

Chapter 1

Referral

1.1 On 11 September 2017, the Senate referred the following matter to the Senate Finance and Public Administration References Committee (committee) for inquiry and report by 14 November 2017:

The delivery of National Outcome 4 of the National Plan to Reduce Violence Against Women and Their Children 2010-2022, 'Services meet the needs of women and their children experiencing violence', insofar as that Outcome is given effect by the 1800 RESPECT Domestic and Sexual Violence National Counselling Service ("the service"), with particular reference to:

- (a) The adequacy and quality of counselling provided, including:
 - (i) The funding made available for counselling,
 - (ii) The counselling model and associated counselling practices,
 - (iii) The protection of privacy and confidentiality for those who use the service,
 - (iv) The efficiency and appropriateness of the triage model adopted in relation to the service in 2016, and
 - (v) The infrastructure required for the provision of the service;
- (b) The procurement arrangements for the service, including contractual and tender arrangements;
- (c) The engagement of staff and contractors, including:
 - (i) Their qualifications and working conditions,
 - (ii) The professional standards and ethical obligations applicable to those providing the service, and
 - (iii) The oversight and quality assurance undertaken in relation to those providing the service;
- (d) Evaluation arrangements for the service;
- (e) Best practice for domestic and sexual violence counselling; and
- (f) Any other related matters.¹

1.2 The reporting date was subsequently extended to 15 December 2017.²

1 *Journals of the Senate, No. 60*—11 September 2017, p. 1933.

2 *Journals of the Senate No. 68*—13 November 2017, p. 2191; *Journals of the Senate No. 72*—27 November 2017, p. 2283; and *Journals of the Senate, No 76*—p. 2428.

Conduct of the Inquiry

1.3 Details of the inquiry were placed on the committee's website at: www.aph.gov.au/fpa. The committee directly contacted relevant organisations and individuals to notify them of the inquiry and invite submissions by 6 October 2017. Submissions received by the committee are listed at Appendix 1.

1.4 A public hearing was held in Sydney on 8 November 2017. A list of witnesses who gave evidence at the hearing is available at Appendix 2. The Hansard transcript may be accessed through the committee's website.

Background

1.5 Australia's framework to address domestic and family violence is set out in the *National Plan to Reduce Violence Against Women and Their Children 2010–2022* (the National Plan).³ The National Plan was endorsed by the Council of Australian Governments, and released in February 2011. It comprises four discrete phases, each of three years duration, for delivery over its twelve year term. There are six National Outcomes:

1. Communities are safe and free from violence
2. Relationships are respectful
3. Indigenous communities are strengthened
4. Services meet the needs of women and their children experiencing violence
5. Justice responses are effective
6. Perpetrators stop their violence and are held to account.

1800 RESPECT national telephone counselling service

1.6 In 2010, in anticipation of the development of the National Plan, the Commonwealth provided funding for a national helpline, 1800 RESPECT for victims of domestic and family violence. The 1800 RESPECT service was later incorporated in the First Stage Plan of the National Plan, *'Building a Strong Foundation'*, as the first national domestic and family violence and sexual assault counselling service, falling within Outcome 4.

1.7 As noted above, Outcome 4 of the National Plan requires that 'services meet the needs of women and their children experiencing violence'. Success of Outcome 4 is to be measured by:

3 This section draws upon *The Australian Government's National Plan to Reduce Violence against Women - Immediate Government Actions, April 2009*, the *National Plan to Reduce Violence Against Women and their Children 2010-2022*, as well as the Senate Finance and Public Administration References Committee Report, *Domestic Violence in Australia*, August 2015, and the submission by the Department of Social Services (*Submission 57*) to the 2015 inquiry.

