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## **GENERAL PURPOSE STANDING COMMITTEE NO. 2**

**Friday 9 October 2015**

**Examination of proposed expenditure for the portfolio area**

### **DISABILITY SERVICES**

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### **UNCORRECTED PROOF**

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**The Committee met at 10.00 a.m.**

#### **MEMBERS**

The Hon. G. J. Donnelly (Chair)

Ms J. Barham  
The Hon. S. Cotsis  
The Hon. C. Cusack  
The Hon. P. Green (Deputy Chair)

The Hon. M. S. Mallard  
The Hon. Dr P. Phelps  
The Hon. B. Taylor

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**CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS**

Corrections should be marked on a photocopy of the proof and forwarded to:

**Budget Estimates secretariat  
Room 812  
Parliament House  
Macquarie Street  
SYDNEY NSW 2000**

**CHAIR:** Welcome to the public hearing for the inquiry into budget estimates for 2015-16. Before I commence I would like to acknowledge the Gadigal people, who are the traditional custodians of this land. I would also like to pay respects to the elders past and present of the Eora nation and extend that respect to other Aboriginal people who may be present here this morning. I welcome officers from the Department of Family and Community Services to this supplementary hearing and thank them for attending this morning. The Committee will examine the proposed expenditure for the portfolio of Disability Services.

Today's hearing is open to the public and is being broadcast live via the Parliament's website. A transcript of today's hearing will be placed on the Committee's website when it becomes available. In accordance with the broadcasting guidelines, while members of the media may film or record Committee members and witnesses, people in the public gallery should not be the primary focus of any filming or photography. I remind media representatives present here today that they must take responsibility for what they publish about the Committee's proceedings. It is important to remember that parliamentary privilege does not apply to what witnesses may say outside of their evidence at the hearing; so I urge witnesses to be careful about any comments they may make to the media or to others after they complete their evidence as such comments would not be protected by parliamentary privilege if another person decided to take an action for defamation.

The guidelines for the broadcast of proceedings are available from the secretariat. There may be some questions that witnesses could only answer if they had more time or they had certain documentation to hand. In those circumstances, witnesses are advised that they can take a question on notice and provide an answer within 21 days. Any messages from advisers or members' staff seated in the public gallery should be delivered through the Chamber and support staff or the Committee secretariat. Finally, I ask everybody to turn off their mobile phones for the duration of the hearing. I remind Mr Longley and Ms Taylor that they do not need to be sworn as they have been sworn at an earlier budget estimates hearing and will give evidence on their former oath or affirmation. I now declare the proposed expenditure for the portfolio of Disability Services open for examination.

**JIM LONGLEY**, Deputy Secretary, Ageing, Disability and Home Care, Department of Family and Community Services, and

**SAMANTHA TAYLOR**, Executive Director, National Disability Insurance Scheme Implementation, Ageing, Disability and Home Care, Department of Family and Community Services, on former affirmation:

**CHAIR:** As has been previously determined by budget estimates resolutions, there will be no opening statements so we will begin with questions from the Opposition. The Government has agreed that there will just be questioning from the Opposition and crossbench members, who will share the questioning. The hearing will now commence and will conclude at 11.00 a.m. I now declare the hearing open.

**The Hon. SOPHIE COTSIS:** Thank you, Mr Longley and Ms Taylor, for coming in today. Firstly, it is great news that New South Wales has signed the agreement with the Federal Government—it is fantastic news—and we have the timetable for the rollout. With respect to the rollout and the time line of implementation, between now and 1 July 2016 we have the local government area stated for areas like the Central Coast and northern Sydney. How will it be implemented? Will it start on 1 July next year in those areas so that people with disabilities will have a package? Is that your plan?

**Mr LONGLEY:** I will ask Ms Taylor to talk about that in a little more detail but two things are the key. Firstly, I would like to acknowledge, as you have said, that the signing of the National Disability Insurance Scheme agreement between the Federal and State governments really is a landmark. This is generational change for Australia. It is great that it has been bipartisan and embraced fully, and that is very significant. That agreement embodies the sequencing of areas across New South Wales which will be rolled out and, as you have indicated, approximately half the State will commence from 1 July 2016 and the other half of the State from 1 July 2017. The process will be one of transitioning our clients from being our clients to being clients of the National Disability Insurance Agency [NDIA] and that will be done as expeditiously as possible. I ask Ms Taylor to give a little bit more detail around the specifics of the question.

**Ms TAYLOR:** The agreement sets out the phasing approach for how people with disability across the two years will enter the scheme. They will enter the scheme through the usual processes that we see in trial but we are working with the National Disability Insurance Agency to streamline that a little, given the numbers of people that we have going in over those two years where they are currently receiving supports. So there will be the need for people to identify themselves as wanting to access the scheme and to go through a planning process in order to get their packages of support; but through the preparatory work that we are doing with the National Disability Insurance Agency that will be a much streamlined process.

**The Hon. SOPHIE COTSIS:** Are you talking about now?

**Ms TAYLOR:** No. From now to 1 July what the agreement requires is that the National Disability Insurance Agency firstly sets itself up across the State. So there is obviously a very large administrative logistic exercise for that agency to establish a footprint across the State with a particular focus on the year one locations that—

**The Hon. SOPHIE COTSIS:** I will try not to interrupt; so you are saying that there will be, for example, shopfronts in Penrith and in places like the Central Coast, North Sydney—

**Ms TAYLOR:** They will progressively establish shopfronts. The detail of that is being worked through with them as part of the operational planning that we are required to do. Our agreement requires that there be local area coordination or information linkage and capacity-building supports in place six months prior to transition commencing. That is a key lesson we learned from the Hunter and that we then designed the Nepean Blue Mountains rollout around, which is the need to have good community engagement, good information flow and support people available to help people with disability with their pre-planning. So that is a component of the agreement and we are working with the NDIA to ensure that that is established.

