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4 July 2008

Mr James P Cox,
Chief Executive Officer
Independent Pricing and Regulatory Tribunal
PO Box Q290,
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Dear Mr Cox

Subject: IPART Review of Fees of the Office of the Protective Commissioner

Disability Advocacy NSW Inc (DA) provides advocacy support to people with a disability and mental illness in the Hunter, Mid North Coast and New England regions of NSW. DA makes this submission as it has a significant number of clients whose finances are managed by the OPC. While we are aware that the review is focused on the appropriateness of fees charged by the OPC we are also concerned that this be linked to improved performance.

As mentioned in the IPART review paper, approximately 333 clients with assets worth more than $1 million are cross-subsidising the remainder of OPC's client base. It is our belief that, while these estates are large in comparison to others, in many cases these funds have been received in compensation payouts and must last for the duration of an often permanently disabled persons' lifetime. It is our view that these clients do not receive a quality service from the OPC, especially considering the fees that they must pay. In fact, in some cases clients from our service have been significantly disadvantaged by the OPC's poor management of their funds.

While we do not believe that low income earners should necessarily pay more fees (as they are already unaffordable for these clients), it seems unfair that people with complex disabilities who must make their assets last them a lifetime (however significant these assets may be) must pay inflated fees for a service which is inefficient at the best of times. Many of the clients we deal with who have assets worth more than $1 million are currently considering private trustee companies as an alternative to the OPC as the difference in fees is not considerable. The clients the OPC caters for are often people with severe disabilities and we have found that many are attracted to the idea of private trustee companies so they can at least deal with one person, face-to-face, for all their financial affairs and feel a sense that these companies are more accountable to them than the OPC currently appears to be.

In her submission the Protective Commissioner says the OPC *"has in-house know-how for most if not all client needs and has extensive relationships with providers of*

expert services ..." and the OPC *"has a long history of advocacy and understanding of clients needs".*

We think such statements are inaccurate.

While we are aware that the Protective Commissioner is seeking to improve the OPC's service it seems to have been done with little consultation with key agencies like advocacy services that spend an inordinate amount of time negotiating with the OPC on client's behalf. Often advocates find themselves in a position of having to do the OPC's job for them (i.e. communicating with clients) as this is done so poorly.

Our organisation has made positive suggestions directly to the Protective Commissioner, like suggesting advocates attend the OPC's Sydney office to talk about regional difficulties for clients and to coordinate our work with OPC officers to ensure clients get the best outcomes. After repeated communications the Protective Commissioner has not responded.

Fortunately we were able to arrange a private meeting with some disability specialist within the OPC and this meeting seemed positive but this is only a small section of the OPC who already have disability knowledge.

There appear to be concerns within the OPC that its performance has also been poor.

Over all the OPC does not have *"an understanding of client needs"* nor does it have *"extensive relationships with providers of expert service".* Without these we maintain that the organisation is providing poor value for money in relation to its fee structure.

Ideally the OPC needs to get out where their client's live if they want to give value for money. Alternatively we recommend that the OPC needs to initiate partnerships with key agencies especially in rural and regional areas so they can properly communicate with clients with a disability and get them the best outcome possible.

Yours sincerely

Mark Grierson
Chief Executive Officer