... an increase in the access to, and responsiveness of, services for victims of domestic and family violence and sexual assault.⁴

1.8 The Department of Social Security (DSS) has responsibility for the delivery of the 1800 RESPECT service under the National Plan. DSS appointed the Government Business Enterprise Medibank Health Solutions (MHS) as the service provider from 8 July 2010 with a multiyear funding agreement until 30 November 2014.⁵

1.9 DSS and MHS have provided the committee with the funding agreements, subcontracting agreements, and related documents, that were in place between the various organisations. The committee has accepted these documents *in camera* and does not intend to release those documents however the committee has drawn some general information from those documents to form part of this report.

1.10 The July 2010 agreement required that MHS subcontract the NSW Rape Crisis Centre to deliver the counselling services for the national online and 1800 RESPECT counselling service.

1.11 The second funding agreement between DSS and MHS commenced on 1 January 2014 with an end date of 30 June 2017. The agreement required that MHS subcontract the Rape and Domestic Violence Services Australia (RDVSA) to deliver the counselling services for the national online and 1800 counselling service.

1.12 MHS was privatised and listed on the Australian Stock Exchange on 25 November 2014.

1.13 The second subcontract between MHS and RDVSA commenced on 1 January 2014 with an end date of 30 June 2017.⁶

1.14 This subcontract was varied effective 1 July 2015 and additional funding was provided with the requirement to increase the Critical Service Levels over the next two years.

1.15 The subcontract between MHS and RDVSA was extended by 120 days from 30 June 2017 to 31 October 2017.

1.16 In its submission DSS stated that it selected MHS to provide the 1800 RESPECT service based on its substantial telephony and digital infrastructure:

The expertise and resources needed to build and maintain the operating infrastructure of the scale needed was one of the reasons the service was outsourced to the private sector and is one of the major strengths MHS

4 *The National Plan to Reduce Violence against Women and their Children 2010–2022*, p. 23.

5 Department of Social Services, Schedule — Standard Funding Agreement, 8 July 2010 to 30 November 2014, *in camera* answer to question on notice, received 16 November 2017.

6 Agreement between MHS and RDVSA, dated 31 July 2014, *in camera* answer to question on notice, received 27 November 2017.

brings to 1800RESPECT, as a leading provider of telephone and online health services.⁷

Current Grant Agreement between DSS and MHS

1.17 The Grant Agreement between DSS and MHS is a funding agreement in the nature of a contract.⁸ The current Grant Agreement commenced on 1 January 2014 and is due to expire on 31 December 2019.⁹ A variation to the agreement was executed on 21 July 2017, which *inter alia*, removed the requirement by DSS for MHS to subcontract to RDVSA for the national online and 1800 counselling service.

1.18 MHS's funding of RDVSA covered all aspects of the delivery of the 1800 RESPECT service, including supporting the training and professional development of counsellors, with overarching infrastructure and the delivery of other components of the 1800 RESPECT service being provided by MHS.¹⁰

Responding to increasing demands on the 1800 RESPECT service

1.19 DSS ascertained that in the 2014–2015 financial year, there was increasing demand on the 1800 RESPECT counselling service. Of the 52 431 calls received by the service, only 14 899 were answered (28 per cent), with 37 352 callers unable to access support when they needed it (72 per cent). Further, an additional 10 747 voicemails were also received by the service.¹¹

1.20 In November 2015, DSS engaged KPMG to undertake an independent review of the 1800 RESPECT service and provide options to improve service responsiveness.¹² KPMG found the increase in community awareness and government focus on domestic and family violence had changed the landscape the 1800 RESPECT service was operating within, with the result that:

The increased public awareness of 1800RESPECT required it to operate not only as a best practice counselling service, but also as an effective 'first responder', capable of managing a wider variety of calls and needs.¹³

1.21 After identifying that the existing operating model 'was no longer fit for purpose', KMPG identified three possible options to improve service delivery:

1. Increasing funding for the existing operating model – this option would provide additional RDVSA staff to answer more calls and respond to voicemails more efficiently.