**The Hon. SOPHIE COTSIS:** Great.

**Ms JAN BARHAM:** When you say "support people to assist with planning"?

**Ms TAYLOR:** Pre-planning, so getting people ready, thinking about the kinds of things that they—

**Ms JAN BARHAM:** But who are the support people?

**Ms TAYLOR:** Local area coordinators, in the main.

**The Hon. SOPHIE COTSIS:** Will they be employed by the NDIA or Ageing, Disability and Home Care [ADHC]?

**Ms TAYLOR:** There will be no-one there employed additionally to support transition by ADHC. We will not be providing pre-planning or anything like. This is an NDIA role. In the Nepean Blue Mountains area, that is a role that they have contracted to the non-government sector and they have in that location UnitingCare established from that support arrangement, individuals working with groups of people to make them ready for a planning conversation, and those planning conversations started from 1 September this year. Those local area coordinators, whom we refer to as community connectors, were in place from around 1 July and that is a similar model to what we will be implementing for full scheme.

**The Hon. SOPHIE COTSIS:** You said you learned from the lessons from the Hunter and applied what you learned to the Nepean Blue Mountains. Have you started to get people onto packages in the Nepean Blue Mountains?

**Ms TAYLOR:** Yes, planning processes began on 1 September. The NDIA had a full planner cohort to do that work. We do not yet have formal actuary advice about the number of plans that have been confirmed or the number of access requests but we know that it is well over the 50 mark in terms of numbers of people. That is anecdotal at the moment until we have confirmed statistics from the actuary, which we expect to receive shortly.

**The Hon. SOPHIE COTSIS:** Will we get a report by the end of the year?

**Ms TAYLOR:** We publish monthly dashboards on our website about progress in implementing the Hunter trial. We have not obviously published similar information for Nepean Blue Mountains because we are waiting for the data for the end of September from the actuary. We should have that within the next couple of weeks, so we will be publishing that then.

**The Hon. SOPHIE COTSIS:** So 1 July is when those areas come online. Six months out you are making sure you are preparing and doing all the pre-planning, getting out into the community. To give you an example, I held about three roundtables in the inner west, the Blue Mountains and Campbelltown a couple of months ago, and you probably hear this as well. On the ground you have providers, parents and carers and one of the key issues is that they are going to a whole lot of meetings but they still feel there is not enough information on how they get started and they are concerned about supports. One of the issues being raised with me is, "Are we going to lose some of our support?" How are you dealing with those questions and those issues? Do you have people dealing with the providers as well as parents and carers?

**Ms TAYLOR:** In Nepean Blue Mountains, what we did with the National Disability Insurance Agency and with an information provider, as an example of the kinds of things we are planning for full scheme rollout, was a series of quite intensive community forums and information sessions in schools to target families and children with disability—provider forums—and we really saturated that area with engagement so that people had every opportunity to ask questions about how it would work and what they needed to do, as well as having those community connectors where they could have one-on-one conversations.

The NDIA has also established a shopfront where people could go and get information from 1 July. So we are planning at the moment. The bilateral agreement requires us to establish an operational plan between the department, as the primary New South Wales agency supporting implementation, the Department of Social Services and the National Disability Insurance Agency. That plan will set out how all these things will be established—or if not how, at least what we need to do to get those things in place to enable us to hit 1 July.

**The Hon. SOPHIE COTSIS:** For the Hunter trial you have a monthly dashboard. Will you do that with all the other areas? Will you be providing a monthly report?

**Ms TAYLOR:** Absolutely.

**The Hon. SOPHIE COTSIS:** Great.

**Ms TAYLOR:** We share information with the NDIA and we augment that information with our own datasets to provide a comprehensive view about what is going on in those sites. We have also published our own annual observation report on what has been going on in the Hunter, and we will do the same throughout the transition.

**The Hon. SOPHIE COTSIS:** There is another concern that I have. Currently, the number of existing New South Wales clients—tell me if I am wrong—is 78,808. Is that right? Is it around that figure?

**Ms TAYLOR:** There is capacity in the New South Wales funded specialist disability service system to support around 95,000 people. The 78,000-odd people that you have referred to is the number of people that we know are regular consumers of specialist disability support. The residual number—to get to 95,000—are people who we call episodic clients, who come and go through the service system. One of those people might require, for example, a home modification at a particular point in his or her life. They come into the service system but they may not access any supports for some years. There is quite a lot of movement in the service system, and the way in which we have structured the agreement reflects that.

**The Hon. SOPHIE COTSIS:** You and the other participants—again, correct me if I am wrong—are expecting about 63,000 people in addition to get to the 14,000 participants.

**Ms TAYLOR:** Yes; that is right.

**Mr LONGLEY:** That will happen over time, of course. That does not happen all at one time. As people who are not currently receiving services present to the NDIA the number will grow on an incremental basis.

**The Hon. SOPHIE COTSIS:** Am I right in saying that in terms of the Hunter trial there was an expected number of 10,000 participants?

**Mr LONGLEY:** In total.

**The Hon. SOPHIE COTSIS:** So far you have 5,000 online. Is that right?

**Ms TAYLOR:** Yes. There are just over 5,000 with plans but we have access requests from about 6,500 people in that site now. We have only just commenced in the Maitland area. So active phasing of clients who are in funded supports in the Maitland local government area have started to access the scheme.

