through some examples of applying the indexation rate to some of the payments? Say, for example, there was \$10,000 paid—I'm picking that out as a number that I know some people have received in those payments. Have you then taken that from when, say, the WA scheme was operating and then applied the indexation rate for people to have an understanding of what the value is now?

Dr Baxter: Yes, we have, and we've talked those through with the advocates that we know have been interested in this issue. We've talked them through and we've explained how some components of those would not have been for redress, and the likely component that was and what that inflates to. We've also made it clear that for many of the very historical cases—the older cases—very few of those payments were explicitly for redress. In many cases, historically, institutions called the payment something else. There may have been a knowledge of what it was for, but it was presented as being for something else. That would not be counted as a past payment and, therefore, it would not be indexed. Of the ones that are old and likely to most feel the effect of indexation, very few are redress payments.

Senator SIEWERT: But the WA scheme definitely would be.

Dr Baxter: Yes.

Senator SIEWERT: And probably some of the payments in Queensland.

Dr Baxter: We're working through that. It's not as clear-cut as WA.

Ms Bennett: But those schemes were much lower amounts than the maximum amount in this. In fact, in WA it started at a higher amount and then was reduced—

Senator SIEWERT: Don't get me started.

Senator PRATT: We know.

Senator SIEWERT: There's actually a campaign called Make Redress Right operating in WA now.

Senator PRATT: We're all Western Australians here now.

Senator SIEWERT: We are all Western Australians.

Senator DEAN SMITH: We know who the stayers are in this place.

CHAIR: Some of us would like to get back to it.

Senator SIEWERT: We know who can cut it. Anyway, moving along. In that case, it's probably the more recent schemes that are likely to attract the indexation.

Dr Baxter: And they will be less effective, because it has been fewer years since the payment was made.

Senator PRATT: Could I jump back briefly to psychological counselling. We've noted there's a contribution from the Commonwealth of \$5,000.

Ms Bennett: No, it's not.

Senator PRATT: It's not from the Commonwealth? Where does it come from?

Ms Bennett: It's part of the cost that will be incurred by the institution responsible for the abuse.

Senator PRATT: How will that funding be pooled? Is that still being worked out?

Ms Bennett: The arrangements set out that the institution provides surety that it has the potential to meet its liabilities. That surety is provided, and the minister thinks there are reasonable grounds, suspects that they could meet their liability. That's set out in clause 8 of the MOU, which is publicly available.

Senator PRATT: Yes, I think that therefore gives me enough of a background.

Ms Bennett: The process will be on that basis and other steps that they go to to be a participating institution. Then we will process, and the department will arrange payments. Then we invoice on a quarterly basis in arrears to the institutions.

Senator PRATT: So there could be a range of services within each state that the state governments and others might support—they could be private psychologists—and there could be any number of different arrangements.

Dr Baxter: It's possibly unlikely to be private psychologists. States have talked about it being either their state based existing services—so things like victims of crime networks—or probably selected NGOs that have a big footprint and are able to provide that service across the state.

Senator PRATT: How will eligibility for that \$5,000 contribution be determined? If it's not actually capped for anyone, how do you rate what kind of service someone has access to?

Ms Bennett: Many of the jurisdictions already support these people. They provided advice to us on how they have been providing counselling and psychological care for survivors.

Senator PRATT: I understand that. But in terms of the \$5,000 that might come from the institutions.

Ms Bennett: It is isn't a formula where you use your \$5,000 in the provision of those state services. It's not used up.

Dr Baxter: It's not a tally system where you use it up. That's not how they're doing it. It goes in to support the existing state based services that are supporting these survivors and will continue to do so.

Senator PRATT: No, that's not my question. My question is: how much is attributed to each victim and how do you make a decision about that?

Ms Bennett: It's set out in the legislation. As Dr Baxter said, but there'll be a maximum amount. And there are three tiers—1,250, 2,500 and 5,000, which is the maximum. That is linked to the nature and extremity of the incident, and the impact. So they're the tiers that make it up together.

Senator PRATT: In terms of matching up the 5,000, 2,500 or 1,250, are you using the same matrix as for compensation as a whole?

Ms Bennett: It's not compensation or monetary payment. The framework, yes.

Senator PRATT: And they will match those tiers. I think that answers the question.

Dr Baxter: Division 3 of the legislation explains that.

Senator PRATT: In effect, if someone is eligible for a \$1,200 psychological payment but uses much more than that, you're saying there is in effect no cap, because, under the agreement with the state, the state would still have to service that person irrespective of whether they received a \$1,200 or \$5,000 payment?

Ms Bennett: The state is doing that now without that contribution to their systems.

Senator PRATT: But it's very difficult to get into these services. I'm assuming that this is supposed to have some guarantee of access attached to it.

Ms Bennett: That's what I referred to. I haven't got a copy of it with me, but, as I said, the MOUs between governments are on the COAG website, and so are standards. That's an attachment to that memorandum of understanding.

CHAIR: Senator Pratt, to facilitate travel arrangements, do you mind if we go back to Senator Siewert for a few minutes? Then you can have the call back.

Senator PRATT: No. If she's good to go again, that's great.

Ms Bennett: And each state has to meet those service standards that are attached to it.

Senator PRATT: Thank you.

CHAIR: We are going to go to cashless debit for a little while, but we will be coming back to redress.

Ms Campbell: Would it be useful if we tabled paper copies of our submission to the other committee?

Senator SIEWERT: That'd be brilliant, yes. Thank you. Can I check a couple of things from the update? I'm looking at the material that you have compiled as you've done for each estimates, which is very useful, and again I'll say thank you. This is about table 1.1 and table 1.2.

Ms Bennett: This is on page 2 of the material we provide to you?

Senator SIEWERT: Yes. If you look at the number of Indue cards that have been allocated, it looks like people are getting more than one card—like there's some turnover of the cards.

Dr Baxter: I know you would know from your experience with IM that that's very common. In fact, we have found that the turnover of these is lower than the turnover of the BasicsCard from people losing them and those sorts of things.

Senator SIEWERT: Interesting. On the numbers, each person across the trials would have had about four over the 18 months it's been operating.

Dr Baxter: That's less than we predicted based on the BasicsCard loss.

Senator SIEWERT: Are they lost or non-functioning?

Dr Baxter: No, these are situations where someone has lost their card. We've had no reports that cards are not working.

Senator SIEWERT: Thank you. I wanted to go to exemptions. I wanted to clarify a few things.

Ms Bennett: Which table is this?

Senator SIEWERT: I beg your pardon. It is table 1.4. What does N/P mean?

Dr Baxter: That means not able to be published. That refers to where a number would be identifying.

Senator SIEWERT: You've given us a total. Even I can do the basic maths! And, by the way, I can do the basic maths, and it's over five! So the total says there were 179 applications, it says non-Aboriginal N/P.

Dr Baxter: I'm sorry. Under five is where it's identifying. The NP is where people choose not to disclose.

Senator SIEWERT: So all non-Aboriginal people that have applied—

Ms Campbell: It's table 1.4? I think we can assume the third line down with numbers in it was somewhere between 77 plus 57, which is—

Senator SIEWERT: I can add up that way.

Ms Campbell: It's 134 plus somewhere between nought and five.

Ms Bennett: That column where it's got N/P goes to whether they are or are not Aboriginal—

Dr Baxter: I'm sorry; we've just had a note. It means 'not provided'. I'm sorry that I got the two mixed up. It's because you are not asked, 'Are you non-Aboriginal?' you're just asked, 'Are you Aboriginal?' Yes, you can deduct one from the other to get it, but that question was not specifically asked. I was getting the two mixed up. The under five is where it would be identified.

Senator SIEWERT: Yes, and that's been happening for ages.

Dr Baxter: That's right.

Senator SIEWERT: Okay. All we do is deduct if there's a total amount.

Ms Bennett: But they didn't provide the information whether they were Indigenous or non-Indigenous.

Ms Campbell: But I think, if we go to that third row, we've got 77 who have identified as Indigenous, 57 as non-Indigenous and somewhere fewer than five who decided not to answer. So the total is a range from 134 to 139.

Senator SIEWERT: Thank you. Is there a community panel in the Goldfields now?

Dr Baxter: There's not at this stage a community panel in the Goldfields.

Senator SIEWERT: Has anybody asked again now that they're aware of what's going on and there's a group set up opposing the cashless welfare card there?

Dr Baxter: There are still the reference groups in place where the issue of there will or won't be a panel continues to be a live discussion, but there has not been a decision to actually have a panel.

Senator SIEWERT: I'm wondering whether you have asked the reference panel in the Goldfields whether they want to reconsider a community panel. What's the trigger for a community panel? The people that have now started expressing concerns were not even aware, as I understand it, they could even ask for a community panel, and there's a great deal of concern that decision has been made when people weren't aware of the circumstances of the decision-making process?

Dr Baxter: The matter of whether or not there's a panel in a particular trial site has always been for that community and its leadership to indicate. In the Goldfields, I know that the discussions and consultations we had there were very clear that a panel was able to be established if the community wanted to establish it. I know it is something there has been discussion about in those community reference groups, but there has not been a decision at this stage to have a panel. So it's very much a live item through those community reference groups. Our understanding is that everybody is aware they are able to have a panel should they wish to have one.

Senator SIEWERT: Who is everybody?

Dr Baxter: The people who are on the community reference groups.

Senator SIEWERT: But not the actual people that reason of the card. That is the point. The people that have been put on the card do not have that level of information.

Ms Bennett: We could raise this again with the reference group.

Senator SIEWERT: Yes. Then they would need to undertake a process of consultation with the people that are actually on the card, because surely they should be asked if they want one.

Ms Bennett: We will arrange to raise it again.

Senator SIEWERT: Now that you've got them on the card, you can easily contact them.

I'm going to have to rush, so can I go to Hinkler and the process there?

Ms Bennett: Bundaberg and Hervey Bay?

Senator SIEWERT: Yes. What are you calling that trial?

Ms Bennett: Bundaberg and Hervey Bay.

Senator SIEWERT: But it's in the electorate of Hinkler.

Ms Bennett: It's not exclusively. It's Bundaberg and Hervey Bay.

Senator SIEWERT: Yes, all right—Bundaberg and Hervey Bay: how many people are in Scope?

Dr Baxter: Our projection is that it will be approximately 6,700 people who would be on the trial in that location.

Senator SIEWERT: Under the age of 36?

Dr Baxter: Up to 35, that's right.

