

# Appendix one – Response



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Ms Margaret Crawford  
Auditor-General for NSW  
Audit Office of NSW  
GPO Box 12  
Sydney NSW 2001

16 May 2023

Your Ref: D2307410/PA6688

Dear Ms Crawford

Thank you for the opportunity to respond to the Performance Audit Report: Managing the affairs of people under financial management and/or guardianship orders.

As you are aware these represented people are appointed under orders of the Supreme Court, the Guardianship Division of NSW Civil and Administrative Tribunal or the Mental Health Review Tribunal as per the relevant legislation and are a group of currently approximately 20,000 people in NSW. These represented persons are some of the most vulnerable people in the community, so it is critical that we continually look for and implement ways to improve and provide support for them.

I would like to acknowledge the efforts, hard work, and professionalism of the audit team, who worked closely with our people since March 2022 and throughout the comprehensive audit process. As the relatively new Chief Executive Officer of NSW Trustee & Guardian, I appreciate the assurance provided by the performance audit and the opportunities that it provides to improve our services to the community.

NSW Trustee and Guardian accepts in principle the recommendations in this report. We will work closely with our people and stakeholders to address these recommendations over the stated implementation period. The organisation's Audit and Risk Committee will monitor implementation of the recommendations. I enclose our response to the Audit's recommendations and the actions we will be taking to implement them.

NSW Trustee and Guardian has a long history of serving the community of NSW and we welcome feedback that enables us to improve how we continue to engage with, learn from, and improve services to individually support these represented persons.

It is important to acknowledge that we have and continue to experience a significant increase in the number of people who are appointed to us under various court or tribunal orders and with increasing complexity of support needs. Whilst the organisation receives Community Service Obligation grant funding for some of its work, it is not indexed and/or commensurate with the growing number and support needs of represented persons placed by court or tribunal orders. We will continue to work with Treasury to examine ways that funds can be allocated equitably, for the purpose of improving NSW TG community service activities.

If you would like more information about our response to the report, please contact Louise Bochniak, Chief Audit Executive email at [Louise.Bochniak@tag.nsw.gov.au](mailto:Louise.Bochniak@tag.nsw.gov.au).

Yours sincerely

**Caroline Cuddihy**  
Chief Executive Officer  
NSW Trustee and Guardian

Encl. NSW TG Performance Audit Agreed Action Plan

By May 2024 NSW Trustee and Guardian through the Executive Leadership Team will:

1. Broaden governance arrangements to enable input to key decisions on financial management and public guardianship services from: a) people with lived experience b) relevant peak bodies including the disability, aged care, and mental health sectors c) representatives of diverse communities including Aboriginal peoples; culturally and linguistically diverse groups; LGBTQI+ people																		
Agency Response	<p><b>Accepted.</b> We will establish a Public Guardian and Financial Management Advisory Committee. Specifically including represented persons under orders with lived experience, representatives from diverse community groups, relevant peak bodies and quality and safeguarding authorities.</p> <p><b>Actions to date</b> Between March and May 2023, NSWTG has engaged with the NSW Ageing and Disability Commissioner, NSW Mental Health Commissioner, NDIS Quality and Safeguards Commissioner and the NSW Council for Intellectual Disability and had preliminary discussion on approaches to the establishment of stakeholder advisory functions.</p>																	
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NSWTG Performance Audit  
Agreed Action Plan

2. Implement mechanisms to seek feedback on the effectiveness and quality of its financial management and public guardianship services from clients under orders														
Agency Response	<p><b>Accepted in principle<sup>1</sup>.</b> NSWTG agrees with the recommendation to implement mechanisms to seek feedback on the effectiveness and quality of its financial management and public guardianship services with clients under orders. We will develop improved customer feedback mechanisms, including surveys and focus groups to inform service improvement opportunities.</p> <p><b>Actions to date</b> To date the Customer Experience Team has prepared a research paper on measuring customer outcomes. The team has also undertaken an initial desktop review of Customer Feedback Platforms. In addition, the team has consulted with other State Public Trustees about their feedback mechanisms.</p>													
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<sup>1</sup> Implementing action items dependent on budgeted funding from Government.

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## NSWTG Performance Audit Agreed Action Plan

3.	Implement a framework to: a) deliver competency-based training for staff in relevant roles to develop awareness and understanding of clients with disability, dementia, mental illness, cognitive impairments, and other reasons for decision-making incapacity, when providing services, in partnership with people with lived experience, relevant peak bodies and representatives of diverse groups. b) monitor and assess staff competency in understanding and serving clients with disability, dementia, mental illness, cognitive impairments, and other reasons for decision-making incapacity. c) identify intervals for and conduct refresher training, and seeking staff feedback		
Agency Response	<p><b>Accepted in principle<sup>2</sup>.</b> NSWTG agrees with the recommendation to develop a framework to deliver competency-based training for staff, identify and address competency gaps and conduct refresher training, seeking staff feedback. We will examine external specialised training options, assess training gaps, and deliver appropriate training for relevant staff.</p> <p><b>Actions to date</b> Research into potential, relevant competency-based training has commenced. Disability Awareness training will continue to be offered and staff feedback will be used to review and improve this training.</p>		
Agreed Actions		Date to be Actioned By	Due Date
3.1	Research and identify relevant competency-based training options available in partnership with people with lived experience, relevant peak bodies, and representatives of diverse groups.	In progress	Q2 FY 2023-24
3.2	Develop a training plan and schedule, including frequency for refresher training for relevant roles. Deliver competency-based training, as per schedule.	Commence Q3 FY 2023-24	Q4 FY 2023- 24
3.3	Develop monitoring mechanisms for effective competency-based training implementation.	April/May 2024	May 2024