7 Department of Social Services, *Submission 31*, p. 21.

8 Ms Kathryn Mandla, Principal Adviser, Department of Social Services, *Proof Hansard*, 8 November 2017, p. 36.

9 Department of Social Services, *Submission 31*, p. 21.

10 Medibank, *Submission 29*, pp. 5 and 7.

11 Department of Social Services, *Submission 31*, p. 17.

12 Department of Social Services, *Submission 31*, p. 18.

13 Department of Social Services, *Submission 31*, p. 18.

2. A first responder triage model – this option proposed qualified social workers or counsellors to answer calls as soon as possible and take immediate action as required.

3. A trauma specialist triage model – this option comprised RDVSA providing two differently focused trauma specialist counselling services, one focused on crisis intervention and referral and the other on more in-depth counselling.¹⁴

1.22 In August 2016, the 'First Response' triage model was adopted, where qualified social workers or counsellors are employed by MHS to answer calls as soon as possible, conduct a needs analysis and take immediate action as required. Immediate action may include engaging 000 or another emergency service, a 'warm transfer' to a trauma specialist counsellor, or referral to a state based or local service provider. A 'warm transfer' is a handover from the 1800 RESPECT call line to a trauma specialist counsellor without the caller having to retell their story.¹⁵ RDVSA continued to undertake the trauma specialist counselling aspect of the 1800 RESPECT service on referral.¹⁶

1.23 At the public hearing, Ms Karen Willis, Executive Officer, RDVSA, explained the difference between the two service models:

From October 2010 through to 16 August 2016, all calls to the 1800 Respect line came to our trauma counsellors. On 16 August 2016, the triage model was introduced. At that point all calls went to Medibank Health Solutions, and then they decided which of those calls would be forwarded through to us, and which would be diverted to other locations, services, websites etcetera.¹⁷

1.24 DSS advised that the First Response approach resulted in a 172 per cent increase in the number of telephone and online contacts answered, and the average waiting time was reduced from over 10 minutes to 37 seconds.¹⁸

1.25 On the introduction of the First Response triage model in August 2016, RDVSA answered the calls referred to them by the first response counsellors for callers that required trauma specialist counselling. RDVSA continued discussions with MHS to identify necessary steps to increase the number of calls answered.

1.26 MHS submitted that more than 20 per cent of those critical calls were not answered by RDVSA:

14 Department of Social Services, *Submission 31*, p. 19. The trauma specialist triage model was proposed by RDVSA, and operated for the period from April – August 2016. See: RDVSA, *Submission 57*, pp. 4–5.

15 Department of Social Services, *Submission 31*, pp 11 and 19.

16 Medibank, *Submission 29*, p. 4.

17 Ms Karen Willis, Executive Officer, Rape and Domestic Violence Services Australia, *Proof Hansard*, 8 November 2017, p. 10.

18 Department of Social Services, *Submission 31*, p. 6.

At the time the new arrangement [the First Response model] was announced, approximately 22 per cent of all calls requiring trauma specialist counselling were going unanswered by R&DVSA, which is subcontracted to deliver that component of the service. R&DVSA itself indicated to the Australian Government that it would be unable to address this abandonment rate and there would continue to be unacceptably long wait times for this important service. Medibank could not accept that so many callers in need of trauma specialist counselling would continue to be unable to access it at the time of calling.¹⁹

1.27 On 31 January 2017, MHS sought agreement with DSS 'to go to the market' for the trauma specialist counselling component of the 1800 RESPECT service. The approach was an initial expression of interest (EOI), followed by a Request for Proposal (RFP).²⁰ Three organisations were invited to take part in the RFP process which ran from February–August 2017; during this period there were further discussions and negotiations with the 'preferred respondent'.²¹

1.28 MHS stated:

The objective of the RFP process was to enable a review of trauma specialist counselling skills available nationally so that Medibank could be confident it was providing the best possible trauma counselling and to understand and plan as to how it might meet future demand. The RFP also provided an opportunity to enter a new trauma specialist counselling subcontract that would more accurately reflect the revised subcontracting arrangements under a First Response model.²²

1.29 In February 2017, MHS initiated a RFP process to establish a panel of providers to deliver the trauma specialist counselling component of the 1800 RESPECT service.²³

1.30 MHS approached the market with a RFP on 14 March, 2017 requiring an intent to respond form by 20 March, 2017, an interim submission by 28 March 2017, and a response closing date of 19 April, 2017.