Senator SIEWERT: And the payment types?

Dr Baxter: That is Newstart allowance, youth allowance jobseeker, and parenting payment single and partnered.

Senator SIEWERT: Has the reference panel been established?

Dr Baxter: Yes. The community reference group continues to meet and work through local implementation and policy issues. It last met on 18 April.

Senator SIEWERT: Will there be a community panel?

Dr Baxter: We don't know at this stage. Again, that remains a decision for the community.

Senator SIEWERT: Who's on the reference panel?

Dr Baxter: I'll let Ms Patrick answer that question because she's been much closer to that community reference group.

Ms Patrick: We have a number of regional councils on the working group as well as regional housing and some community organisations, including some church groups as well.

Senator SIEWERT: Community and church groups, did you say?

Ms Patrick: Yes.

Senator SIEWERT: Who are the community groups?

Ms Bennett: Bayside Christian Church, Burrum District Community Centre and We Care 2 Inc.

Dr Baxter: The community reference group, which both Ms Patrick and I have attended, includes local Aboriginal representation as well.

Senator SIEWERT: From Burrum?

Dr Baxter: I'm not sure which organisation those people are from, but, having been at that group, there is substantial representation from Indigenous people, yes.

Senator SIEWERT: Thank you. I will put some more questions on notice. Thank you to the committee for enabling me to ask those questions before I have to run off.

Senator PRATT: I will finish my questions on the cashless debit card. I've tried to make a note of issues that Senator Siewert has asked about. I noticed in the tables that we've looked at that that covers Ceduna and Kununurra. Do you have the information for the Goldfields broken down by Indigenous and non-Indigenous in terms of applications from people to have the proportion of their income that's been quarantined reduced?

Dr Baxter: We mentioned previously that there is no panel in the Goldfields.

Senator PRATT: So there is no other method for applying?

Dr Baxter: No, that is the method. The community controls that method of whether or not—

Senator PRATT: I assumed that was going to be the answer, but I needed to clarify it. What support services have been funded in the Goldfields trial area?

Ms Patrick: In the Goldfields, we have provided funding for Centacare to provide financial wellbeing and counselling support to participants as they transition onto the card and we've funded that through until the end of this calendar year. We also have some place based support services, which are about connecting participants and the community of the Goldfields together with services that are already in existence.

Senator PRATT: That's a coordinating service specifically for participants in this; is that right?

Ms Patrick: That's correct.

Senator PRATT: You said Centacare has been funded. From when were they funded?

Dr Baxter: There are a range of service types that are funded, and Ms Patrick has begun to go through those. So there are some local partners that are funded and they are funded specifically to help people get themselves on to the card, understand how to use the card and

deal with any difficulties they may have adjusting to that, and to provide them with information and connect them with services, should we require. We have also funded, as Ms Patrick said, Centacare to provide some extra information and support to people, particularly around financial matters, and we'll try to find the exact amounts there amongst our notes.

Senator PRATT: Can you provide us a list of the organisations, the services that they provide and the amount of funding they've received?

Dr Baxter: Yes. I would just add, though, before we do that, that the significant investment in the Goldfields, as Ms Patrick was saying, is the million dollars that the government has committed to the place based piece of work, and that is because the consultation we did in the Goldfields suggested that the issue there is not one of lack of services; it's more one of service coordination and making sure that the people who are most in need are able to access those services.

Senator PRATT: Is that the announcement made yesterday, or is that a separate place based program?

Dr Baxter: There were some place based announcements yesterday, but these ones were announced a number of months ago when the trial was announced, and it's in partnership with the—

Senator PRATT: Is this the same place based program or a different one?

Dr Baxter: It's the same one.

Senator PRATT: So the ones that were announced yesterday are the same model?

Dr Baxter: Part of the same suite of the stronger outcomes for families reforms. This is one of those place based investments.

Senator PRATT: If you can provide a list of those services, that would be great. I note that a place based service will coordinate a range of other activities for families that are vulnerable. How did the department decide which services would receive additional funding?

Dr Baxter: As I've just explained, through that extensive community consultation process which I know we listed at the previous estimates, the feedback that we had from the local community and from service providers was that this was not an issue about more money into particular services. It was an issue of service coordination and service planning, and of making sure people could access those services and that those services were generating the best outcomes for local children and families. Where extra money has gone in—apart from those million dollars—it's gone into local partners, helping people with the card, and then there was \$125,000 to Centacare to help with the financial advice and counselling support, again around the start. So there was some explicit CDC money and then the place based investment.

Senator PRATT: Why does the Centacare funding expire on 30 June?

Dr Baxter: In this year?

Ms Patrick: No, sorry—the Centacare funding commenced in April and goes through to the end of this calendar year. So it goes through until 31 December.

Senator PRATT: So the expectation would be that your regular financial counselling services would be familiar with the BasicsCard by then. Okay. How many merchants with a card facility operate in the trial area for the Goldfields?

Dr Baxter: We would not have that figure to hand. Almost every shop, supermarket or business would have an EFTPOS facility. We don't know how many of those are operating in the trial area, but we know they can all use the cashless debit card. There's no reason why someone with an EFTPOS machine cannot use the cashless debit card. It's a standard Visa debit card.

Senator PRATT: What is the cost of the trial in the Goldfields as a whole?

Dr Baxter: That figure is not for publication at the moment—and that was made clear in the relevant budget papers—as there are still ongoing commercial sensitivities.

Ms Bennett: Negotiations.

Dr Baxter: Negotiations.

Senator PRATT: Well, I could try and debate that with you now but I won't because it will be subject to a claim of public interest immunity from the minister, I assume?

Ms Bennett: No. As we've done with the others, as soon as we've concluded it, that information becomes available.

Senator PRATT: Okay.

Ms Campbell: It's in order to protect the commercial position of the Commonwealth government.

Senator PRATT: I understand. Are you able to tell us the proportion of Indigenous versus non-Indigenous participants in the Goldfields?

Dr Baxter: I'll get the right piece of paper—we have that to hand. In the Goldfields cashless debit card region, the non-Indigenous income support population is 65 per cent and the Indigenous income support population is 35 per cent. No, sorry, I was just looking at one. The total is the non-Indigenous income support population is 55 per cent. That was one of the local government areas I was looking at. The Indigenous population area is 45 per cent.

Senator PRATT: In relation to the Bundaberg-Hervey Bay site, where's the tendering process up to?

Dr Baxter: There is no live tendering process for the Bundaberg-Hervey Bay site at the moment. I think that is correct.

Ms Pattrick: That is correct until we have legislative authority, we are unable to commence any contract.

Senator PRATT: I think Senator Siewert talked about consultations briefly.

CHAIR: I think it was very in depth.

Senator PRATT: Which community organisations have explicitly expressed support for the trial?

Dr Baxter: Which trial area are you referring to?

Senator PRATT: Bundaberg.

Dr Baxter: I believe we have previously tabled the list of organisations that have been consulted throughout the very extensive community consultations that have been conducted and continue to be conducted in the Hervey Bay-Bundaberg area.

Senator PRATT: Yes, but I don't think it's an indication of their position.

Dr Baxter: We don't require people through that process to indicate explicitly do they support or not, but certainly the overwhelming response from the community organisations and the leaders with whom we've been working is they do support.

Senator PRATT: How do we know that's the case if we can't see the evidence of that?

Dr Baxter: We undertake numerous consultations. We receive feedback from them and if, as in the case of Moree, which was a site that was considered for the trial, we consider that there is not enough community support, we do not proceed. I think Moree is a case in point where there wasn't enough and we didn't go ahead.

Senator PRATT: Could I ask for you to provide the accrued cost of the cashless debit card trials in all three sites since it started?

Dr Baxter: Yes. I can tell you what we are able to tell you in relation to that.

Ms Campbell: It is actual expenditure to a certain date, I think.

Dr Baxter: The total cost of the cashless debit card in Ceduna and East Kimberly, from commencement to 15 March 2018, is \$23.757 million. As I have mentioned previously, we're not able to factor Goldfields in at this point.

Ms Bennett: That includes all components—that is, the card provision, the services that have been provided, supporting the panel.

Senator PRATT: But it doesn't include the income payments which have come from the other stream?

Ms Bennett: No. It doesn't include social security payments.

Senator PRATT: So that is \$23.75 million for both Ceduna and East Kimberly.

Dr Baxter: And for all of the time up until that date that I just provided.

Senator PRATT: Do you have any costs yet for the Goldfields?

Dr Baxter: I just mentioned that those costs are not for publication at this stage.

Ms Bennett: We did explain the investment that we've made in the support services.

Senator PRATT: That's fine. We don't need to revisit that. I am just culling my questions based on what you have already told me. I understand that DSS has two contracts with Indue Ltd related to the cashless debit card trials: one from 31 August 2015 to September 2016—and that contract was valued at \$2.8-odd million—and the current contract, which has a value of \$21 million and is due to expire on 30 June next year. Given that the legislation Minister Tehan introduced into the House yesterday would add an additional trial area with an end date of 30 June 2020, will the value of the current contract increase?

Ms Bennett: If it does, we'll have to make that available obviously in the normal reporting arrangements, but no work has commenced. We can't answer that, as Ms Patrick said, until there is actually authority from the parliament to proceed.

Senator PRATT: But you won't contract that separately?

Ms Bennett: I don't have an answer to that question yet.

Senator PRATT: You haven't even done a calculation on how much the value would be because you don't have authority to do it yet?

Ms Campbell: We'll have made estimates, but they are not for publication because of the commercial nature.

Senator PRATT: Why would they be commercial in nature if we already know what the value of the contract is?

Ms Campbell: Sorry, I misunderstood. I thought you were talking about the extension for Bundaberg and Hervey Bay.

Senator PRATT: No, I'm talking about the existing contracts. You're not able to tell us what the value of the future extension might be?

Ms Campbell: I think the extension in play we're talking about is for Bundaberg and Hervey Bay. We're not talking about extensions to the other arrangements; it's just Bundaberg and Hervey Bay.

Senator PRATT: How many cashless cards have been distributed in the Goldfields site?

Dr Baxter: We began to provide these figures before. I think they are in the material that was provided to you ahead of the committee.

CHAIR: Table 1.2

Senator PRATT: So it's 238. What's the total value of payments in the East Kimberley and Ceduna trial areas?

Ms Bennett: Is that social security payments?

Senator PRATT: Yes.

Ms Bennett: We don't have that information with us. We'll have to take that on notice.

