

**Submission
No 11**

**EXAMINATION OF THE AUDITOR-GENERAL'S PERFORMANCE
AUDIT REPORTS OCTOBER 2016 – MAY 2017**

Organisation: Department of Family and Community Services

Date Received: 27 March 2018



Mr Bruce Notley-Smith MP
Chair
Parliament of New South Wales
Macquarie Street
SYDNEY NSW 2000

Dear Mr Notley-Smith

Public Accounts Committee - Building the readiness of the non-government sector for the NDIS

I refer to your correspondence, dated 20 February 2018, seeking a submission from the NSW Department of Family and Community Services to the Auditor-General's report, *Building the readiness of the non-government sector for the NDIS*, tabled on 23 February 2017.

We have accepted all the recommendations in the Auditor-General's report and have been working with the sector to implement the recommendations. I enclose our response to the audit.

If you would like more information, please contact Mr Craig Layton, A/Executive Director, NDIS Implementation on 02 9377 6001 or email craig.layton@facs.nsw.gov.au.

Yours sincerely

Michael Coutts-Trotter
Secretary

Encl.

IMPLEMENTATION OF RECOMMENDATIONS

Department of Family and Community Services

Building the readiness of the non-government sector for the NDIS

RECOMMENDATION	ACCEPTED OR REJECTED	DEPARTMENT RESPONSE	DUE DATE	STATUS (completed, on track, delayed) and COMMENT	RESPONSIBILITY (Section of agency responsible for implementation)
<p>1</p> <p>Building the capacity of the non-government sector: Work with the Australian Government, National Disability Insurance Agency (NDIA) and other NSW Government agencies to identify gaps and develop the capacity of specialist clinical services, focusing on regional and rural areas.</p>	<p>Accepted</p>	<p>a) The Department has implemented and funded a range of initiatives to support the growth of the specialist disability workforce in NSW, and to support sector capacity in regional and rural areas.</p>	<p>31 October 2018</p>	<p>On track The NSW Government has provided grants specifically targeted to support disability providers in rural and regional areas:</p> <ul style="list-style-type: none"> • Transition Assistance Program (TAP): Round 1 provided over \$4 million to over 130 small, regional and remote providers to undertake NDIS readiness activities. • Transition Assistance for Local Councils (TALC) grants - to support Local Councils transitioning to the NDIS, 20 of the 27 successful councils were from rural and regional areas. • Aboriginal Disability Provider Grants (\$1 million): 19 Aboriginal providers successfully applied for a grant to create organisational change and build business capability to operate within the NDIS. • Building Capacity for Aboriginal People (\$485,000): funded four projects to support Aboriginal providers to enter the disability market and increase cultural competency of mainstream disability organisations. 	<p>Disability (Community and Sector Engagement)</p>

	<p>a) The Department has implemented and funded a range of initiatives to support the growth of the specialist disability workforce in NSW, and to support sector capacity in regional and rural areas. continued</p>		<p>Furthermore the peak organisation National Disability Services will continue to deliver capacity building initiatives through the Industry Development Fund (IDF) until October 2018.</p> <p>The NSW Government has invested over \$27M into the IDF since 2009 to support the transition of non-government disability service providers to the new policy and service delivery environment.</p>	<p>Disability (Community and Sector Engagement)</p>
	<p>b) In December 2016, the NSW Government entered into Working Arrangements with the Australian Government and the NDIA in relation to People with Complex Needs, and Market and Provider Readiness. Throughout the transition to the NDIS, the Department will work closely with other agencies to implement these arrangements, and to support the development and implementation of the NDIS Rural and Remote Servicing Strategy. From 2018, these arrangements will transition to, and form part of, the full scheme implementation of the NDIS.</p>	<p>30 June 2018</p>	<p>On track</p> <ul style="list-style-type: none"> FACS worked with the NDIA to develop their Rural and Remote Strategy 2016-2019. The NDIA has also developed the National Market, Sector and Workforce Strategy. FACS and the NDIA have agreed on a Market and Provider Readiness action plan and commenced work on market development and sustainability strategies. The NDIA is developing its approach to supports for people with complex needs, including a "provider of last resort" through: <ul style="list-style-type: none"> - A market intervention strategy; and - A response to maintaining critical supports to ensure continuity of care for participants. 	<p>Disability (Community and Sector Engagement)</p> <p>National Disability Insurance Agency</p>
	<p>c) The Department is also working with the NSW Department of Industry on the Disability Sector Scale Up program, to support the continued growth of the disability sector and workforce in NSW.</p>	<p>30 June 2018</p>	<p>On track</p> <p>Disability Sector Scale Up: to assist businesses, workers, and local communities to maximise economic opportunities from NDIS rollout. Rural and remote service delivery is a focus area of the program, which is led by Department of Industry.</p>	<p>Disability (Community and Sector Engagement)</p> <p>Department of Industry</p>

2	<p>Building the capacity of the non-government sector: Continue to implement projects to increase the number of organisations that can support Aboriginal and Torres Strait Islander and culturally and linguistically diverse communities.</p>	Accepted	<p>a) The Department will continue to develop and implement projects targeting both the Aboriginal and Torres Strait Islander and CALD sectors during transition.</p>	30 June 2018	<p>On track In 2017 the Aboriginal Disability Provider Grants (ADPG) Program and the Building Capacity for Aboriginal People Program, with combined funding total of \$1.5 million, commenced to enhance the capacity of Aboriginal disability support providers and the sector to:</p> <ul style="list-style-type: none"> - transition to NDIS; - build capacity; - support existing Aboriginal providers to enter the disability sector; and - develop the Aboriginal cultural competence of generalist and mainstream services. 	Disability (Community and Sector Engagement)
		<p>The Department will also work with the NDIA and the Australian Government to support the development and implementation of strategies to ensure that Aboriginal and CALD communities have access to appropriate services under the NDIS.</p>	30 June 2018	<p>On track FACS worked with the NDIA to develop the Aboriginal and Torres Strait Islander Engagement Strategy.</p> <p>Using Information, Linkage and Capacity Building funding for NSW in 2016-17 Settlement Services International (SSI) was granted \$1.8 million to provide information, capacity building and community engagement supports to link people up with activities in their local communities, and also to assist them in accessing the NDIS where they need additional support. SSI's activities, including the use of communication tools developed to raise awareness of NDIS in CALD communities and workshops for providers about how to effectively engage with CALD communities, will continue until June 2018.</p>	Disability (Program Transition)	

<p>3</p> <p>Helping non-government providers develop their capability: Target remaining capability building assistance to less prepared providers, including via one-to-one support and mentoring in identified areas of weakness.</p>	Accepted	<p>The Department will continue to develop and deliver programs and initiatives to support disability service providers and build capacity within the sector until transition concludes in 2018.</p>		<p>On track The Department has worked with National Disability Services (NDS) to extend the Sector Support Consultants program, funded through the IDF, which, as the audit report notes, has proven effective in supporting the capacity of providers via one-to-one support.</p>	Disability (Community and Sector Engagement)
<p>4</p> <p>Coordinating sector development: Continue working with the Australian Government and the NDIA to ensure lessons from sector capability programs are shared.</p>	Accepted	<p>The Department will continue to actively contribute to national and sector and market policy, and engage with the Australian Government and NDIA to share resources and lessons learned from the NSW experience.</p>		<p>On track NSW, the NDIA and the Commonwealth have agreed to market and provider readiness working arrangements for the NDIS transition period and have produced an action plan to implement these arrangements.</p>	Disability (Community and Sector Engagement)