**The Hon. SOPHIE COTSIS:** When you say there are 6,500 accessing, what do you mean?

**Ms TAYLOR:** I mean that 6,500 people have applied.

**The Hon. SOPHIE COTSIS:** So you have 5,000 with plans now, and you have 6,500 who have applied.

**Ms TAYLOR:** That is right.

**The Hon. SOPHIE COTSIS:** That is 1,500 over your expectation. Is that right?

**Mr LONGLEY:** No; that is in addition to the 5,000. So, 1,500 on top of 5,000 gets you to 6,500.

**Ms TAYLOR:** Then we are expecting another 3,500.

**Mr LONGLEY:** That is why I talked about the incremental growth. That will not happen all at once. That might happen over several years.

**The Hon. SOPHIE COTSIS:** This is a trial, obviously.

**Mr LONGLEY:** It has been very valuable for the learnings that we have got from it.

**Ms TAYLOR:** As have the learnings from the other trial sites around the country.

**The Hon. SOPHIE COTSIS:** Yes. I have a concern. Are you expecting to get all 140,000 people on the NDIS in the next two years?

**Mr LONGLEY:** You would not expect that to be the case, with the incremental growth. All people who are presently our clients will be transitioned into the NDIS. That will be done expeditiously, as is appropriate. Then people who are not presently our clients or who are not presently receiving services will present themselves to the NDIA as they feel the need and at a time appropriate for their circumstances. So 140,000 is the number expected for the full scheme. The timelines for that are difficult to estimate but that is the estimate of the full number for the full scheme, given on an actuarial basis.

**The Hon. SOPHIE COTSIS:** You can see my concern that it is a big job over the next two years.

**Mr LONGLEY:** Absolutely.

**The Hon. SOPHIE COTSIS:** It is a huge job in terms of getting the existing participants transferred or transitioned, and then getting new people. So my concern is about how this is going to work.

**Ms TAYLOR:** We have been doing a lot of work in anticipation of the rollout—we have not been waiting for the agreement—to make sure that people with disability have access, as they need, to capacity building supports and huge investment in the non-government sector to help them be ready and think about the transformation they are going to have to make to their businesses. That has been going on for some years. It was a prerequisite of what the New South Wales disability reform looked like in any case. So, the adjustments that now need to be made to those processes of supporting people and the sector are really about the mechanics of access to the NDIS. How that works and how that is communicated is really a job for the NDIA.

**Ms JAN BARHAM:** I just want to follow up on whether or not you have clarity around how that process will work in the regions in terms of the dispersal of people and their ability to access the multiple information sessions or opportunities to engage people—whether that will be at a shopfront and where it will be located—the costs, the logistics and that whole engagement process. Are you clear about that?

**Mr LONGLEY:** I will just make an initial comment. We need to remember that the bulk of people moving into the NDIS will be people who are presently receiving services from us. One of the lessons that we have derived from the Hunter trial site and other sites around Australia has been that pre-work has been very helpful. So we have been working, particularly with our more intensive-need clients, to make sure that work is done so that when they have their planning sessions with the NDIA they are prepared. You also have things like Ability Links, which is doing that broader community work and so on. The work with the bulk of people, certainly at the initial stages, is happening very strongly now. Then there is other work, which is about the new people coming into the scheme.

**Ms JAN BARHAM:** When you report with the dashboard will you be able to advise about the staged planning process and where things are up to? When there are information sessions for people who have mobility disabilities or might rely on other people for transport, will the transport be at their cost or will the process pay for that? There is a real concern in the regions about transport and the important role it plays in people's access to service, their engagement with process and their understanding of what happens. There are some real concerns about transport and where it fits in with a planned program. How will it be costed? Will it be additional, or will there be a reduction in the service because a provider is not getting paid for the travel cost involved with service delivery? I have been asking these questions for a couple of years and I have not had answers, so I am really keen to get to the bottom of this. I have some anxious people in my community who are worried about the transport factor.

**CHAIR:** Before we proceed I welcome the Hon. Shayne Mallard to the hearing. He is replacing the Hon. Catherine Cusack.

**Ms TAYLOR:** There are a couple of aspects to what you are asking so I will answer it in a couple of ways, if that is okay. One aspect is about how people with disability are able to access information and support to transition to the NDIS ahead of 1 July. That has to be an incredibly local process. All the work that is being done in the Hunter trial at the moment and in the Nepean Blue Mountains is about that. So if people are not

mobile and they need someone to come to them, that is what the Community Connect local area coordination person will do.

Community sessions will be established in a very local way—at a school, for example, on the back of a P and C meeting, in order to get to parents. Those kinds of arrangements are the things that the National Disability Insurance Agency gives a lot of thought to. Our job in the department is to inform them about what is in place in those local communities that people already use so that they can mirror that and work with those communities in a sympathetic fashion.

The second issue that you were coming to is how transport support, once a person accesses the scheme, will be built into their plan. It is an individualised answer. If an individual has a very significant mobility issue and is socially isolated and does not have networks that can assist them with transport to social activities, medical appointments or whatever, the National Disability Insurance Agency planners will look at that person's circumstance and build provisions into plans for transport costs.

**Ms JAN BARHAM:** This is the point. You are fully aware that I have been asking about the Taxi Transport Subsidy Scheme. We have not seen an increase in the value of that in 16 years. There is now concern that the lack of response to the need for an increase—Victoria doubled its subsidy—will result in transport now being part of participants' plans. The concern is that that transport factors will be a cost that is put into their plans and may reduce their access to other services.

**Ms TAYLOR:** I am happy to take this issue on notice and to give you some information about how transport is managed in the context of the individual planning process.