Senator PRATT: Would you know if it were more or less than the cost of running the trial at this point in time?

Ms Campbell: I think it'd be more than running the trial—

Senator PRATT: I would think so.

Ms Campbell: by definition.

Senator PRATT: If you can take on notice what that is for individual recipients in terms of the payments that have gone through the cards, that would be terrific. Are you able to tell us the extent to which people are expending the whole of the value on the card or the extent to which people are retaining some value on the card as a form of saving?

Dr Baxter: No, we're not able to tell you that.

Ms Bennett: It's private information.

Senator PRATT: I was interested to know just in more broader aggregate terms. A recent media release from the Minister for Social Services said that it will 'use the University of Queensland's research methodologies and measurements of social conditions in the Goldfields developed by the University of Adelaide'. Can you expand on what that means?

Ms Campbell: I might ask Dr Reddel to answer that question. Dr Reddel is responsible for the evaluation elements within the department. The evaluating people are kind of separated from the doing people.

Dr Reddel: We have engaged, firstly, the University of Queensland to conduct a baseline study in the Goldfields trial site in preparation for the ongoing evaluation. That will include

information on analysing administrative data and qualitative data as well as beginning qualitative engagement with CDC participants. That process has kicked off. They had a researcher from the university visiting the site, between 22 and 25 May, to begin meeting with local stakeholders and recruiting participants for the ongoing data collection. And the University of Queensland has been engaged to assist in developing a methodology using Department of Human Services' admin data and participant data to help with the ongoing monitoring.

Senator PRATT: So these aren't existing research and measurement methodologies; they're being specifically developed for the program.

Dr Reddel: They're using their expertise and accepted research approaches but tailoring those for the particular circumstances of the Goldfields.

Senator PRATT: And that hasn't been finalised yet; it's just consultation—

Dr Reddel: No, they've just commenced that work.

CHAIR: The University of Queensland, I think you said?

Dr Reddel: Yes.

CHAIR: Why was that particular institution chosen? Do they have particular expertise in this? Was there a process?

Senator PRATT: Western Australia's a long way from Queensland.

CHAIR: That was my initial thought, but I don't want to get too parochial.

Dr Reddel: That particular research centre has a well-accepted expertise in social science research methodologies, and that expertise has been applied across a whole range of jurisdictions.

CHAIR: At the moment, I guess, they're trying to identify the baseline parameters that can then be monitored through the trial.

Dr Reddel: The University of Queensland has been engaged to look at the methodologies.

CHAIR: Who's setting the baselines?

Dr Reddel: The baseline is the University of Adelaide. We've engaged a research centre there that was previously at Flinders University, which conducted the NDIS evaluation. They are a highly-respected academic institution.

Senator PRATT: How much has been paid to Indue, to date?

Dr Baxter: We started to track through with you those procurements, and I think you listed them accurately. You listed the first—which we were able to have on the public record—contract and the second contract. The total of those is the amount paid to Indue.

Senator PRATT: That's great. I will skip that, in the interest of time, to redress—although I don't want to give you false hope. I have a lot of questions on other topics as well. In relation to the government's response to the Senate inquiry, Labor senators asked that the bill be amended to specify that there will be adequate access to culturally competent services, to assist survivors to interact with the Redress Scheme. I'm hoping you're able to provide a list of services that will be receiving funding as from 1 July.

Ms Bennett: There are two parts to this component. I explained earlier that the current support services funded by the department that were established for supporting people as they appeared before the royal commission has been extended, and they're transitioning.

Senator PRATT: I'm aware of that.

Ms Bennett: We're still finalising the new contracts. Dr Baxter could talk about what we attuned to the need to provide appropriate support.

Senator PRATT: At which point will the new services replace the royal commission services?

Ms Bennett: It's an overlap, adjoining; it's a transitioning.

Senator PRATT: Which of those services will be in place from 1 July?

Dr Baxter: They're already in place. The royal commission community bases and support services were due to expire at the end of June. They have been extended through to the end of September this year. I think you would have a list of those. I think we provided those to you previously.

Senator PRATT: My question is about the new services.

Dr Baxter: At the point at which that selection process is finalised, we will be able to give you a list. What we're doing at the moment, as Ms Bennett summarised earlier, is working through which of those royal commission support services are suitable to be re-tendered for redress. That includes things like the conflict-of-interest matter that Ms Bennett mentioned. It goes to the question you asked, which is making sure we have a sufficient number of culturally competent services and making sure we have the right footprint across the country. We are working through those matters very closely with our support services at the moment, and we will finalise that process well ahead of that transition funding ending at the end of December.

Ms Bennett: Could I add to that that we are working very closely and regularly with those providers so that they're across the status on redress. There is a fortnightly teleconference. So we feel that, in that transition, they're there ready to help from 1 July and understand the different nature of that support.

CHAIR: Senator Pratt, could I interrupt briefly. I'm not trying to move you along in any way, but I'm wondering, for program 2.2, paid parental leave, could we perhaps release those officers?

Senator PRATT: I will put my paid parental leave questions on notice. The no-interest loan scheme questions I can also put on notice, but I do have other financial counselling questions.

CHAIR: It sounds like we can release the paid parental officers.

Ms Campbell: They'll be very pleased, thank you.

CHAIR: They go with our thanks.

Senator PRATT: Have a good weekend. Thank you, Chair, that was a good intervention. Regarding the services that will no longer receive funding as a redress support service but were interested in providing ongoing services, when will they know whether or not they have an ongoing contract?

Dr Baxter: Those services—and there were only a couple of them that we were unable to provide the transition funding to because of issues around conflict of interest—have already been advised.

Senator PRATT: That they're not getting funding to the end of December?

Dr Baxter: The transition funding, that's right.

Senator PRATT: I'm actually asking about when people will be advised of the ongoing support services and those transition services that will not receive funding for ongoing support.

Dr Baxter: They will be provided with that information as part of the outcome of the selection process, and DSS best practice is that they would get that at least three months ahead of the conclusion of their contract for a contract of this nature.

Ms Bennett: So about September.

Senator PRATT: Have all those organisations applied to do ongoing support yet? That would happen—

Ms Bennett: It'll be a direct selection—

Senator PRATT: That's six months before, in best practice, and then you would tell people three months later?

Ms Bennett: Yes.

Senator PRATT: So you would expect they will know in September before their funding expires in December?

Ms Bennett: That's right.

Dr Baxter: But, as Ms Bennett mentioned before, we are also having fortnightly teleconferences with that whole group of those support services so that they absolutely have up-to-the-minute information about where each of these things are up to.

Senator PRATT: Regarding funding for these services after 2021, what provision is there in place for those?

Ms Bennett: It's three years funding that's available. We don't know how many survivors are going to apply. We don't know if there will be a lot in the first two or three years and then fewer, or whether it will be paced over that time. The government has committed that those support services will be available for the time of the scheme. The issue is that, at the two-year review which is mentioned in the legislation, we'll be looking at what that flow is and the appropriate level of funding to flow on from that.

Senator PRATT: Thank you. Given that the majority of states and territories have indicated they will opt into the scheme, subject to the parliament passing the legislation, will each of these jurisdictions be able to make applications from 1 July?

Ms Bennett: Firstly, can I just say, as the secretary set out, they've confirmed their commitment to opt in to the scheme; two states have passed their legislation. But there are processes. Sorry, I've just been corrected; one state has passed, only New South Wales; Victoria is still going through the House. Even with them—we're working with them at the moment—there are processes that they have to go through. So a practical example is that New

South Wales will be identifying what schools it might have, what residential homes it's had. So there's information that needs to be assembled by them and provided to us—

Senator PRATT: Before you can open applications?

Ms Bennett: No. The applications will be open, and it will be clear to the survivors their state or institution, depending on the nature of the institution, has committed to it. The application can be there, but the ability to look through and say: are all New South Wales schools in, or was it this diocese—we're dependent on them to provide information.

Senator PRATT: So you're saying that it might be a gradual, staged opening, based on the point at which the institutions have done their due diligence to be able to join in.

Ms Bennett: Yes. The minister yesterday—when he participated in the announcement with the Anglican Church, Scouts Australia, the YMCA and the Salvation Army—talked a bit in that press conference about how, for example, the Catholics are going to set up an entity. That will be the interface which we'll deal with and they will begin their arrangements.

Senator PRATT: Will you take an expression of interest from people who are waiting for the institutions—

Ms Bennett: We will accept an application. They will be contacted by a real person on the status. We will have regular updates on our web page. We have a subscription service so that people, or whoever they make as their nominee, can receive a message about updates.

Senator PRATT: People don't have to wait for their institution to properly opt in before they can apply?

Ms Bennett: No.

Senator PRATT: Are you saying people will be able to apply in all jurisdictions from 1 July?

Dr Baxter: No, only, at the moment, in those jurisdictions that have announced they have opted in.

Ms Bennett: So not WA yet.

Senator PRATT: Okay. So 1 July for everyone bar Western Australia.

Ms Campbell: Depending on—

Dr Baxter: And the institutions that—

Ms Campbell: And Western Australia have indicated that they plan on opting in shortly.

Senator PRATT: No. But you said—everyone, irrespective of the institution?

Ms Bennett: People will be able to make an application. The Department of Human Services will contact people. You can put your application in—and they will explain that, until either your institution or your state comes in, we're just going to hold it.

Senator PRATT: No, but that's important. You don't want to give people the false sense that they're never going to be eligible because they are not eligible now. That is why I'm seeking clarification, because it's very important that people aren't—

Ms Bennett: They will be contacted, and it will be explained that there are a lot coming in and it's moving.

Senator PRATT: told, 'No, you're not eligible at the moment because your institution hasn't joined.'

Ms Bennett: We've got it and we'll hold it.

Senator PRATT: Yes. Because it's very important that people aren't discouraged from applying. Okay. Good. Thank you. Will a class of person be created by the scheme operator to enable former child migrants who are not Australian citizens and who are not living in Australia to access the scheme?

Ms Bennett: The child migrants that are residing in Australia or are Australian citizens, or permanent residents, regardless of where they are residing, will be able to apply. This is not just unique to this scheme. You need to be able to verify your identity. We do need to have some protections against possible fraud.

Senator PRATT: Okay. Let's just be clear. If you're not a citizen and not a permanent resident—

Ms Bennett: And you are living in another country? No.

Senator PRATT: If you are living in Australia and you're a permanent resident and not a citizen, then you can apply?

Ms Bennett: Yes.