1.31 MHS stated in its submission to the inquiry that the outcome of the RFP process was that no subcontract was awarded, adding that this outcome was permitted under the terms of the RFP.²⁴ It is not clear from the MHS submission and

19 Medibank, *Submission 29*, p. 4.

20 Medibank, *Submission 29*, p. 17; Department of Social Services, *Submission 31*, p. 34.

21 Medibank, *Submission 29*, p. 17. RDVSA was a preferred respondent.

22 Medibank, *Submission 29*, p. 5.

23 Medibank, *Submission 29*, p. 4. The not-for-profit panel providers selected to deliver the trauma specialist counselling component of the 1800 RESPECT service in place of RDVSA are safe steps Family Violence Response Centre, Victoria, DVConnect, Queensland and Women's Safety Services South Australia. The Blue Knot Foundation, NSW, has been engaged to deliver training and professional development to trauma specialist counsellors from the panel organisations: see Medibank, *Submission 29*, pp. 6 and 9–11.

24 Medibank, *Submission 29*, p. 5.

correspondence if and when this was communicated to RDVSA and if it was before MHS signed agreements with three other providers on 9 July 2017.

1.32 Following the RFP process MHS negotiated with four service providers: RDVSA, safe steps Family Violence Response Centre (safe steps), DV Connect and Women's Safety Services SA (WSSSA). MHS signed agreements with DVConnect, safe steps and WSSSA on 9 July 2017 to commence 14 August, 2017 and to provide counselling services from 24 October, 2017 with a contract end date of 31 December, 2019.

1.33 MHS wrote to RDVSA on 19 May 2017 advising them that they had been selected as a preferred respondent and inviting RDVSA to enter preliminary negotiations and proposing an extension of the service to 31 October 2017, to facilitate negotiation of the proposed subcontract.

1.34 On 10 August 2017, MHS announced a new arrangement of panel of sector-based, not-for-profit organisations to provide the trauma specialist counselling component of the 1800 RESPECT service. RDVSA was included on the panel arrangements with the three other service providers.²⁵ The Blue Knot Foundation was engaged to provide training.²⁶

1.35 On 30 August 2017, RDVSA made a public announcement that it was withdrawing from the panel appointment process for the 1800 RESPECT service, with its participation finishing on 28 October 2017:

Only after considerable negotiation with the lead agency, Medibank Health Solutions (MHS), did the Board of Rape & Domestic Violence Services Australia come to the conclusion that accepting the sub-contract and the new MHS service model would be inconsistent with the values, ethics, quality counselling practices and work place relations that are foundational to our organisation and culture.²⁷

1.36 On 19 September 2017 MHS signed variation agreements with the three remaining subcontractors, safe steps, DVConnect and WSSSA, to increase staff and workload.

1.37 The report is structured as follows:

- Chapter 2 discusses governance and accountability issues between the various parties involved in the delivery of the 1800 RESPECT service;
- Chapter 3 canvasses issues specific to the introduction of the First Response model of service and concerns in relation to privacy issues;

25 Medibank, *Submission 29*, pp 5–6; Department of Social Services, *Submission 31*, p. 34. The three organisations are: DV Connect, Queensland; safe steps, Family Violence Response Centre, Victoria; Women's Safety Service, South Australia.

26 Medibank, *Submission 29*, pp. 5–6.

27 See: *Announcement regarding 1800RESPECT Service*, <http://www.rape-dvservices.org.au/1800RESPECT>, accessed 14 September 2017; Medibank, *Submission 29*, p. 6.

- Chapter 4 sets out the committee view and recommendations.