<sup>2</sup> Implementing action items dependent on budgeted funding from Government.

## NSWTG Performance Audit Agreed Action Plan

4.	Implement a risk-based quality framework to assess whether public guardian and financial management decisions are in line with policy and the legislative principles.		
Agency Response	<p><b>Accepted in principle<sup>3</sup>.</b> NSWTG agrees with the recommendation to implement a risk-based, quality framework for decision-making in line with policy and the legislative principles. We will develop a risk-based methodology to inform a quality framework for decision-making.</p> <p><b>Actions to date</b> The Public Guardian has commenced research on how current software systems could be utilised for the risk methodology.</p>		
Agreed Actions		Date to be Actioned By	Due Date
4.1	Use the organisation's risk management framework to identify client cohorts to inform the testing of controls related to quality of decision-making.	Commence Q4 FY 2022-23	Q2 FY2023-24
4.2	Develop and implement a plan to assess and record the team's management of risk and control effectiveness regarding decision-making being in alignment with policy and the legislation.	April/May 2024	May 2024

<sup>3</sup> Implementing action items dependent on budgeted funding from Government.

## NSWTG Performance Audit Agreed Action Plan

By November 2024, NSW Trustee and Guardian through the Executive Leadership Team will:

5.	Establish mechanisms to track and report publicly on its financial management and guardianship services including: <ul style="list-style-type: none"> <li>a) all actions taken by NSW Trustee and Guardian to:                         <ul style="list-style-type: none"> <li>• provide advice to the relevant court or tribunal to encourage the appointment of NSW Trustee and Guardian to be truly 'last resort'</li> <li>• identify opportunities for, and issue, financial management clients with section 71 authorities</li> <li>• encourage and support appropriate early discharges of guardianship clients</li> <li>• apply for the review and/or revocation of orders at the relevant court or tribunal.</li> </ul> </li> <li>b) the application of the legislative principles and national standards</li> <li>c) service quality</li> <li>d) performance of services over time, and</li> <li>e) outcomes for clients.</li> </ul>		
Agency Response	Accepted in principle <sup>4</sup> . NSWTG agrees with the recommendation to monitor and report publicly appropriate information on its financial management and public guardianship services.		
Agreed Actions		Date to be Actioned By	Due Date
5.1	Improve reporting frameworks by developing and implementing quality, risk, and compliance reporting, which includes output metrics, outcomes, and quality measures as recommended.	In progress	Q1 FY 2023-24
5.2	Monitor performance measures to identify opportunities for improvement.	Q1 FY 2023-24	Q3 FY 2023-24
5.3	Determine appropriate mechanisms for public reporting.	In progress	November 2024

<sup>4</sup> Implementing action items dependent on budgeted funding from Government.

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## NSWTG Performance Audit Agreed Action Plan

6.	Implement sufficient data collection, processes and/or IT systems to: <ul style="list-style-type: none"> <li>a) inform on actual costs of service delivery including by complexity of client matters</li> <li>b) identify and address cross-subsidisation, and</li> <li>c) improve data quality and the sharing of relevant client information to support the application of the legislative principles</li> </ul>		
Agency Response	Accepted in principle <sup>5</sup> . NSWTG agrees with the recommendation to implement sufficient data collection, processes and/or IT systems. We will implement an activity-based costing model. <b>Actions to date</b> To date an external consultant created a financial model in 2020 as an interim one-off solution to understand costs of service. NSWTG has had further discussions to develop activity-based costing by client cohort and address cross subsidisation.		
Agreed Actions		Date to be Actioned By	Due Date
6.1	Commission the enhancement of an activity-based costing model by client cohort (number and complexity of client matters) to regularly report and to inform about the actual cost of service delivery.	Commence Q1 FY 2023-24	Q2 FY 2023-24
6.2	Utilise the activity-based costing model by client cohort results reports to inform on the levels of cross-subsidisation of services and develop recommendations to seek appropriate approvals to address, including meeting NSW Treasury Guidelines for Community Service Obligations (TPP19-02).	Commence Q2 FY 2023-24	November 2024
6.3	Undertake a business case to develop a financial management client portal to enable online customer access to their financial records.	In progress	Q3 FY 2023-24
6.4	Undertake a business case to replace legacy IT systems.	In progress	November 2024

<sup>5</sup> Implementing action items dependent on budgeted funding from Government.

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