



Patricia Scott
Secretary

Secretary's review

2005–06 was a year of strong achievement for the Department of Human Services and its agencies. Human Services is about people—34,000 people providing an array of services to others in the Australian community.

The 97 people of the core department worked collaboratively with the six human services agencies, policy departments and stakeholders to achieve the Government's priorities.

Together we addressed a clear set of priorities from our Minister, the Hon. Joe Hockey. I am delighted to say we have demonstrated success against each of them. We have:

- developed and won government support for a health and social services access card
- implemented Welfare to Work initiatives including the Job Capacity Assessment program
- investigated ways to claim Medicare rebates electronically for maximum customer convenience
- worked with other departments and the Child Support Agency on the Government's response to the report of the *Ministerial Task Force on Child Support, In the Best Interests of Children – Reforming the Child Support Scheme*, and developed a package of reforms to improve Child Support Agency service delivery
- improved forms and letters to remove unnecessary complexity
- increased the use of online services
- saved money through fraud prevention and group purchasing.

ACCESS CARD

One of the Minister's main priorities and a key achievement has been winning government approval to introduce a health and social services access card. This marks the beginning of a long, hard road to implementation. Human Services is implementing this \$1.09 billion project to reduce red tape and streamline the current health and welfare system.

The new access card will reduce the complexity in accessing Australian Government services; remove the need to contact multiple agencies to update personal information such as a change of address; and give individuals the option of placing extra information such as emergency contact details on the access card.

On 24 May, Minister Hockey announced the establishment of the Consumer and Privacy Task Force, headed by Professor Allan Fels, AO. The Task Force is consulting with stakeholders and will provide independent advice to the Minister on consumer and privacy matters in relation to the access card.

WELFARE TO WORK AND JOB CAPACITY ASSESSMENTS

An important precursor to Welfare to Work was the voluntary referral of non-activity tested customers from Centrelink to the Job Network. In 2005–06 109,157 people receiving Parenting Payment or Disability Support Pension were voluntarily referred to the Job Network. Of these, 98,451 were in receipt of Parenting Payment and 10,706 were receiving Disability Support Pension. This reflects the ongoing efforts of the core department, working with the Department of Employment and Workplace Relations (DEWR) and Centrelink, to help people into paid employment.

The Welfare to Work reforms announced in the 2005 Budget meant significant changes to the work of our agencies. These changes relate to policies and programs being implemented from 1 July 2006 and administered predominantly by the Department of Employment and Workplace Relations (DEWR), but also by the Department of Families, Community Services and Indigenous Affairs (FaCSIA), the Department of Education, Science and Training (DEST) and the core department. In Centrelink alone, these changes represent an investment of over \$600 million over four years, impacting on 43 per cent of current Centrelink IT systems and requiring adjustments to current processes as well as new business.

As part of the Welfare to Work initiatives, the core department has developed the new Job Capacity Assessment program to begin in July 2006. This new assessment process determines a person's ability for work and gets them to the support they need faster. Eighty per cent of the assessments will be done by three government providers – Centrelink, CRS Australia and Health Services Australia. The remaining 20 per cent of assessments will be undertaken by 15 non-government providers. The department has developed and delivered a national training package to ensure the providers undertaking the assessments are nationally consistent in their approach. It is estimated that in the first 12 months of the program 372,000 assessments will be undertaken.

Significant training was undertaken in Human Services agencies to equip staff to support the implementation of the Job Capacity Assessment program. For example, CRS Australia trained 191 staff assessors and 160 staff as administrative support officers. A further 1,500 staff were trained by CRS on other service changes associated with Welfare to Work, including vocational rehabilitation.

ELECTRONIC CLAIMING OF MEDICARE REBATE IN THE DOCTOR'S SURGERY

Beginning in November 2005, the core department worked closely with Minister Hockey and Medicare on electronic claiming. Extensive consultation, undertaken with industry and other stakeholder groups, culminated in a proposal for government consideration early in the 2006–07 financial year. I am pleased to report that in August 2006 the Government agreed to this groundbreaking proposal that sees a new electronic claim process introduced at the doctor's surgery. Patients will pay for their consultation and then swipe their Medicare card and EFTPOS card to receive their rebate directly into their bank account.

BUILDING A BETTER CSA AND THE GOVERNMENT'S RESPONSE TO THE MINISTERIAL TASK FORCE ON CHILD SUPPORT

The core department is working closely with the Child Support Agency (CSA), FaCSIA and Centrelink on implementing the first stage of the Government's Child Support Scheme Reforms, Building a Better CSA, announced on 28 February 2006. These reforms support the Government's overhaul of the family law system, and encourages shared parenting and stronger relationships between intact and separated families.

The core department is also working with CSA on its customer service reform program. Already the changes make it easier for customers to interact with the agency. Customers and employers have 24-hour access to important services through CSA online. Customer Service Guarantee Receipts are now supplied with all transactions to give customers the confidence that CSA staff will be accountable for their actions.

FORMS, LETTERS AND QUEUES

During the 2005–06 financial year, forms, letters and queues have come under close scrutiny as we began to streamline customer interaction with our agencies. Agencies investigated ways of further reducing letters through the use of alternative communication channels such as SMS and email. To facilitate the ongoing review of Human Services agencies' forms and letters, Minister Hockey created the Forms and Letters Task Force in June, and appointed Senator Richard Colbeck as chair. The role of the Task Force is to improve the content of forms and letters through the removal of unnecessary complexity, and abolish forms and letters where possible.