**The Hon. SOPHIE COTSIS:** Thank you for that. Given that a provider may not be able to provide services in some remote areas of regional and far western New South Wales, will the Government look at staying in or providing block funding? That has also been raised with many of us.

**Mr LONGLEY:** It is a genuine and significant issue. We need to recognise, first and foremost, that all of the State's funding is going into the NDIS. So there is no residual funding for us to do block funding or other things like that. Secondly, the question of regional, rural and remote areas is important. Where people are presently receiving services—whether they are receiving them from us or from NGOs—you would expect those services to continue. So we should not need to have an additional parallel system running there.

At the end of the day, one of the great hallmarks of the NDIS is that it is person centred—it is about an individual having a package that meets their needs. If that person is presently receiving services in their location in a particular way the expectation is that the NDIA package would appropriately fund and support what is happening. Indeed, on average you would expect that support to be enhanced. Whilst it clearly is an issue and needs to be monitored, at this stage we expect that the arrangements in regional areas will be no worse. Arguably they will be better because the arrangements will be much more person centred.

**The Hon. SOPHIE COTSIS:** The bilateral agreement states that the New South Wales-Commonwealth Government has to have a housing framework by December. Is there an opportunity for members of the public to have their say with respect to this framework or will you put it out to consultation? As you know, housing is a major issue.

**Mr LONGLEY:** Yes, it is a major issue. Ms Taylor may have some additional comments. If I can make a really important point about the housing question, because there has been some confusion in a lot of public commentary around the accommodation question, and that is it is very important to distinguish the need for specialist housing where an individual with intense or complex needs requires the housing and support services bundled together, if you like, in one way.

That is a very specialist and in fact relatively quite small proportion of the broader housing question of people with a disability who are able to live in relatively less modified housing—or even not modified at all. It is important to distinguish those two groups of housing. Specific discussions and work that has been going on at a number of forums including what you mentioned really need to distinguish those two, and that is important because this is a much smaller proportion and this is within the remit of the NDIS and needs to be looked at in those terms as distinct from the broader question of social housing and so on.



**The Hon. SOPHIE COTSIS:** There are about 300 specialist supported accommodation with staff run by the Government. I have asked questions, but how is it going to work? Are you going to have separate providers for the actual infrastructure and they will pay for the maintenance and other on-costs and then people will choose their own provider?

**Mr LONGLEY:** All of those issues and indeed a whole range of other issues are ones that are being worked through at the moment. A consultation process is happening and a further consultation process has been planned to work through precisely those questions. You have questions around the asset of the house or the accommodation and then you have the service provision that is around there, but they need to be done in a way which is integrated because we are talking at this point about the specialist accommodation and support services—there is supported accommodation. That work is underway at the moment. Consultations are happening and that is indeed precisely to resolve and come to a clear understanding of those issues.

**The Hon. SOPHIE COTSIS:** Will you be putting out an expressions of interest process in terms of the properties?

**Mr LONGLEY:** Again the process is one that is being worked through—what is the best way of doing that? It is imperative, and I have given commitments and the Government has given commitments, that all of our clients will be fully and properly transitioned, and that means we need to deal with those questions well also.

**The Hon. SOPHIE COTSIS:** Yes.

**The Hon. PAUL GREEN:** I have a couple of questions about that. You might be aware of an *ABC News* article with the headline:

In-home care recipients complain packages 'being fleeced' by not-for-profit providers charging high fees

Obviously the bells should be ringing about these sorts of things where the client is seeing a high amount of fees going in administration costs or other fees before they even get any actual care. What are you doing to address things such as that?

**Mr LONGLEY:** There are several elements to that question. One of the great strengths again with the NDIS is that individuals will own their own package and they will then be able to have individual direct—

**The Hon. PAUL GREEN:** Will that be termed as "consumer directed care packages", the same as the home care issue? Because it sounds really good, actually, in terms of what it is meant to be incorporating.

**Mr LONGLEY:** Yes, that is exactly the right concept, modified only slightly in that obviously some people with disability may have more significant intellectual disability and require some assistance and then you will have some other safeguard issues being brought to play. But at the end of the day that is the great strength of the NDIS—that individuals will own their own package so they will be able to have the discussions and indeed genuine negotiations with their provider, and if the provider is not up to scratch then they can go elsewhere.

**The Hon. PAUL GREEN:** But they are very vulnerable.

**Mr LONGLEY:** Absolutely.

**The Hon. PAUL GREEN:** So who is going to be in there batting for those people? There has to be someone. The two people in this article, John Clarke-Jones and Margaret Wilson, say that almost a third of their package has gone in fees and they feel like they are missing out on actual care that that money is meant to be going towards. Who is going to bat for those people?

**Mr LONGLEY:** Again in the NDIS where people have, as I said, particularly intellectual disability or whatever, the package does in fact have the scope to have an individual advocate assisting them in that process and more broadly you will have other safeguard mechanisms.

**Ms TAYLOR:** It is an insurance model and, as a consequence of that, the insurance agency is responsible for making sure that the individual's circumstances do not deteriorate. That is completely part of the notion of a social insurance system. So mechanisms in the context of that issue and in the context of an NDIS

will be significantly addressed by the outcomes that are built into an individual's plan and the requirements that the agency together with that individual put to any provider that that individual might seek to get support from on the proportion of support that is provided. Providers simply will not be able to top end their quotes or their support packages with administration overheads in that context.

**The Hon. PAUL GREEN:** Will there be things such as item numbers as there are at the doctors? For example, you get this, you get that, there is a little margin on that for the doctor to be able to charge what they feel accordingly. Will there be item numbers for jobs—a shower, for instance?