Senator PRATT: What if you have some other immigration status other than permanent resident? Can you apply?

Ms Bennett: Not until you have citizenship or permanent residency.

Senator PRATT: Irrespective of whether you're abused somewhere like an immigration detention centre?

Ms Bennett: It is very clear in the legislation. You have to have permanent residency or citizenship.

Senator PRATT: Can you confirm the funder of last resort arrangements for former child migrants. Will the Commonwealth be responsible for meeting this obligation?

Ms Bennett: We are in discussions with the jurisdictions on this issue. Minister Tehan yesterday said there is a recognition of those arrangements that were different. At the moment we are very close to finalising those arrangements.

Senator PRATT: I know it's a threshold question for Western Australia.

Ms Bennett: Yes. We've been in a lot of discussions with them. As the secretary said, resolution is about finalising these arrangements.

Senator PRATT: So you can't tell us yet whether the Commonwealth will be responsible for meeting this obligation. But I'm assuming, given you're negotiating with Western Australia, you're under a lot of pressure to do so?

Ms Campbell: We are negotiating with Western Australia on these matters. That is probably the best characterisation of it.

Senator PRATT: Okay. How many calls have been received by the national redress information line?

Dr Baxter: I can certainly tell you the numbers over the last couple of days. Are you after total numbers?

Senator PRATT: Yes.

Dr Baxter: If you'd like to go on, I will locate it for you so we don't have to take it on notice. I know we have it.

Senator PRATT: Perhaps also how many individuals as well?

Dr Baxter: We may not know—whether it's discrete individuals, because we don't require identify data.

Ms Bennett: At this stage, people are ringing about information, and asking when it's going to start. There will be a difference about the statistics that we'll collect once the scheme actually opens.

Senator PRATT: Okay. If you can take on notice how many calls—

Dr Baxter: I've got it here. Give me a moment. If you want to keep going, I will locate the right number.

Senator PRATT: Okay. Who staffs the call centre?

Ms Bennett: Department of Human Services staff.

Senator PRATT: How long has the call centre been operating?

Ms Bennett: It was announced in March.

Senator PRATT: It's been operating since then?

Dr Baxter: It has been operating since the day of the announcement that New South Wales and Victoria intended to opt in.

Ms Bennett: So that's 9 March.

Senator PRATT: What hours is it open?

Dr Baxter: It's open 8.30 to 5.30 across all of Australia, so it's longer hours than that but we have made sure those hours are covered in each jurisdiction.

Senator PRATT: If you're calling at 6 o'clock in New South Wales, you would be put through to someone in Western Australia where it's still 5.30? Or is it just 8.30 to 5.30 for each jurisdiction?

Ms Bennett: In the state that it's in.

Senator PRATT: If you are calling from WA, then you won't be able to call at 6 o'clock in the morning and get put through to someone in the eastern states?

Ms Bennett: No.

Senator PRATT: Okay.

Dr Baxter: I have that figure. As at 27 May, the national redress information line has answered a total of 732 calls.

Senator PRATT: Thank you. What's the call waiting time?

Dr Baxter: The call wait time will be minimal, if any, because the numbers of calls have been quite small. The average speed of answer is under 30 seconds.

Senator PRATT: Great. The most common reasons for calls?

Dr Baxter: The call reasons are generally people asking, 'How will I access the scheme?' That's the largest one. That is followed closely by, 'What will the application process be?' When they answer those calls they explain: 'You can't apply now. But, when you do apply, this is how you will be able to do it.' The next most common question is, 'What will the scheme start date be?' Then there are a smaller number of questions people might have about their institution, such as: 'Where can I get support?' 'How do I tell my story?' 'When is my state going to opt in to the scheme?'

Senator PRATT: Thank you. That is really useful. How will survivors access a paper application?

Dr Baxter: They can download those from the internet or they can contact the scheme and ask to have an application sent to them.

Ms Bennett: There will be a range of privacy protections around any correspondence that goes out to the applicant.

Senator PRATT: Great.

CHAIR: Could they pick up a copy from somewhere?

Ms Bennett: No. They can ring up. We want to make sure that it can be downloaded. They'll ring up and it will be sent out to them. They're not going to be out on display, if that's what you're asking.

Senator PRATT: Who developed the online application form?

Ms Bennett: I explained earlier to Senator Siewert that we had—there's a whole detailed answer about the consultation, the drafts.

Senator PRATT: Sorry, I did duck out to the bathroom at some point.

Ms Bennett: It's not available yet because we haven't got passage of the legislation.

Senator PRATT: Yes, okay, and therefore it might change. Has it been subject to any testing?

Ms Bennett: Yes, we explained that. We've done a lot of user testing—

Senator PRATT: And what time frame will applications be considered in once the scheme's up and running?

Ms Bennett: There are some time frames that are prescribed in the legislation. These are the time frames that are prescribed for actions for us and institutions to take. They are not time frames for survivors.

Senator PRATT: No, I'm asking about the time frame for consideration.

Ms Bennett: Currently, it's going to be a bit like an on-and-off switch on the time frame. While the survivors are considering there are no time frames and we're doing our process in the institution. Obviously, there will be variations depending on the complexity or on how old the records are. Dr Baxter?

Dr Baxter: As Ms Bennett said, it's very much driven by the survivor. For the majority of times, the expected length of the process will depend on how long the survivor takes to come back to us with particular information. We have projected that, generally, where an application is not very complex—so, for example, where there is only one institution involved and that institution is able to respond easily—we would expect to be able to make an offer of

redress in around 10 to 12 weeks. Again, that depends on how quickly the person is able to get back to us.

We also expect that the 10 to 12 weeks would be reduced again if it were identified that this was an application that should be triaged because the person is elderly or frail. I mentioned before that at each point of the assessment process an officer actually speaks with the applicant. They will be able to ascertain if there are those sorts of issues—then it would be faster. Where circumstances are more complex the time will take longer, but we would expect that even the most complex applications would be able to be processed within a 12-month period.

Senator PRATT: Thank you. What special provision will be made for financial counselling for people who receive payments?

Dr Baxter: In addition to the support services and the legal services, there is going to be financial support services under the scheme. Some of the things that we have been thinking about there are concerns that have been raised around knowing that very many of the people who are likely to apply are currently benefit recipients, so they may not have had a cash injection of this potential size—

Senator PRATT: In their lives before—that's right.

Dr Baxter: in their life before. There will be provision made for referrals to our Commonwealth Financial Counselling services. There will also be information provided through our support services and our legal services about alternative services that are available to people privately. And we are working with some of our support services, including some who have been working with us through the Independent Advisory Council, to look at ways in which we can provide standardised information to people about some of the common scenarios that those support services worry about. Those are situations where people are being taken advantage of by particular financial institutions or corporations, or, in some unfortunate cases, by family members. We are working through how we provide some standardised information sensitively, as well as access to financial counselling.

Senator PRATT: So it will be people who are able to advise properly whether someone's better off by putting that money into their superannuation account or—

Dr Baxter: That would be the role of the financial advisers.

Senator PRATT: Okay, so—

CHAIR: Senator Pratt, sorry, can I just interrupt briefly? Could we just suspend for a moment?

Proceedings suspended from 18:23 to 18:24

CHAIR: We will resume. Senator Pratt?

Senator PRATT: Financial counselling: is there a threshold eligibility for financial counselling in terms of the size of the payment?

Dr Baxter: No, all the services—the support services, the legal services and the financial services—are available to anybody who is going through the scheme.

Senator PRATT: Will you contract those in similar ways to how you currently contract financial counselling services?

Dr Baxter: We will be using our existing financial counselling footprint.

Senator PRATT: Thank you; that's really helpful. I think that's all on the royal commission. I might take us back now to where we were yesterday in relation to redesign.

Ms Campbell: This is redesign of the grants?

Senator PRATT: Yes. We had a discussion about expiring grants and what's available over the forward estimates.

Ms Campbell: I think we agreed that the policy expert on some of those grants which you were particularly interested in would be best equipped to answer those questions, so Ms Bennett is here for families and communities. We have let go the disability and carers people—

Senator PRATT: That's fine.

Ms Campbell: so, hopefully, it's the family and community grants.

Senator PRATT: Ms Bennett, do we have a general sense of how much is contracted for—

CHAIR: Senator Pratt, I will just interrupt again. Is there anyone we can release, if we're finished with redress?

Ms Campbell: I don't think so. I think we're going to need to keep everyone, particularly if we're going to go back to settlement services.

CHAIR: Okay; I just thought I'd check.

Senator PRATT: I don't have a lot on settlement services.

Ms Campbell: If we've finished with redress, we can release two officers. If settlement services were not required, we could release about three officers. That would be helpful.

Senator PRATT: Actually, I've got some stuff on forced marriage. That's probably settlement services.

Ms Campbell: No, forced marriage is in women's safety.

Senator PRATT: Okay. Then we can release settlement services.

Ms Campbell: Thank you. We'll release both redress and settlement services.

CHAIR: They go with our thanks.

Senator PRATT: Is there anyone else?

Ms Campbell: Let me just have a look.

Ms Bennett: Cashless debit card can go?

Senator PRATT: Yes. We were talking about contracts and program components and whether you had a capacity to tell us what's left over the forward estimates within each program component after the contracted amounts are acquitted across the forward estimates.

Ms Bennett: If I could perhaps—

Senator PRATT: We might be able to work out the best way with me asking it on notice.

Ms Bennett: I think that it would be really good to guide you through the PBS on the components and explain that to you.

Senator PRATT: Yes.

Ms Bennett: On the issue of uncommitted, that isn't so easy, and we're working on that. We're going to have to come back on that—what it is. But, if we could start, this might help. If you have a copy of the PBS—

Senator PRATT: No, but I'll grab one now.

Ms Bennett: Page 67. Under 2.1.2—families and children—that is made up of the royal commission support services, which, as we explained earlier, have been extended to December '18, and there has been funding and that becomes a redress service. So they're in that transition period. Also, under 2.1.2 is a clearing house for the Child Family Community Australia information exchange, and funding for that is going to be extended to 30 June '20. Then there is the clearing house for the Families and Children Activity Expert Panel. That has also been extended to 30 June '20. There is a children and parenting element, which includes Children and Parenting Support, CAPS; Intensive Family Support Services, IFSS; and the Home Interaction Program for Parents and Youngsters, called HIPPY, and that is continuing to 30 June 2020.

