



Secretary's Review

Secretary Helen Williams AO

The Portfolio Department of Human Services (DHS) consists of the Core Department, the Child Support Agency (CSA) and CRS Australia.

The **Core Department** is a small, flexible organisation that provides leadership to CSA, CRS Australia and the other Human Services Portfolio agencies, including Centrelink, Medicare Australia, Australian Hearing and the HSA Group. It is focused on achieving a creative, whole-of-government approach to the delivery of social and health-related services, and on ensuring that the need for effective and efficient implementation is taken into account in policy design and decision making.

CSA supports separated parents to transfer payments for the benefit of their children. It works with the Core Department in administering the Child Support Scheme, and with the Department of Families, Community Services and Indigenous Affairs in developing child support policy.

CRS Australia provides vocational rehabilitation, injury management, assessment and prevention services to people with disabilities, injuries or health conditions to enable them to gain and maintain employment.

The year 2006–07 saw both DHS and the Human Services Portfolio build on its early successes in influencing the strategic focus and coordination of service delivery for Australians.

These results are to the credit of my predecessor, Patricia Scott, who met the challenge of establishing DHS and who led the organisation for much of the year. They also reflect well on staff of both DHS and the Portfolio agencies, who deserve congratulations for the extent of their achievements in 2006–07.

The year in review

The Core Department continued to provide effective leadership to, and oversight of, the activities of the Portfolio during the year and achieved significant progress across the major projects which were its particular responsibility.

Development of the access card

During 2006–07, the Core Department refined key policy aspects of the Access Card Programme, taking into account ongoing consultations with other Australian Government agencies, state and territory governments, business and financial organisations, and consumer, privacy, welfare and rural and remote advocacy groups. In particular, working with the Human Services Agencies and the Department of Veterans' Affairs, the Core Department made considerable progress in developing the business requirements for the access card system. Public tenders were invited to build key aspects of the system.

Consultations with the Australian Federal Police, the Australian Security Intelligence Organisation, the Defence Signals Directorate and the Department of Foreign Affairs and Trade were important in developing the security of the technology architecture of the card.

An information campaign was conducted to increase awareness of the card, supported by the establishment of a dedicated telephone line and access card website.

The Core Department also prepared and released exposure drafts of legislation to implement the access card, taking into account responses from stakeholders and the community.

Job Capacity Assessments

In the first year of the Job Capacity Assessment Programme, more than 363,000 assessments were conducted to assess job seekers with barriers to employment and to refer them to services to help them find work. The programme is running ahead of its target of achieving 80 per cent of assessments within 10 working days. More than 76 per cent of assessments resulted in referrals to services provided by the Job Network, vocational rehabilitation, the disability employment network, the personal support programme, literacy and numeracy skills training, and community mental health services. The Core Department continues to work closely with providers and stakeholders to provide feedback to job capacity assessors, and to adjust training and other support material with the aim of ensuring assessments are of a high standard.

Referrals to short-term interventions funded under the Job Capacity Account grew rapidly over the year. By year's end, weekly

referral rates to short-term interventions such as counselling and anger and pain management exceeded the target of 6.8 per cent of assessments completed. The objective of the programme is to enable job seekers who are almost work ready to receive short-term assistance while being concurrently referred to the Job Network.

Contribute to cross-government policy development

In 2006–07, the Core Department contributed to whole-of-government policy deliberations, providing advice on service delivery across a range of policy areas. Key areas of influence included the development of welfare reform proposals and the establishment of a service delivery mechanism for the LPG vehicle purchase and conversion rebate.

National emergencies

During the year, the Core Department worked with Portfolio agencies to build up the Portfolio's capacity to respond to situations of national emergency. Through its membership of the Australian Government Disaster Recovery Committee, it contributed to developing a response to disasters and critical incidents. It was also joint chair with the Department of Families, Community Services and Indigenous Affairs of the subcommittee set up to oversee the establishment of the National Emergency Call Centre, which was implemented in July 2007.

The Core Department has also been working to assist in national emergencies that Australia faced during the year. Since November 2006, for example, the

Core Department has been supporting Centrelink's mobile assistance services for drought-affected areas of Australia through the Drought Assistance Campaign. Three drought buses, each staffed by employees of Medicare Australia and Centrelink (including a social worker and rural service officers), have delivered information, advice and support services to drought-affected communities, particularly in rural, regional and remote Australia. The buses have travelled over 60,000 kilometres and visited more than 260 towns.

Efficiency of service delivery

A range of strategies were implemented to increase efficiency and improve service delivery across the Human Services Portfolio in 2006–07. Around 240 letters and forms from Centrelink, Medicare Australia and CSA were reviewed, and 38 letters and forms were abolished. It is expected that the changes will result in savings of more than 10 million pages a year across the three agencies. In addition, the strategies and targets introduced in 2005–06 continued to reduce levels of absenteeism across the Human Services agencies and the Core Department worked with agencies to reduce queuing times.

The Core Department also coordinated a trial of flexible service delivery options involving eight sites in Centrelink and Medicare. The results will inform deliberations about future service delivery strategies.

Arrangements for joint procurement and coordinated property management between agencies continued to reduce costs and produce operational synergies.

Access to services was improved by co-locating related services. The rollout of Family Assistance Offices into all Medicare Australia offices was completed ahead of schedule and there was an expansion in the number of CSA regional service delivery centres that were co-located with Centrelink offices.