**Ms TAYLOR:** The NDIA has a suite of supports. There is a published list of supports with particular prices that their actuary has established based on comparable systems across the country and comparable funding programs to determine what kind of range or benchmark price might apply to any particular support. They build the plans based on either individual lines of those published supports or by aggregating them around a particular series of outcomes.

**Mr LONGLEY:** If I might just note, there is a distinction, though. The consumer directed care [CDC] is within the aged care system and the NDIS approach will actually be even more individualised and a lot more flexible. So even though a package might be built up by reference to a number of elements, in fact once the package is there that individual will be much more in control of that whole package and will be able to have flexibility within that package. They will be able to move their providers and so on whereas the CDC is much more linked to providers.

**The Hon. PAUL GREEN:** But will it be easier for the consumer, given their vulnerabilities, to get an end of the month statement that says, "You have been charged this, this and this for these services?" Those fees should be broken up and be transparent.

**Mr LONGLEY:** If they wanted it.

**The Hon. PAUL GREEN:** That is what will motivate the person to go over to company B—

**Mr LONGLEY:** Absolutely.

**The Hon. PAUL GREEN:** —that says, "Our fees are transparent and open—this is what they are. There are no further costs and no hidden costs." I hope you have taken note of that article. All of us fear that the most vulnerable will get ripped off because they are not empowered to hold these organisations accountable. I want assurances and I am sure that all persons around this table want assurances that our most vulnerable are not going to be ripped off, that this is not a free for all to take the cream of the crop and leave them with very poor active daily care.

**Mr LONGLEY:** Ultimately that will be the responsibility of the National Disability Insurance Agency, but certainly the way the scheme has been designed at this stage actually is much more empowering. Some of the questions you raise there do go to the safeguards question which is also being worked through nationally.

**The Hon. PAUL GREEN:** We are interested in New South Wales. How will that compliance happen in New South Wales?

**Ms TAYLOR:** It is a national scheme, so how the scheme is set up in New South Wales will be as it is across the country. In terms of your particular issue about how people will have transparency over how their package is utilised, people can make a decision through the planning process about whether they wish to self-manage their package or whether they wish the National Disability Insurance Agency to manage and monitor their package on their behalf. In making a call about whether someone is going to self-manage, the planner would make an assessment about the capability of that individual to do that and the level of risk that that person understands is inherent in taking that decision, the support networks around them and so forth.

The other thing about the NDIS, and a key factor of the insurance frame, is that plans are not "set and forget". In a number of the other service systems such as aged care, that is exactly what happens and there are no touchpoints with people. A planner in the course of a planning conversation and in talking to an individual about their particular capabilities and identifying any vulnerabilities can agree with the person a plan review

cycle. That can be as short as six months, where there is a review about whether or not the plan is delivering outcomes. It could be 12 months.

**The Hon. PAUL GREEN:** But surely a plan review cycle should be instigated on a monthly basis and then grow out as you can see the person is able to handle and manage their own care?

**Ms TAYLOR:** The National Disability Insurance Act requires review provisions, so that is a formal mechanism.

**The Hon. PAUL GREEN:** But at what intervals? It is no good plugging the dam once it has a few holes in it, because the wall is going to give way.

**Ms TAYLOR:** That is right.

**The Hon. PAUL GREEN:** It is better to plug it while there is one hole.

**Ms TAYLOR:** There are review cycles that are formalised within the legislation operating guidelines for the scheme, but there is also the capacity of a planner if something changes in a person's life to respond within a matter of hours to adjust a plan, and we see that on a regular basis. You have formal review cycles, but people do not have to wait for those. So if something changes in their life—for example, their primary carer passes away—there can be an immediate response to that and that can be done in a very simple way to make sure that person has additional supports around them to address that particular issue.

**The Hon. PAUL GREEN:** I am interested in the package and everything that we are talking about—I am running another inquiry on TAFE and educational issues. How does one engage that in a package for the NDIS person who is choosing to further educate themselves? How do you facilitate something like this given the issue of private and public opportunities?

**Mr LONGLEY:** Again that is one of the really positive aspects of the NDIS—that it is not so much the medicalised model of deficits and needs; it is actually about life goals. So if someone wants to be educated, wants to have certain qualifications or wants to have a certain line of employment and so on then that can actually be built into the package. They can then as part of that process look at the full range of options available in the community. It might include TAFE or other sorts of education or training. New South Wales has had a very good transition to work program and that will be segueing in different ways. So in fact it should be able to be as flexible as needed so those life goals including those around education and training will be incorporated.

**The Hon. PAUL GREEN:** So an individual can literally get their package and say, "I want to choose a private provider to get what I want to achieve," or they can go through the TAFE system?

**Ms TAYLOR:** A key design element of the scheme is to be quite clear about what the NDIS will pay for, what would be core to a person's plan and what is the responsibility of other service systems that people with disability might engage with. Education is one of those. So what the NDIS will do—and Jim has described the person having the aspiration for vocational training or whatever that pathway for that individual might be—is pay for any supports that individual needs to engage in that kind of training or development. It will not actually pay for the course itself.

**The Hon. PAUL GREEN:** But it may pay for a deaf person to have some signers or something like that—is that right?

**Ms TAYLOR:** It may pay for whatever that person might need in order to engage, if the scheme agrees that that will have a positive outcome for that person in the insurance context—yes.

**The Hon. PAUL GREEN:** Thank you.

**Ms TAYLOR:** There are COAG agreed applied principles that describe the responsibilities of each portfolio in the context of the NDIS and what the NDIS will do.