Senator PRATT: In order to get my own head around what you do in this program area, I downloaded your grants program. That gave me the topics of the programs. Does that cover everything in two point—

Ms Bennett: In 2.1.2, which I'm reading out to you?

Senator PRATT: Yes, 2.1.2.

Ms Campbell: I think what the senator is talking about is off our website.

Senator PRATT: Yes. So all of those grants cover everything in 2.1, but not the royal commission stuff—is that correct?

Ms Bennett: No, 2.1.2 is those programs that I've listed. C4Cs, family law services, family relationship services, Find and Connect, the forced adoption service, Northern Territory and Reconnect are all in those components of 2.1.2.

Senator PRATT: Okay. I think the table I downloaded includes everything under 2.1 in the one table from what I can tell, because the table I saw includes topics like communities for Communities for Children facilitating partners, but it also includes settlement grants, safe technology for women, the Family Law Council—

Ms Bennett: If you go to pages 67, 68 and 69, they list, under 2.1, the complete suite of family and children's programs, and they're broken up into the different components.

Senator PRATT: Okay. What I am trying to get an understanding of is that, under each of those areas, the funding looks fairly consistent over each year in the main, but I can see there's a big drop in financial wellbeing and capability. I'm trying to work it out. The grants will expire at different stages over the forwards.

Ms Bennett: Yes.

Senator PRATT: It's therefore very hard to see the extent to which a renewal in contracts bridges any gap in funding, because the funding looks the same. The funding can look very similar under each year of the forwards, but I can't marry that up against the dates in the contracts.

Ms Bennett: Funding over the forward years is set out in the portfolio budget submission. The grant arrangements have different dates.

Senator PRATT: That's right.

Ms Bennett: What that means, as we discussed earlier, is that, for the ones I listed that go to 2020, within six months a new grant goes out, but the proposed expenditure forecast as at this budget relating to those program elements has remained steady. The financial wellbeing and capability that you raised goes down for two reasons. In there is the funding that goes to the cashless debit card and income management, and government hasn't yet made a decision post 2018-19 on what the budget is for those. So that's an example. It doesn't necessarily say that they won't continue, but it's a decision for government to make after the next budget.

Senator PRATT: The program components that are ending over the forward estimates clearly included the royal commission support to December 2018, and that's going to be transitioned over into the—

Ms Bennett: Into the redress support.

Senator PRATT: The redress support. There is the clearing house.

Ms Campbell: The clearing house is in that component of 2.1.2.

Senator PRATT: Is that AIFS?

Ms Bennett: Yes. You'll see that the money remains, as you pointed out, unless something were—fixed-term initiatives remain relatively consistent over the forward estimates.

Senator PRATT: Yes, that's right. So, as grants expire, you'll expect new programs to pop in their place to keep consistent with the money in the forward estimates?

Ms Bennett: If you look at 2.1.5, again, it's like the example I gave to you, financial and wellbeing. Some decisions, again, haven't been made by government. So 2.1.5 may show a dip, but that's because it's still pending further decisions to be made by government.

Senator PRATT: Yes. That's what I'm trying to pin down: highlight which parts of that in 2.1.5 are ongoing and which ones are subject to—

Ms Bennett: 2.1.5 relates to a number of measures under the area of national initiatives that, in summary, in the broadest term, are part of the action plan for women's safety. It's up to the government to determine what the next package is and what those funding arrangements are, and then it would be funded at that component, but that is a decision still to be made by government.

Senator PRATT: I can see which components are funded. Are you able to show us which components are funded under the national initiatives and when the existing commitments expire?

Ms Bennett: The next action plan for protecting women and their families is due to be reconsidered on 30 June 2019. I can go back, but the bulk of them are to 30 June 2019, except for the Lighthouse Foundation, which ceases this year. Funding for the local support coordinators is going to 2020. Funding for the national attitude survey is going to June 2022. The national workforce agenda is going to June 2019, as is the Our Watch bystanders project, the Our Watch non-physical form of violence and the perpetrators package. The Personal Safety Survey goes to June 2022. The Safe at Home principles and good practice framework go until June 2019, because they're individual contracted arrangements that went for that loop.

Senator PRATT: I will be able to see all of those contracts in the downloaded grants and that will line up with where this expires in the forward estimates?

Ms Bennett: The story.

Senator PRATT: Good. I probably don't need to ask. That will help me to go away and research that in general terms. In some cases, where the contracts expire, I can see a dip in the money, but in other cases there's no dip because there's an ongoing commitment to that program?

Ms Bennett: For some things, there will be a dip because they were only funded as one-off activities, and that was the contract. It could be the start of something or seed funding or a project. Some will have dips in the forward estimates because government hasn't decided on what the next stage is. Examples that were most concrete were the ones that I gave about support services for the cashless debit card and income management or where the next action plan for women's safety will be.

Senator PRATT: Is it easy enough for you to take on notice which program components under outcome 2 are ongoing, which ones are terminating and at which point in time they terminate?

Ms Bennett: Certainly we can have a look, but the difference is that we have contractual arrangements where the funding has been provisioned for but the contract is renewable, and there are decisions about how long they've been there, whether you go to a more broader grant arrangement, whether you do a direct-select, whether you do a restricted—

Senator PRATT: Whether it's subject to redesign.

Ms Bennett: Yes. So it's still provisioned or decisions are pending. It would not be accurate to say, 'This grant is ceasing, and therefore it's not ceasing because it's been provisioned in the forward estimates.'

Senator PRATT: Yes. I guess I'm interested in which programs are not provisioned in the forward estimates.

Ms Bennett: And which are ending programs?

Senator PRATT: Yes, which are ending and which are not provisioned in the forward estimates?

Ms Bennett: We'll have a look to see whether we can work out what—

Senator PRATT: Yes. I generally wanted to try to work it out by looking at the different topics that exist within your grant download. There are at least 7,000 grants in there, but I reduced it and it looks like about 70 different topics of program areas, from what I could work out.

Ms Bennett: Yes. If you look at Reconnect as a program, it's dependent on some of the outcomes that go into the national housing agreement. It has about 120 providers. It's entwined with other government decisions and it isn't provisioned until that is resolved.

Senator PRATT: That's fine. That's really what I'm trying to get an understanding of.

Ms Bennett: We'll have a look and see if we can bring a bit of clarity to that.

Senator PRATT: I know that it's not a small ask, asking that on notice, but it is key to getting an overall picture of what goes on in this space.

Ms Bennett: I think the best way of doing this is, if we, in a sense, go through the PBS on those pages, identify where there's a dip, and then explain what grad program, or something, has either not been decided in its future state or is actually finishing.

Senator PRATT: Great; for the rest, I can generally see where they fit in.

Ms Bennett: So that's a subset, but it will explain why the movements in the funding.

Senator PRATT: Thank you, and thank you for doing that. I'm going to ask some questions now about the financial capability part of this stream. I can see from that table that I've referred to—that I know you can download—the grants that are expiring, up until December this year. We talked a little bit yesterday about when we're expecting new funding rounds to commence, and the guideline period. With the financial wellbeing and capability grants, when do you expect the new process to be finalised and new contracts to commence? I think I asked that yesterday.

Ms Bennett: Yes, you did.

Senator PRATT: Thank you, it's coming back to me now: I asked about the contracting stuff, and now I'd like to ask about the policy detail around that.

Ms Bennett: The Financial Wellbeing and Capability program has emergency relief, food relief, Commonwealth financial counselling and financial capability, financial counselling and a helpline. They're the ones where there's been a redesign, and we're working through that. Then there are other elements—which are financial counselling for problem gambling, support hubs, and financial resilience microfinance—and they go to 30 June 2020, and their future is yet to be determined by the government.

Senator PRATT: I have some questions specifically about the policy parameters in the redesign. I know it hasn't been announced by government yet, but I'm keen to ask you how you're responding to some of the issues that have been raised in the consultation. The consultation paper from last year said the proposal was that it be restricted to those at imminent risk of not being able to pay their debts. Is that correct: is that what was expressed in the paper at the time?

Mr Thomas: Sorry, Senator, if you could repeat the question, please.

Senator PRATT: The discussion papers back in February last year talked about services being restricted to those at imminent risk of not being able to pay their debts. Is that correct?

Mr Thomas: The discussion paper—yes, Senator.

Senator PRATT: I know that's been heavily criticised by service providers. What have service providers said in the consultation about that suggestion in the consultation paper?

Mr Thomas: Service providers would like to retain the flexibility that is currently in the delivery of the program, and see any criteria as impinging on that.

Senator PRATT: What is the government's response thus far in terms of negotiating around that question? What is likely to come up in a new redesign?

Mr Thomas: We're still working through the details of the redesign.

Senator PRATT: For those at imminent risk of not being able to pay their debts, and what that means within the context of redesign, was the proposal to restrict it to people who are in receipt of government welfare allowances, pensions or benefits?

Ms Halbert: It's not specifically that. The intent of the redesign is to enable us to attach this to a head of power. This is the factor driving the redesign. The discussion paper was before my time, and although that was the proposition put out—and as Mr Thomas has just said, we're still working through the redesign, although we're coming to the last steps of it—we believe we will still be able to retain considerable flexibility for the providers.

Senator PRATT: That's reassuring.

Ms Halbert: It will largely be the same people they are providing services to.

Ms Campbell: We need to be conscious of the constitutional issues that are driving the redesign, to make sure that we do have a head of power in which to make the funding.

Senator PRATT: Which head of power are you relying on in that context?

Ms Halbert: Security, among others.

Mr Thomas: There's a range.

Ms Halbert: There's a few for the financial wellbeing one. We can take that on notice.

Senator PRATT: Thank you; that would be great. So you hopefully won't need to restrict providers to those, in relation to social welfare allowances, because, clearly, if someone's got a large mortgage and they've had a well-paid job and they lose their job on the mines in Western Australia and they're working as an orderly in a hospital, they're not on a benefit, but they might be struggling with refinancing their mortgage.

Ms Campbell: We do generally find that the banks and the institutions are quite flexible in how they consider some of those issues, to give people sufficient time in order to restructure their affairs.

Senator PRATT: Yes, that's right. But they might need a financial counsellor to help them do that.

Ms Halbert: We expect to be able to maintain that flexibility.

Senator PRATT: The discussion paper also said that employability skills and work readiness would be key criteria for access. Is that still the thinking in terms of access to financial counselling? I'm trying to not have to read the whole thing out. I know you already know what I'm talking about.