Electronic access was improved by the implementation of a secure internet portal that allows people to access online services from Centrelink, Medicare Australia and CSA using a single password. The portal also includes a cross-agency search engine, links to self-assessment calculators and access to relevant announcements.

Fraud and non-compliance

The Core Department continued its coordination role in the 2007–08 Budget, bringing together a cross-portfolio package of measures to address social welfare fraud. The Australian Government committed \$113.8 million to this package, which will result in net savings of \$269.4 million over three years. As part of the cross-portfolio package, the Minister for Human Services put forward a measure that will establish a real-time link between Centrelink and the Department of Immigration and Citizenship from July 2008. The link will enable Centrelink to confirm eligibility for social welfare payments and concessions, and will significantly improve payment accuracy and streamline service delivery.

Indigenous Australians

In partnership with the Human Services agencies, the Core Department continued to give priority to communication strategies aimed at improving access for Indigenous Australians to social and health-related services. Centrelink's communication network was enhanced to offer information and services on behalf of all Human Services Portfolio agencies. The Indigenous Ambassadors Programme was expanded and has been of significant benefit in improving awareness of government services in Indigenous communities. Community connections have also been built by agency participation in Access and Employment Roadshows and by supporting more than 90 joint agency visits to regional and remote Australia.

Child Support Scheme reforms

CSA implemented the first two of three stages of significant reforms to the Child Support Scheme during the year. The reforms support the concurrent reform of the family law system, which aims to encourage shared parental responsibilities and strengthen relationships between intact and separated families. CSA responded well to the major challenge of implementing the reforms while delivering 'business as usual', and it worked to ensure that parents affected by the reforms, and employers who deduct child support payments on behalf of such parents, were kept informed. Staff development and recruitment activities were undertaken to expand CSA's capability in preparation for the implementation of the final, most complex stage of the reforms from July 2008.

At the same time, CSA continued to refine many aspects of its operations to improve the experience that customers have when dealing with the agency, through the Building a Better CSA change agenda. The benefits of Building a Better CSA were demonstrated through higher customer satisfaction ratings across many aspects of CSA products and services, as well as lower numbers of complaints.

Through its collection activities, CSA worked with separated parents to transfer a record \$2.68 billion to support approximately 1.2 million children in separated families in 2006–07. During the year, CSA increased its focus on compliance activities directed to establishing the right amount of child support payable and to sending a message to those who seek to avoid their responsibilities that CSA will pursue outstanding amounts.

Vocational rehabilitation services

The high quality of services and operations of CRS Australia was given clear endorsement in 2006–07. The annual stakeholder satisfaction survey found that 89 per cent of job seekers were satisfied or very satisfied that their vocational rehabilitation programmes met their needs, and 82 per cent rated CRS Australia staff highly for their helpfulness, understanding and ability to provide support and assistance.

The auditor that assessed the organisation for its ongoing accreditation commented on CRS Australia's well-managed system, consistent organisational values, strong commitment from both staff and management to the welfare of clients, excellent compliance with the Disability

Service Standards, strong teamwork approach, and the wide range of skills, experience and qualifications of its staff.

In addition to providing employment outcomes and assisting more than 48,200 job seekers through its vocational rehabilitation programmes, CRS Australia continued to develop tailored services and innovative approaches to assist people with disabilities, injuries or health conditions. CRS Australia also gave priority to reviewing its practices and providing targeted training and development to its staff to help ensure the organisation's readiness for the introduction of partial contestability for vocational rehabilitation services from 1 July 2007.

The year ahead

DHS and the Portfolio face another very challenging year in 2007–08. The growing emphasis on the importance of the delivery of government policy, both in the development and implementation stages, highlights the significance of the task ahead for the Portfolio as a whole.

In this context, DHS will continue to work towards achieving improved access to social and health-related services for Australians through the timely, efficient and effective delivery of Australian Government commitments and budget measures. This work continues to be underpinned by two fundamental objectives for social and health-related services: to achieve best value for money in service delivery and to emphasise innovation and continuous improvement in providing service to the public.

The access card is a major project which has significant potential for service

delivery across the health and welfare area. Responses to the exposure draft of the legislation will feed into the Human Services (Enhanced Service Delivery) Bill 2007 to go before the Parliament and work will be finalised on the major contracts to enable the access card system to be built. Throughout 2007–08, detailed work will be undertaken to finalise administrative rules governing the access card registration process. An important part of this process will be continuing the work with all stakeholder groups to ensure that registration is as streamlined as possible for all members of the community. In particular, the needs of vulnerable people and those in remote communities need to be taken into account.

The Core Department will give priority during the year to its work with other departments and agencies to develop a more strategic approach to dealing with fraud and non-compliance.

The Core Department will also play a lead role in coordinating and improving the effectiveness of services provided by Portfolio agencies to Indigenous Australians through the implementation of welfare reforms and other initiatives to create a safe and healthy environment for children.

CSA will face the particular challenge of implementing the third and most complex phase of the Child Support Scheme reforms, which involves the introduction of a new formula for calculating child support assessments. At the same time, CSA will continue to raise the community's awareness of and confidence in the Child Support Scheme, while building the capability and responsiveness of the agency. CRS Australia will have the challenge of competing in the new partially contestable vocational rehabilitation market.

I thank the General Manager of the Child Support Agency, Matt Miller, the General Manager of CRS Australia, Margaret Carmody, and staff across the Core Department of Human Services for their strong performance in 2006–07. I look forward to working with them, and with the other Human Services agencies, to achieve the Portfolio's objectives in 2007–08.

Helen Williams AO
Secretary