**The Hon. PAUL GREEN:** So it is a mix and match sort of effort?

**Ms TAYLOR:** We are trying to be quite clear about—

**The Hon. PAUL GREEN:** So the State will cover what it would normally cover in education—

**Mr LONGLEY:** That is right.

**The Hon. PAUL GREEN:** —but if the individual needed extra services that would come into their package?

**Mr LONGLEY:** Yes.

**Ms JAN BARHAM:** In light of market failure, what is the role of the New South Wales Government to respond if there is a failure particularly in the regions and there is no other option? You say that people have options if they are not happy with the service, they can swap and change and have individual control. What if it does not work? I am particularly concerned about the transport aspect because that is a huge cost. How will it be factored in? It could diminish the value of someone's plan. I am concerned about the provider's feasibility and viability working in regions.

**Mr LONGLEY:** Sam might have some further comments. If I can just look at that question—these things should not diminish a person's package because a person's package is actually built up around what their life goals and aspirations are and what are the things, therefore, needed to facilitate that. To the extent that there is a State obligation on providing services, then of course that is part of the State's standard obligations, regardless of whether the person has a disability or does not have a disability. If the State has that obligation then it remains and that would be potentially a question for Transport. However, if it is not that, if it is something specific around a person about their particular needs and their particular life aspirations then it would not be about diminishing their package; it would actually be something that would be incorporated within that package.

**Ms JAN BARHAM:** Does that mean you accept that in relation to the delivery of service in the regions, like service from city to a regional area, that the fee for service might be that much higher in a region, and would that be factored into a planned development? Otherwise a provider might not be able to function and be viable without a higher fee being charged. If it takes an hour to get to someone, shower them or pick them up to go shopping or something, is that a fee for service or is it an additional cost or fee that is factored into a plan?

**Ms TAYLOR:** It will not be a fee for service. The NDIA will not fund per se that supply in local places. It may down the track explore elements of building up markets where there might be—

**Ms JAN BARHAM:** In a plan for someone to be able to get a service someone has to get to them. It might take time.

**Ms TAYLOR:** As I said before, the planner will look at that person's circumstance. That might include what their remote circumstances are, the supports they need and where they might need to get them from and factor in the pricing around them.

**Ms JAN BARHAM:** How do they then go from analysing someone's needs to determining the dollar value of their plan without an understanding or an acceptance that a service may come at a higher price if travel is involved and whoever is going to provide it needs to charge more for it?

**Ms TAYLOR:** The NDIA does seek quotations from providers in circumstances where there may be a degree of complexity around an individual and they are unsure about the price to apply. So they do, on behalf of that individual, test the market with the providers that that individual is interested in exploring to see what that might cost. And they then adjust the plans around those.

**Ms JAN BARHAM:** That point is not being made clear to people. There are significant concerns around how you can have a provider that may not be currently operating. Who knows what it will cost for them to deliver a service and how to factor that into a plan to ensure that that plan meets someone's needs. My point is what happens if it does not work?

**Ms TAYLOR:** There are published prices as well. The NDIA against its service list, what it will meet, does publish the benchmark for what it would expect to pay for particular services. Again, we have offered to

give some information on this on notice. We will explore some of your questions with the NDIA and incorporate them into our response because really these are matters for the NDIA.

**Mr LONGLEY:** It is worthwhile noting that if people are already receiving services and already having a bundle of things that they are doing and so on, in their planning session you would not expect that to be going backwards. If anything, it will be going forward.

**Ms JAN BARHAM:** A lot of people are not getting the supports they need.

**Mr LONGLEY:** The question is: How much better is it going to get?

**Ms JAN BARHAM:** No disrespect intended but ADHCC has not always delivered what people need in every region and rural area and a lot of people are disempowered in that process. Now they think they will finally get their needs met, or as they age their needs have deteriorated. That brings me to the next point about workforce capacity planning. You said that you have invested a lot in the non-government organisations. Will you provide an overview or more clarity around how that progresses over time? Unless my view is distorted by being in a region, I believe a lot of older people work in that sector. What are the incentives and support plans to bring in younger people to work in what is, by and large, a pretty poorly paid, stressful, emotional job?

**Mr LONGLEY:** The State Government has invested a very substantial amount of money in the Industry Development Fund, and a large part of that has been around workforce capacity, training, increasing the Care Careers program, for instance. That program has a very high profile and has been an avenue to date for a lot of people to become employed in this sector.

**Ms JAN BARHAM:** Do you have an indication of the number of people who are actually going into that training field?

**Mr LONGLEY:** I will take that on notice. New South Wales has been a leader in that space.

**Ms JAN BARHAM:** In relation to home care costs—I did not attend the original estimates hearing—is there any indication about an increase in fees under Australian Unity? Is it misinformation or fearmongering because there seems to be some concern about increasing fees?

**Mr LONGLEY:** Australian Unity, as the new operator for the Home Care Service, where it is delivering services for us it will have to be registered for that process and will then be subject to the contracts that we have with them, as we do obviously with the Home Care Service. The services they provide within the aged care remit likewise will be under an arrangement with the Federal Government where they have the standard fees and processes there. All of that is already locked in place and you would expect those to continue because they are effectively governments—whether State or Federal—actually receiving those services at a pre-defined cost.

**Ms JAN BARHAM:** There seems to be uncertainty about the continuation of State Government support for advocacy. You have mentioned a couple times about advocacy being there for people that need it. Who will provide it? I do not think it is built into the NDIA, is it, or the National Disability Insurance Scheme?