Mr Thomas: I do. Again, we have taken the feedback on board from the consultation process. We do also need to be mindful of the legal footing that the secretary mentioned in terms of the basis of the program and try to marry those up.

Senator PRATT: So you're working through stakeholder concerns about work readiness and, in the context of the head of power, you'll do what you can to make sure that people who need financial counselling, irrespective of work readiness, are able to access it?

Ms Campbell: As long as we've got a head of power to support it.

Ms Bennett: And that could be bankruptcy as well. That's one of the examples—so if you feel that you might be at risk of bankruptcy.

Senator PRATT: In addition, there's a redesign process for the Family Relationships Services Program underway.

Mr Reed: The Family and Relationships Services Program will be extended until 2020 to give us more time to review that program. There will be a redesign consideration, but it'll be

done as part of a broader look at our The Families and Children Activity programs. That'll take place before 2020.

Senator PRATT: What date in 2020 have you extended to?

Mr Reed: Until 30 June 2020.

Senator PRATT: So the middle of the year. I know that there are lots of different streams, including children's services, within that stream, but are you able to tell us clearly which program components are currently subject to that redesign?

Ms Halbert: Within Family Relationships Services, intercountry adoption is subject to redesign. Intercountry Adoption Australia—I don't know the difference—is not subject to the redesign. Specialised Family Violence Services have been extended to 30 June 2020 to fit in with the process that Tristan was just talking about. I think that might be all for the Family Relationships Services Program.

Senator PRATT: What other redesigns have you got underway?

Ms Halbert: In any program?

Senator PRATT: Yes.

If you can match up the program components with the redesign that they're attached to.

Ms Halbert: I think Ms Bennett read out some of them, so I'm at risk of repeating.

Senator PRATT: I'm happy to take it on notice, if you want to go through it.

Ms Halbert: We can give it to you on notice.

Ms Bennett: That information we might provide to you, which we talked about earlier, is where we're going to explain why there is a dip, whether it's a terminating element or just grant funding, and we'll also indicate in a column whether it's subject to redesign.

Senator PRATT: There was a really useful table that you've given us previously that has the redesigns in it, but I know there's a new phase of redesign happening.

Ms Campbell: That was the redesign of all the relevant grant programs in DSS?

Senator PRATT: That's right. I've had that on notice previously, but there's now a whole bunch more redesigns happening.

Ms Bennett: We're just wondering whether we had prepared one yesterday and whether we've still got that one.

Ms Campbell: Someone will be watching next door and they'll bring it in if we've got it. We actually do have a table—

Senator PRATT: Digitally—okay?

Ms Campbell: and we might be able to give that to you, Senator.

Senator PRATT: Thank you for that; that's good. I think I can probably leave till next estimates most of my questions. I did have some more questions about the Family and Relationship Services redesign—and thank you for preparing that. This table's got, I think on page 4 of 5, Family and Relationship Services. Thank you for putting on record—I think this table might need amending slightly, given you've given an expiry date of 2020 for grants. Does that look right to you?

Ms Halbert: Yes.

Senator PRATT: That's now 2020, as I understand it. Is there a scoping document for that redesign yet that's public?

Ms Halbert: No, not a discussion paper.

Ms Bennett: We're still working out the areas that are prioritising—we're just really commencing what the consultation will be.

Senator PRATT: My understanding is that the sector's keen to see issues raised from the survey of the current family and relationship services providers that was taken in 2017 responded to in the context of the redesign. Are you currently considering that?

Mr Reed: Are you referring to the survey conducted by AIFS?

Senator PRATT: Yes, AIFS or FRSA, I'm not quite sure—yes, it was AIFS.

Mr Reed: We anticipate a report on the survey that was conducted by AIFS within the next month.

Senator PRATT: So you haven't got those concerns that have been raised yet?

Mr Reed: No.

Senator PRATT: What further consultation are you proposing in the context of the FRS redesign?

Ms Halbert: We're currently planning a broader consultation—I think, as Mr Reed mentioned—across a range of programs for which the funding is coming up for review in 2020. We are about to undertake a series of forums and workshops et cetera. The survey will help shape how we're going to look at those consultation issues.

Senator PRATT: If I could have on notice, please, the details of those consultations. I'd appreciate what you might know before the reporting date for estimates—that'd be great. You're not in a position yet to tell us how you'll respond to issues raised either in the survey or in the consultations because—

Ms Bennett: They haven't happened.

Senator PRATT: In terms of the existing time line, the current table says 'approximately 12 months ahead of existing grants expiring in 2019'.

Ms Bennett: Then they were extended to 2020.

Senator PRATT: This is what I'm trying to retrofit. What's the time line for the redesign now that you've extended the grants?

Mr Reed: Firstly, all providers have been notified of the extension. We're still working through and finalising some of the grant agreements. We're going to undertake some fairly extensive consultation between now and August or September, and we anticipate the draft grant opportunity guidelines will be published later this year, with formal grant opportunity guidelines opening early next year, and a selection process underway by mid next year.

Senator PRATT: If you meet the six months, it has to be finalised by the end of 2019.

Mr Reed: We anticipate it will be finalised well before then.

Senator PRATT: Which means you have got 12 months from now.

Ms Bennett: Eighteen months.

Senator PRATT: A good 18 months to do the consultation.

Mr Reed: We'll be well within the best practice time frame.

Senator PRATT: That's good. When I initially drafted my questions around this, it was before the extension. I was very worried about the truncation of the time frame. I'm interested in receiving on notice a breakdown of, over the forward estimates, the allocation of funding for Communities for Children, children and parenting, young people, adult specialist services, and Family and Relationship Services.

Ms Halbert: Communities for Children Facilitating Partners, CfC, is also in that loop of 30 June 2020. Children and parenting—I raised this earlier—are to June 2020. They're all part of this process we're talking about. They've been extended in the redesign.

Senator PRATT: I was a little bit unclear about whether communities—

Ms Bennett: It's not just family relationships. They're all in that suite that I listed earlier that are to 30 June 2020.

Senator PRATT: Children and parenting, including HIPPI, is in the redesign.

Ms Bennett: Yes.

Senator PRATT: Communities for Children, FRSA, children and parenting, and young people are all in that redesign activity.

Ms Bennett: The only component is Family Law Services, which we do on behalf of the Attorney-General. They announced late last year that they would continue funding for Family Law Services for a further three years. That carries them to, at this stage, June 2019. But it's up to them to make those decisions.

Senator PRATT: That makes sense, because they've got their own family law review going on currently.

Mr Reed: I'll just clarify that in the table you have these might not necessarily be listed as a redesign, because they've not been redesigned for constitutional purposes. But we will do a review of the program.

Senator PRATT: I had assumed that this table was all redesigns. Communities for Children—

Ms Bennett: Comes in the blue table, which you've got.

Mr Reed: Some programs that we've just mentioned may not be in that table, because they're not part of the formal redesign process.

Ms Bennett: This is a redesign that came out of long-term discussions about constitutional powers. Then there's redesign about effectiveness, looking at demographics, evaluations, the surveys that we've mentioned. It's really about consulting on whether it's still current, and what we think has changed.

Senator PRATT: That's fine. As I said earlier, I'm just trying to work out against all the program areas under outcome 2 which are ongoing and which are being redesigned. I don't much care if it's for constitutional purposes or not.

Ms Bennett: Or just for improvement and appropriate reviewing and seeing—

Senator PRATT: If you could take on notice a question about all the redesigns and which program areas are within it, that would be fantastic.

Ms Bennett: In my outcome?

Senator PRATT: Yes. Clearly something like Strengthening Communities is already redesigned, so those outcome areas, I assume, are kind of ongoing until there's a new decision.

Ms Bennett: Strengthening Communities new grants commenced on 1 April. That's in the blue chart.

Senator PRATT: Okay. Thank you. Is the Family and Relationship Services review being done in-house or are parts of it being contracted out?

Mr Reed: We have contracted a consultant to assist us with the engagement activities, but the review will be done in-house. So the policy work behind the review will be done in-house, but we have contracted someone to help us with the engagement.

Senator PRATT: Yes, that makes sense. Will the department be sharing the report from those consultations and the review process more broadly?

Ms Bennett: We haven't worked that out yet because we're still working out how that's going to be conducted and what it is.

Senator PRATT: So you don't have a scoping document for the review yet?

Ms Bennett: We're still working through those arrangements.

Ms Halbert: We do expect the consultation processes to be quite open, though, whether there's a report or whatever, but people will be aware of what feedback's—

Senator PRATT: They will need to see where their programs fit in.

Ms Halbert: Yes.

Senator PRATT: As I understand it, peak body funding for ACOSS, FRSA, Families Australia, ARACY are all subject to a redesign already. Is that correct?

Ms Bennett: Yes, that's correct. They have been advised of the outcome and they're in the process of getting their contracts.

Senator PRATT: I'm interested in the process of that redesign. As I understand it they were asked to bid for core funding, events and research as additional.

Dr Baxter: Yes, a base core component and then activity based.

Senator PRATT: Are you able to advise which organisations got base funding only and which ones got activity funding and for what activities?

Mr Reed: All of them received the base funding and all received at least some funding for activities. We're still finalising the grant agreements, which will contain the level of detail around the activities that they are being funded for. Each agreement is managed by a different policy area, and I don't have with me the detail of each agreement. But, essentially, all organisations were provided base funding—

Ms Bennett: If I can just explain: while the funding comes under the program, there are different streams that look after the individual relationships—so depending on where their greatest connection is in the department.

Mr Reed: We might need to take on notice the detail of that.

Senator PRATT: I guess I was just concerned that you went through a whole redesign process for this, but, as far as I could tell, some organisations got exactly the same money as they did last time.

Ms Bennett: Yes.

Senator PRATT: I wasn't really sure how that stacked up against the concept of redesign in terms of how you were making judgements about that.

Ms Bennett: If you go to 2.1.3, which is community services improvement, you can see over the forward estimates the redesign was about the component of there being a base and then agreeing what the activities are, but that is the allocated budget, and it's pretty steady across that period. It is about \$2.6 million over the forward estimates for just those six organisations.

Senator PRATT: What are the key outcomes of that redesign? Did you see it in terms of a new funding model? If people are getting the same funding that they got last time—

Ms Bennett: This is about the nature of what they do.

Senator PRATT: Okay, that makes sense. It might be similar funding, but you've used that to mould and direct what they do within—

Ms Bennett: As Mr Reed said, a base component was the difference, and then negotiating the activities as you listed yourself—and those activities aligned to the nature of their contribution to the department and the clear head of power.

