



28 July 2016

# NSW Trustee and Guardian Restructure

As members are aware, Price Waterhouse Coopers is due to release its report on the Pilot of the new structure.

The PSA notes the Pilot was originally due to conclude in mid-April 2016, but continues to be extended.

The PSA also notes the IRC has oversight of the Pilot after serious concerns were raised in the IRC about the proposed Business Case.

Since the commencement of the Pilot, your PSA delegates have been compiling workload and service delivery statistics and these have been presented to NSW TG management at numerous consultation meetings.

Feedback from members indicate:

## Financial Management (FM)

- The FM Pilot Pods are still operating under capacity and despite recent staff increases they cannot handle the new daily tasks. Once the new model is deployed across the organisation each FM Pod it will have to deal with an additional 30 percent or 250 extra clients. On top of this each FM Pod will also need to manage a yet undisclosed number of "Low Intensity Trusts."
- The FM Pilot Pods have accumulated more than 6,600 overdue tasks, of which 340 are pre-Pilot tasks. These statistics indicate the Pilot would take in excess of 15 weeks to complete these tasks if no work came into the Pilot. There

are nearly 2,000 outstanding tasks alone that relate to responding to client's queries or requests for expenditure.

- There are close to 1,000 outstanding "create budget" tasks, indicating more than half of all the files in the FM Pilot Pods do not have a locked budget.
- The FM Pilot Pods to date have not tested the new operating models replacing the specialist Units in Disability Advisory Services, Properties and Legal, and there will be a significant increase in workload with the absorption of these functions. For example, Property Branch manages approximately 1,400 vehicles, 1,780 properties and has more than 1,600 outstanding CIS tasks, including overdue insurances, purchase and sale of properties, repairs to properties/vehicles, green slips/rego and management of rental properties.
- After the rollout there will be no finalisation team, which currently manages 800 matters. This additional work will be shifted to the FM Pods.

## Deceased Estates

- The number of elections filed within 14 days of allocation in the Pilot was 13 out of 78 at 30/06/2016, as compared with the KPI target of 70 (90 percent). Zero elections were distributed within four months of allocation (The KPI target 80 percent on 55 matters allocated to 18/03/2016 was 44).

- The number of grants obtained within 10 weeks of allocation in the pilot was five out of 173 to 9/5/16, as compared with the KPI target of 138 (80 percent). One estate out of a small number of estates which are seven months into administration was completed within seven months of allocation for which the KPI is 80 percent of Estates.
- There were 6,688 TEAMS tasks in the pilot up to 30/06/16 of which 3,905 were completed, cancelled or rejected and 2,783 are outstanding (the equivalent of over two months' tasks). Two hundred and forty-eight tasks were completed on time as compared with the KPI target of 5,684 (85 percent).
- Management has announced the new structure will include a specific Trusts team to manage high intensity trusts whereas low intensity trusts are to be allocated between the Financial Admin and Estate Management teams. No information is held regarding the definition of high intensity and low intensity or the numbers of these but total number of Trusts is approximately 8,500, plus a large proportion of the 6,192 estates under administration would include Trusts held for beneficiaries.

The PSA and your delegates had a telephone meeting with Price Waterhouse Coopers on 15 June 2016 to explain concerns about the Pilot, and a face-to-face meeting on 15 July 2016 to present and explain its service delivery and workload statistics.

In addition to presenting the statistics accumulated to date, the PSA raised the following concerns at the meetings with Price Waterhouse Coopers:

- Introduction of the Pilot without process mapping, resulting in an inability to properly measure the effectiveness of the Pilot and whether matters can be properly managed in the new service delivery model.
- Lack of operating manuals for the Pilot and inadequate training and support for Pilot teams.
- Lack of guidance in relation to allocation of tasks within the Pilot teams.
- The inability of the proposed service delivery model to meet the needs of NSW TG clients, including the most vulnerable in our community. Concerns were raised about the duty of care issues and that NSW TG clients were being placed at risk through this new approach which is unable to adequately meet the needs of clients and conform to reasonable community expectations.

The PSA believes the available statistics demonstrate that if the Pilot is rolled out, it will increase the risk of legal action, endanger the reputation of NSW TG, increase the risk to clients, and will ultimately result in the loss of clients and long term financial loss to the organisation.

The PSA thanks members for their ongoing engagement in the consultation process to date and requests that members continue to raise concerns via your delegates.

We will engage members further once the Price Waterhouse Coopers report is released.