**Mr LONGLEY:** A very important issue. Advocacy really has two quite distinct parts to it, if you like. The first is the individual advocacy. As I mentioned earlier, under the individual package of a person, particularly people with perhaps a more profound intellectual disability or whatever, they are, in fact, able to have a component of their package which is precisely there for that role and function.

**Ms TAYLOR:** It is not referred to as "advocacy" in that context however.

**Ms JAN BARHAM:** What is it referred to as? Support services.

**Ms TAYLOR:** Yes.

**Ms JAN BARHAM:** "Advocacy" has become such a strong—

**Ms TAYLOR:** Brand.

**Ms JAN BARHAM:** Yes. People know what it is and they know that is what they need. If they are not happy with their provider the idea that they have the skills, the confidence and the capacity to change—

**Mr LONGLEY:** These are very vulnerable people.

**Ms JAN BARHAM:** Yes. Will you take that question on notice to provide clarity?

**Mr LONGLEY:** Yes. Sam might want to make some further comments as well. Then there is the other, if you like, systemic advocacy. Again we need to recognise that all of our funding, including that funding, has gone to the NDIA. We will not have the funding to continue that function but the systemic advocacy role is one that is owned at the Federal Government level, and it has acknowledged that function. Sam might have some more comments. It is not done within the NDIA but other parts of Federal Government do in fact own it.

**Ms TAYLOR:** Yes, there is the National Advocacy Program.

**Mr LONGLEY:** The National Advocacy Program.

**Ms JAN BARHAM:** Will we lose the advocacy organisations that we currently have in New South Wales or will they continue to be funded under the Commonwealth model?

**Ms TAYLOR:** Under our funding arrangements, advocacy organisations are block funded. They do not have to, at the moment, report to us on their outputs. We do not have a lot of data about what they do but we do have lots of conversations with those organisations.

**Ms JAN BARHAM:** But they produce annual reports?

**Ms TAYLOR:** Yes, they do. We understand what they do in the context of the current funding arrangement is very heavily weighted towards group and individual advocacy. There is a lot of work that those organisations do which is fantastic, about working with groups of people.

**Ms JAN BARHAM:** I am running out of time.

**Ms TAYLOR:** And that is within the NDIS. Every one of those organisations will be able to see themselves and should be able to see themselves in the context of the NDIS either to continue to provide group support and individual support. There is also a component of the NDIS where there will be a small—

**Ms TAYLOR:** They will be able to be funded through individual's plans, so their clients will be able to buy their services.

**Ms JAN BARHAM:** The viability of those organisations is not assured?

**Ms TAYLOR:** There are not many of them. There will be a lot of people in the NDIS who need their services.

**Ms JAN BARHAM:** I know a lot of them cause grief to government.

**Ms TAYLOR:** There will be quite a large demand for the services that those organisations provide.

**Ms JAN BARHAM:** This is an area where those advocacy organisations have been really strong and, in some cases, ignored by what has been revealed in the Senate inquiry about disability abuse in institutions. What is the New South Wales Government doing about that? We have heard tragic stories in the Senate inquiry, which New South Wales heard about in 2010. What is happening from a State perspective to address those tragic circumstances?

**Mr LONGLEY:** Again it is useful to think of this in two elements. New South Wales has a safeguards mechanism, and a number of elements within that new disability inclusion Act in fact raises that bar again. That is nation-leading safeguards built in there, which is very significant. That is what we are doing currently. We are also part of the discussions and negotiations, as indeed is the NSW Ombudsman and a number of other ombudsmen around the country, around what will be the national safeguard mechanism once you have a national scheme in place.

**Ms JAN BARHAM:** Other than the Ombudsman there is a Commonwealth complaints system but there will not be a State-based one?

**Mr LONGLEY:** The structure is being worked through at this stage. At the end of the day, the Federal Government is the owner of the whole system so it would have to be a national coherent scheme. How that is finally effected is something that is still being worked through and all of those people around the different States, including the NSW Ombudsman and others, are contributing very actively to that discussion as to what is going to be the best system.

**Ms JAN BARHAM:** Will we have a continuation of the Ombudsman's role in New South Wales beyond the transition?

**Mr LONGLEY:** I do not think that has been definitively decided one way or the other at this stage. Hopefully, whatever the decision will be the best, but it will have to be nationally coherent.

**Ms TAYLOR:** As Jim said, the commissioners across the country, including the NSW Ombudsman, are very actively involved in thinking about, and making recommendations about the national design. In the meantime, what we have extended are the powers of the NSW Ombudsman in the Hunter trial site and also in the Nepean Blue Mountains so that he can take complaints from people with disability who are no longer under the State's jurisdiction but are participants in the national scheme. So that safeguard is in place now as an interim arrangement.

**Ms JAN BARHAM:** Again, my concern, particularly about rural and regional, where very often people do have complaints, is that it is within a community network, and there is a need for someone to be supported in that process. If it is at a Commonwealth level, there is not that ability to connect and have that personalised service while going through what might be a very traumatic situation. Is that able to be built into inclusion plans? Will there still be a role for the State to support people who are vulnerable?

**Ms TAYLOR:** As we mentioned before, when a person's circumstances change where they are participating in the NDIS, the NDIS is able to respond by making sure that person has things around them. If someone has a particular complaint, they can use the support elements in their plan and the providers of those support elements to resolve or redress some of those issues in their lives. The Ombudsman does not play an individual resolution role; they encourage providers to support those individuals who are subject to those particular terrible circumstances.