Senator PRATT: So, as I understand it, though, some peaks would have put in, in their applications, a request for supplementary funding for things like conferences and events, but they didn't necessarily get that funding—

Ms Bennett: There was no reduced funding.

Senator PRATT: No, but they're still, therefore, doing those activities within their core funding.

Ms Bennett: They may be, but they have other sources of funding that they receive.

Mr Reed: They could also, for a conference in particular, bid for further funding from another funding source, and they may be successful. But it wasn't necessarily funded within this funding round.

Ms Bennett: There was no reduction in funding. There was a different mix of activities. Most of them—and this is the bit about working out the contract negotiations—will look at what the funding is for their other priorities, and they might use their other sources of funding for some of those things like conferences and stuff.

Senator PRATT: My understanding was, from having spoken to some of them—many of them were saying, 'We're still going to have to work out how to put a conference on from that core funding, because we didn't get the supplementary funding to do that.'

Ms Bennett: There was nothing additional. It was always clear in the forward estimates what the available funds under that component were.

Senator PRATT: I guess it's probably not worth debating that whole area with you too much. Let's try and move on now to community hubs.

Ms Bennett: That's actually Settlement Services.

Ms Campbell: I think they're still here.

Senator PRATT: That's okay. I can put them on notice. I didn't realise it was Settlement Services—

Ms Campbell: I think they're waiting to make sure that Ms Bennett finishes her last hearings ever!

Ms Bailey: It's a fan club!

CHAIR: And it's a very large one!

Senator PRATT: Phase 1 hubs are due to expire at the end of this financial year; phase 2 hubs are funded until December 2019. Will funding for phase 1 hubs be extended to 30 June 2019?

Mr Lewis: What happens with the community hubs is that government kicks in the start-up funding, and then the operational money—administrative services, overheads and research—is funded by Community Hubs Australia, which is supported by the Scanlon network. It was always intended there would be a kick-in from government in the first year and the second year, and then in the third year it would taper off. It's a self-sustaining model.

Senator PRATT: In which year does it expire?

Ms Bennett: Usually it's a three-year arrangement.

Mr Lewis: A three-year arrangement, yes.

Senator PRATT: When did they start? They started—

Ms Bennett: at various times.

Senator PRATT: So there's no extension to the funding?

Ms Bennett: It's always been the arrangement with Scanlon. It's doing the kick-start, for want of a better word—extending more hubs, but not necessarily extending continuing funding for existing hubs.

Senator PRATT: So funding for phase 1 hubs is not extended?

Ms Bailey: With the National Community Hubs Program, at the moment further funding of the program is a decision for government. There is a decision to be made about further funding. The full program is due to cease on 30 June 2019.

Senator PRATT: We don't know yet?

Ms Bailey: Not yet.

Senator PRATT: And there are no plans as yet. That is a question for government. Are there any plans to expand community hubs into more areas? That's what you were mentioning before, Mr Lewis.

Mr Lewis: Some of the hubs are funded, for example, by the state government. The Victorian state government is supporting expansion of six hubs into regional Victoria, so in the City of Greater Geelong, the City of Greater Shepparton—three in each of those. There are also other particular hubs which are funded by Scanlon in partnership with a local community or a state government agreement. For example, we've had approaches in the past for hubs from some community groups to go into WA, but because we rely on the Scanlon Foundation to do the ground work about whether a community hub will be viable in the

longer term—because it is only a kick-start from us, and they have to run it over time—we rely on that. So there is a whole mixture of different sources of funding for the hubs.

Ms Bennett: They're different models, but the one we are working with is with the Scanlon Foundation.

Senator PRATT: Could you take on notice the breakdown of funding arrangements for the program since its inception, in terms of which hubs have been funded and which contracts expire. The joint standing committee's report into migration and settlement outcomes said, 'No-one teaches you to be Australian' and it recommended that the Commonwealth provide additional funding to expand the community hubs network. What consideration is the government and the department giving to that recommendation?

Ms Bennett: We are expanding to the point where the program runs out, then that will be a matter for the government.

Senator PRATT: I think that's all I have on that topic. That brings me to 1800RESPECT.

Ms Bennett: Are settlement services finished?

Senator PRATT: Yes, thank you.

Ms Campbell: This is Mr Lewis's last hearing as well. He's retiring.

Senator PRATT: Thank you, Mr Lewis, and thank you for your long dedication to the public service.

CHAIR: On behalf of the committee, thank you very much.

Senator PRATT: Let's start with calls. Is a different mechanism used for recording call length times under the triage system as opposing to recording call wait times?

Dr Baxter: No.

Senator PRATT: Clients listening to the first response counsellor tell their story to the trauma counsellor?

Dr Baxter: The system is that the first response counsellor does the initial assessment, and then the first response counsellor provides a warm handover to the trauma counsellor so that the caller does not have to repeat their call to the trauma counsellor.

Senator PRATT: Is the client listening to that conversation?

Dr Baxter: Yes. That is a warm handover—a three-way handover.

Senator PRATT: What percentage of calls are being transferred to a specialist trauma counsellor according to recent data?

Ms Stratford: 2017-18 year to date figures have 37.7 per cent in transfer.

Senator PRATT: What criterion is used to assess whether someone is in need of a trauma specialist?

Dr Baxter: The first response counsellors are trained in understanding the indicators of trauma and working out whether the situation is something that's able to be dealt with by a first responder. It might be something like a quick referral on to another service, or someone could be seeking education information. If an assessment is made by those qualified people that a deeper conversation is required and that it's more likely to go into the details of the trauma, then that person is transferred to a trauma counsellor. There are no set criteria—it's

based on their professional assessment, recognising that those people who answer the calls are trained in those key clinical areas.

Senator PRATT: Can you give me a quick overview of the call transfer process?

Dr Baxter: The first responder takes the call and begins an initial assessment. In some cases, as I said, it will be a very brief assessment, because it may be that somebody's ringing from a school or a service and simply needs some information. If it is a caller who has experienced or is concerned about somebody who is experiencing violence against themselves or their children, a more formal assessment process is begun. A conversation is had. Again, there are some questions that will be asked in every case, but they're very much led by the caller, so it will depend on what the caller is presenting with. An assessment will be undertaken, very much like a social worker or in a standard counselling session. A determination will be made whether that person should be referred to a trauma specialist counsellor, and if it should be the call will be transferred to the trauma specialist counsellor while the first responder and the caller stay on the line. The first responder will provide a summary of the information that's been provided to the trauma specialist counsellor. It may be there are points where they may check in with the caller and say, 'Have I got that right?' Once the connection has been established, the first responder will exit the call.

Senator PRATT: How much of the recently announced \$11.5 million for 1800RESPECT is from funding announced in August last year?

Ms Stratford: Only \$3.5 million of that funding is new funding. \$7.4 million was the funding announced in August.

Senator PRATT: I've got another bracket which I'll put on notice. How many complaints has the department received about 1800RESPECT since shifting to the triage model?

Ms Stratford: The complaints haven't come to the department. They've gone to MHS. Between 1 July 2017 and 31 March 2018 there were 99 complaints recorded. That equates to 1.35 complaints per 1,000 contacts.

Ms Bennett: They also received 50 compliments.

Senator PRATT: If you're able, please, can you break down the number of callers to 1800RESPECT year by year since the program's inception? Do you have that with you?

Dr Baxter: We don't have call data at that level of granularity back to inception. We have it with us back from the year pre the first response model, so 2015-16. We would have some raw call data back to service inception, but I think we have discussed in this place before some of the data limitations prior to implementation of the first response service, so it wouldn't be at the same level of granularity.

Senator PRATT: Are you able to provide that? I might let you take that on notice so we can move through the questions.

Ms Bennett: Yes.

Senator PRATT: How many recontacts were made to the service prior to and since the introduction of the triage model?

Dr Baxter: We don't have that information with us, but I can tell you that we understand that the level of recontacts has not changed significantly. I have seen some material recently that confirms that, but we don't have the actual numbers with us.

Senator PRATT: When can we expect a response from the government to the Senate Standing Committee on Public Finance and Administration's report on the delivery of National Outcome 4 of the National Plan to Reduce Violence against Women and Their Children?

Ms Stratford: That was tabled on 15 March 2018.

Senator PRATT: Does the Turnbull government expect to take up the recommendations in the report? I'm assuming that that's covered in there.

Dr Baxter: That's all covered in the 15 March response. The response indicates that all of the recommendations are agreed with. It's noted that most of them are already part of existing practice and it's noted where some are going forward—recommendations that we are implementing.

Senator PRATT: That includes recommendation 7 around specific privacy information that explains how personal information will be recorded and maintained?

Dr Baxter: Yes. The Australian government has said that it supports all of the recommendations. Specifically in relation to recommendation 7, monitoring the adequacy of information is standard practice at the moment. MHS has always been obliged under its contract to review the information to ensure that it is up to date, it is relevant and it is accessible to all users. MHS has also always been required to act in accordance with the Privacy Act 1998 in handling personal information and ensuring privacy protection, and all of those details about how service users' personal information will be handled are on the website.

Senator PRATT: There are legal assurances for users of the service, noting that Medibank Health Solutions has had past privacy breaches.

Dr Baxter: Yes. How that information is handled, and what those protections are, is available on the website and they're also detailed in the response—

Senator PRATT: No, that's fine. I just wanted to make sure that they're legally binding. Will the additional funding announced in the budget, the \$3.5 million, go to implementing any of the recommendations from the inquiry?

Ms Stratford: That funding is distinctly for increased demand to the service, so that will go directly to service provision.

Senator PRATT: Does the implementation of those recommendations have a cost attached to it?

Dr Baxter: As I mentioned, for the most part we've provided information in the response that indicates that we agree with the recommendations and that they are, in fact, part of existing practice. I think there are a couple that refer to suggestions going forward, including I think one about evaluation. How those matters will be responded to is all detailed in the submission

Senator PRATT: I will go to the technology trials around GPS trackers. The \$12 million trial states the use of technology to keep women safe. How much has been allocated and to what since it was announced in 2016?

Ms Stratford: So far, the Australian government has committed \$5.21 million to 12 trials in six jurisdictions.

Senator PRATT: How much has been spent when, where and on what? I can probably take that one on notice, because it sounds like my questions will be fairly straightforwardly structured, because they're quite specific to each of the announcements. I will put those ones on notice. Have you obtained an evaluation of the DV-alert program?