Great inroads have been made – already the 32-page Family Assistance and two-page Medicare enrolment form have been combined into a single, shorter document. We have also simplified the form Disability Support pensioners fill out each time their medical circumstances are reviewed. Instead of answering 29 questions, Disability Support pensioners are only required to fill out an 11-question form.

The core department has queue management under close scrutiny. Targets have been set to reduce wait times in Medicare and Centrelink offices. By the end of 2005–06, Centrelink recorded an average wait time of three minutes and 58 seconds, while Medicare recorded an average wait time of one minute and 57 seconds.

FAMILY ASSISTANCE OFFICE

The core department is also helping to make it easier for the public to access Family Assistance services by making them available at Medicare Australia offices. By December 2006, all 238 Medicare offices around Australia will offer Family Assistance Office services. At the end of the 2005–06 financial year, over 129,000 Family Assistance Office customers had taken advantage of the new service.

ONLINE SERVICES

A strong focus has also been placed upon improvements to online service delivery. Communicating these changes has been a priority and between December 2005 and March 2006, radio, print and online advertisements were run encouraging the updating of Youth Allowance or Austudy details online. In the first five weeks of 2006, the campaign increased student online claims by 32 per cent.

ABSENTEEISM

Improvements to service delivery and in customer waiting times have been achieved, in part through a concentrated effort by the core department and agencies to reduce absenteeism. In less than one year, the reduction in absenteeism in Centrelink has equated to 33,000 extra working days per year.

Figure 1: Unplanned leave levels across Human Services

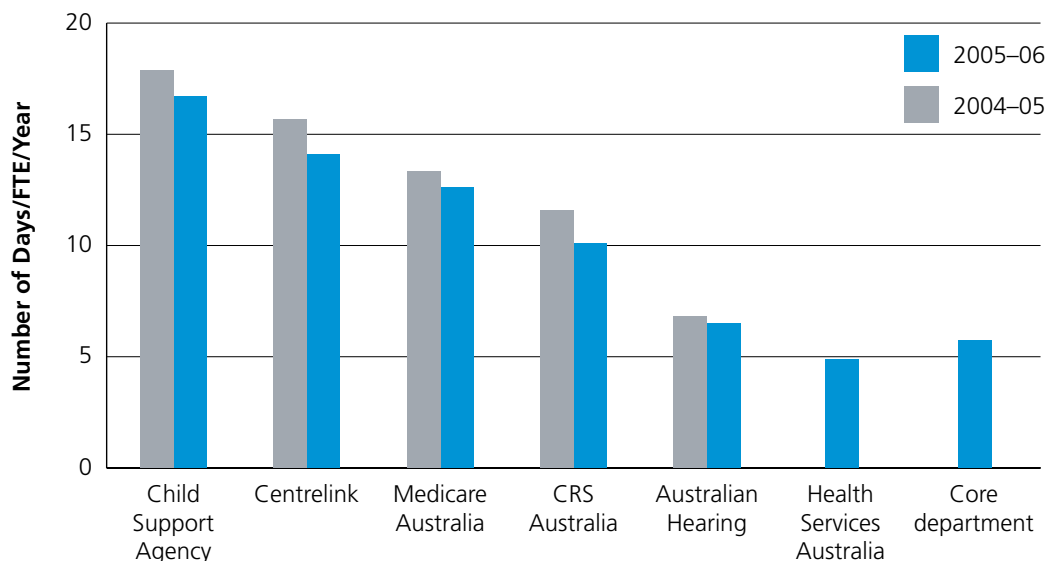


Figure 1 illustrates the reduction in unplanned leave levels across Human Services from 2004-05 to 2005-06. 2004-05 figures for Health Services Australia are not available and 2005-06 was the first full year for the core department.

There is still a way to go with reducing absenteeism, but goals have been set and agency chief executive officers are committed to meeting them. In reducing unplanned staff absences, customer service improves, workloads are shared more fairly and taxpayer money is saved.

LOCAL LIAISON OFFICER PROGRAM

The Local Liaison Officer program continues to be a great success, available to all federal parliamentarians to assist in handling constituents' enquiries about Human Services agencies. By the end of 2005-06, approximately 6,300 referrals had been received through the program; and 99.6 per cent of these were responded to within two working days. There has been a very high take-up of this service by parliamentarians.

FRAUD PREVENTION

While our focus has been on improving customer service, we are also intent on saving money. The core department coordinated a strategic package of reforms announced in the 2006-07 Budget, where the Government committed a further \$282 million to address health and welfare fraud. Savings as a result of the package are expected to be \$548 million over five years.

GROUP PURCHASING

A number of cross-agency working groups have been established to coordinate the agencies' buying power and save money. In one joint property purchase alone, there was a saving to the taxpayer of \$4.4 million over ten years by relocating the Child Support Agency's Penrith and Parramatta offices to Medicare Australia's headquarters in Parramatta. In information technology service management, Centrelink now provides IT services to CRS Australia, saving \$3.9 million over four years. Centrelink has also negotiated an air travel contract with Qantas on behalf of 32 Australian Government agencies, which will save at least \$1.2 million per year.

SUMMARY

At the end of our first full financial year the core department has made real inroads to improving service delivery and making people's lives easier. In improving service delivery to the Australian public, we fulfil the reason for the department's creation. The coming year will be full of challenges and I have no doubt the core department will meet them. I congratulate my colleagues in the core department and in all Human Services agencies on their success and look forward to a rewarding 2006-07.

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