**Ms JAN BARHAM:** It is probably because in the regions, particularly, they have been losing Government support for a lot of those community-based legal services and organisations that would normally be there to support vulnerable people. Then in the previous term of Parliament we saw the loss of some of those other community-based NGOs and support mechanisms for vulnerable people. I am thinking particularly in relation to the specific needs of Aboriginal people and if the model is that they have to get on the phone or go on to a computer to reveal something that might be very personal, if you do not have culturally trained people to deal with someone who might be in those circumstances—

**Mr LONGLEY:** It is probably worthwhile noting that with regard to Aboriginal populations we have been making a number of significant initiatives. I talked about the Ability Links. There is an Aboriginal Ability Links. That is a great new initiative of the Government. With regard to the home care service and the future of the home care service, New South Wales had a number of Yarn Ups with Aboriginal communities around the State to make sure that that feedback was there. We have been as focused as we can be on some of those areas of particular sensitivity.

**Ms JAN BARHAM:** I actually congratulate the State on some of its great initiatives.

**The Hon. SHAYNE MALLARD:** Get that on *Hansard*.

**Ms JAN BARHAM:** My concern is losing what is a very good process that has been developed and a genuine consultation and respect for people. If that is lost because we go to a Federal system, that will be disappointing, and it will erode some of the confidence people have in the service provision if the good work that has been done by the State. That is my concern. It is that disconnect of transitioning.

**Mr LONGLEY:** These things require vigilance on the part of us all. We are fortunate in that New South Wales came from a good base. We are still setting the benchmark nationally. The NDIS injects not only more funding but also more focused and empowered funding for people with disability. The indications are good but, yes, we have to remain vigilant and focused on these areas, particularly given the vulnerability of the people we are talking about.

**Ms JAN BARHAM:** Are you able to negotiate to ensure that the leading work that has been done in New South Wales is not lost? That is my fear, you know the roller-coaster when good work is done, then something changes and that is lost. For vulnerable people, that is hugely traumatic. I hope you are leading the way in saying New South Wales is number one in this.

**Mr LONGLEY:** I can put on the record that New South Wales really has been leading this and Sam Taylor has been one of the great leaders in New South Wales in making sure that the good work we are doing in New South Wales is carried as far as possible nationally.

**The Hon. SHAYNE MALLARD:** Hear, hear! Well done.

**The Hon. BRONNIE TAYLOR:** Well done, Sam.

**Ms JAN BARHAM:** I acknowledge and appreciate that and hope that you are getting in there and saying we have a benchmark, a high mark that must be met, otherwise it will be a backward situation.

**Ms TAYLOR:** There are a number of aspects to our bilateral heads of agreement which cement some of those reforms that we have been able to implement, and the operational plan will also indicate how we want to have some of those elements of the New South Wales practice transitioned in a way that builds on them rather than dismantling them.

**Ms JAN BARHAM:** Will you consider—

**CHAIR:** The Hon. Sophie Cotsis has one question before we finish.

**Ms JAN BARHAM:** Just following up, will you consider doing more dash-type work on issues like FACS has done?

**The Hon. SOPHIE COTSIS:** I have one question and one point to make. We all acknowledge the phenomenal professional work that staff at Ageing, Disability and Home Care [ADHC] do, and in the community sector and non-government sector. As you know, there are a lot of concerns in terms of what is happening with ADHC staff. Can you give us an update or briefing about what is happening? I have put questions on notice but, unfortunately, the Minister has not responded in the way that I wanted in respect of what is the progress, what is happening?

**Mr LONGLEY:** The process is that we continue to work through them. The great thing is that our staff have great expertise. We are continuing to ensure they are well trained. We have a program called Working Together where our staff are able to assist in their own planning and access further support services. We have the agreement with the National Disability Insurance Agency in respect of our staff being able to go to them. Sam can talk more about that. The early stages are looking very good. We have that. Then we have been working across the New South Wales Government in respect of the skill sets of people who are in more administrative or policy-type roles to go into either other parts of the department—

**The Hon. SOPHIE COTSIS:** So they can go—

**Mr LONGLEY:** Absolutely. One of the advantages of the Government Sector Employment Act is in fact that it facilitates across Government movement. Do you want to say something briefly about the NDIA?

**Ms TAYLOR:** In our bilateral heads of agreement there is an agreement for first offer of employment into jobs that the NDIA establishes and our staff filling them. In respect of thinking about how you embed some of the New South Wales practices into the agency, that is a key mechanism. It also creates a really good pathway for some of our staff who have the skill match to the jobs that the National Disability Insurance Agency will establish across the State. We have had arrangements in Hunter and in Nepean Blue Mountains. In Hunter, we have 17 staff who have taken up permanent employment with the agency there. In Nepean Blue Mountains,



about 50 per cent of their staff are from Family and Community Services. Those arrangements have worked pretty well and are forming a final negotiation on what the mechanism for that pathway for staff will be across the State.

**The Hon. SOPHIE COTSIS:** You are talking to the Public Service Association [PSA]?

**Ms TAYLOR:** We have consulted with the PSA on that arrangement, yes. I have briefed them on it several times.

**The Hon. GREG DONNELLY:** That draws us to a conclusion for this hearing. Thank you very much for coming along. We appreciate you are very busy. On behalf of the Committee and the Parliament, we congratulate you on the work that you are doing. We wish you all the very best in the immediate future and the long term in respect of the full implementation of this program because we know it is going to be of enormous benefit to some of the most vulnerable citizens of New South Wales. Thank you for your great work. There were some questions on notice and there might be additional supplementary questions provided by Committee members. The proposal will be that they will be provided to you and we ask that you provide answers to supplementary questions by Wednesday 4 November. Thank you very much.

**(The witnesses withdrew)**

**The Committee proceeded to deliberate.**

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