Ms Stratford: DV-alert is subject to regular evaluation. It's had two evaluations to date, and there's one that's currently being done that is expected to report mid-year.

Senator PRATT: Are those reports public?

Ms Stratford: No.

Senator PRATT: Can you give us an overview of what those reports have found?

Dr Baxter: I've got it here. There have been two independent evaluations. They say that DV-alert is having a positive impact on service responsiveness to domestic and family violence. It's generating more confident and skilled staff across each of those frontline areas where it's been operating. It was also found to play a key role in Aboriginal and Torres Strait Islander communities, particularly through educating service providers with workshops and raising community awareness through the Brothers Standing Tall awareness sessions. One of those evaluations was conducted from 2013-14 to 2015-16 by ARTD Consultants, and there was also a review undertaken by Roberts Evaluation in 2013.

Senator PRATT: Have changes been made to DV-alert in response to the reviews?

Dr Baxter: DV-alert has continued to respond to the things it's learnt over the course of the time it's been operating. We have seen things like the development of that Brothers Standing Tall initiative in response to Aboriginal and Torres Strait Islander communities. You've also seen in the most recent budget initiative a focus on those particular subsets of health and primary care workers. And that also has responded to the fact that the initial waves of DV-alert dealt with some of those workers like ambulance workers, police and other front-line workers. The need was identified, through that ongoing evaluation review, to have a focus on those health workers.

Senator PRATT: I might put the rest of those questions related to that on notice. How many people are currently receiving support through the Support for Trafficked People Program?

Ms Stratford: Currently there are 65 clients on the program.

Senator PRATT: How much support, in dollars, on average, does each victim receive through this program?

Ms Stratford: We can't provide an average, because it is very individualised. Depending on the needs of the client, they could have accommodation or counselling support or—

Senator PRATT: What is the minimum and maximum kind of scale there?

Ms Bennett: Why don't you talk about the quantum of money that's available?

Dr Baxter: It doesn't work like that. Ongoing funding of \$755,000 is provided under the Families and Communities Program National Initiatives, and it's been supplemented by \$300,000 per annum as well from the national plan. The information we have through from the Red Cross and others is that they are so greatly variable—

Senator PRATT: I know that they do deliver their services in a bespoke kind of way, and, if you've given them a contract, it would be hard for you to tell what's actually being spent. Regarding numbers of people, I might get you to take that on notice.

Dr Baxter: We can give you those. We have those here if you would like, rather than taking them on notice.

Senator PRATT: Okay.

Dr Baxter: Ms Stratford has mentioned 65 current clients and, since the program began, 376.

Senator PRATT: Is it ten years that the program has been going?

Dr Baxter: It's 14—since 2004.

Senator PRATT: There are 65 currently on the program. How many new entrants have there been, year by year?

Ms Stratford: Referrals into the service?

Senator PRATT: Yes.

Ms Stratford: This financial year, up to 31 March, we've had 26 referrals. Last year, 2016-17, we had 39 referrals. In 2015-16, there were 38 referrals.

Senator PRATT: Do you have the year before that?

Ms Stratford: I have back to the beginning of the program.

Senator PRATT: Great. That is what they are after.

Dr Baxter: We can send that through on notice.

Ms Campbell: We are happy to provide those on notice.

Senator PRATT: Thank you. Can you provide that information in the context of which of those people you're supporting were victims of forced marriage?

Ms Stratford: I can provide some data on forced marriage from when it was criminalised and people became eligible for the program.

Dr Baxter: We'll do that on notice.

Senator PRATT: That's fine. Why was it chosen by the government to provide 200 days of support for this trial for extra support? Was that the department's recommendation?

Ms Campbell: If we can give something, without going into advice to government around some of those issues.

Dr Baxter: No, that arose from recommendations of the service providers.

Senator PRATT: So that was the department's recommendation in response to what service providers said?

Dr Baxter: I'm not—

Senator PRATT: Yes. I don't need to step through trickiness on advice to government. Thank you. That's probably about as clear as you can be, which is good. Is the department satisfied that all victims of forced marriage will be able to cooperate with law enforcement after 200 days or that they'll require no further support?

Dr Baxter: That's probably not a question best directed to us. We are implementing the program as it is. It's our understanding that that's appropriate, based on advice from the service. But, as to what happens after the 200 days and whether they will be able to cooperate, it's probably not one we're able to answer.

Ms Campbell: But that was the advice from the service providers. It was 200 days, and we consider that they are best placed to provide that advice.

Senator PRATT: I'll ask a question now about the National Framework for Protecting Australia's Children.

CHAIR: Is there anyone we can release, Ms Campbell?

Ms Campbell: I don't think so. I think they're all here for the long run. You're unlikely to go back to women?

Senator PRATT: Correct.

Ms Campbell: So we can probably let Chantelle go. Can I just clarify where your remaining questions are?

Senator PRATT: Yes. I do actually have a couple that need to go back to financial counselling—

Ms Campbell: We've just let them go, but we're happy to take those questions on notice.

Senator PRATT: Not financial counselling. It was a specific question about food banks funding. I'll put it on notice. In regard to the National Framework for Protecting Australia's Children and the Fourth Action Plan, I know you've done quite considerable consultation through Families Australia and others. How is that progressing?

Ms Mandla: It's progressing quite well. We've got agreement, after extensive consultation and following feedback from the various sectors that work with children and their families, with ministers agreeing on four focus areas: particularly, the overrepresentation of Indigenous children and improving outcomes for them, prevention and early intervention, permanency and stability for kids in care and also making organisations safe for children. We're hoping to finalise that in the next few months. Obviously, we've got a royal commission final report and state, territory and Commonwealth governments' response coming out some time in June, as indicated in the COAG communique in February. We're hoping to finalise that in the coming months after that.

Senator PRATT: The previous version of the plan highlighted the Commonwealth's role in terms of some community services but also a more universal eligibility as well as income support and the pointy end of child protection for the states. Where are we going in terms of articulating the links between the two to get a better integration of what the states and the Commonwealth do?

Ms Mandla: Are you talking about the Third Action Plan, Senator?

Senator PRATT: Yes.

Ms Mandla: I think that's been articulated in previous plans, and we've got quite a clear idea of what states do and what we do. As I mentioned, we're still finalising the plan, and, as we sort out actions following the royal commission, we'll be able to articulate the roles and responsibilities.

Ms Bennett: And I can add that community services ministers met this morning and there is a communique that's available—

Senator PRATT: Oh, good!

Ms Bennett: that explains what they're doing for the fourth action plan—

Senator PRATT: Great.

Ms Bennett: pending those filling the gaps, depending on where governments collectively respond to the royal commission and transition arrangements from issues that continue to be progressed that occurred in the third action plan. The communique's just gone out.

Senator PRATT: Thank you for drawing that to my attention. I really appreciate that. I note that Children and Young People with Disability Australia have advocated very strongly that young people with disability also be included explicitly within the national framework, because previously they haven't been mentioned. Are you able to provide us assurances that they will be included in the articulation of this plan?

Ms Bennett: The fourth action plan is a short one; it's the end one. Two things: there was a presentation from Minister Prentice today on the NDIS and its connection, which is also reflected in the communique. And Minister Gillespie is going to be engaging in what the future is beyond 2020.

Senator PRATT: Good, and I can see how with things like NDIS that that's a positive step forward. Thank you. I just want to ask some quick questions about volunteering.

Ms Bennett: That was under settlement services—the volunteer grants and volunteer management. I might be able to answer—

Senator PRATT: Is volunteer management under settlement services—Volunteering Australia?

Ms Campbell: I think it is just how we organise the department. But if you ask us we'll see—

Ms Bennett: I might be able to answer.

Senator PRATT: I daresay you'll mostly know the answers to these, because the redesign around volunteering—volunteering came back out of Strengthening Communities because it didn't get rolled into the redesign. Volunteering support services stayed the same—

Ms Bennett: Volunteer management support has stayed the same.

Senator PRATT: Is it going to be subject to a future redesign in and of itself?

Ms Bennett: No. Those arrangements came under the strengthening, so those contracts are let for the period of that funding.

Senator PRATT: So, they will be let but they're currently going to stay the same. Are options being explored in relation to the head of power in relation to volunteer management? Or are you comfortable with where that's at?

Ms Bennett: I don't have anything further to add at this stage, but those funding arrangements have been put in, and we'll have to look at it over time.

Senator PRATT: As I understand it, DSS has engaged MP Consulting to conduct a review into the best model or a would-be volunteering support service and that that report is due to be published in June. Is that still the case?

Ms Bennett: I'll have to take that on notice.

Senator PRATT: That's fine. Will it be publicly available, and what's the cost of that?

Ms Bennett: We'll take that on notice.

Senator PRATT: That's fine. And I think my questions on behalf of the food bank might be too detailed to ask here.

Ms Campbell: I think they were the financial literacy framework ones, and we've released those officers, I'm afraid.

Senator PRATT: That's fine. I think that's a wrap. Thank you for staying so late to do that.

CHAIR: In that case—

Senator Seselja: Thank you for your chairing. I think you've done an outstanding job, again. Could I pay tribute to Barbara Bennett? It's not her last day, but it will be her last estimates—which she'll be very pleased about! Barbara has served for a long time—she won't let me say how long, but for a significant period of time—a really outstanding career. I got to know her a little bit in my former role and certainly I was very impressed with her professionalism but also her commitment, her passion and her compassion for some of the most vulnerable people in Australia. So, congratulations on your career, Barbara, and we wish you very well in your retirement.

Senator PRATT: And on behalf of the opposition I'd very much like to concur with those remarks and to thank you for your long public service.

CHAIR: And on behalf of the committee, sincere thanks for your service. I've been a senator for only about 10 months, but I think I've probably spent more time with you than I have with some of my colleagues!

Senator PRATT: And Ms Campbell, perhaps you could express our thanks to all the officers of the department.

Ms Campbell: I will.

Senator PRATT: I know it takes a great deal of preparation, and we appreciate it very much.

CHAIR: We wish you well in whatever the future holds for you. That concludes the committee's examination of the Social Services portfolio. I thank the minister and officers for their attendance. Ms Campbell, thank you very much. Hansard, Broadcasting, and the secretariat staff, thank you very much. Senators are reminded that written questions on notice should be provided to the secretariat by Friday 8 June 2018. Officers are reminded that answers to questions taken on notice should be returned to the committee by 16 July 2018.

Committee adjourned at 19:41