INQUIRY INTO SERVICES PROVIDED OR FUNDED BY THE DEPARTMENT OF AGEING, DISABILITY AND HOME CARE

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NEW SOUTH WALES

NDS NSW Submission to the Legislative Council Standing Committee on Social Issues Inquiry into services provided or funded by Ageing, Disability and Home Care

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INTRODUCTION

The NSW Government's commitment to deliver better services for people with disabilities and their families – most notably through *Stronger Together: A new direction for disability services in NSW 2006-2016 (Stronger Together)* – has reshaped the disability service system into one that is increasingly innovative, responsive, robust, efficient, integrated and sustainable.

The NSW Government has openly acknowledged the importance of partnership with the non-government sector, underpinned by a clear recognition of each parties' critical role in providing quality services and life outcomes for people with disability in NSW.

Anecdotal and quantitative evidence reveals a genuine shift from outputs to outcomes, and an improvement in the lives of people with disability through increased access to a robust and diverse service system founded on strong principles of choice and voice.

For people with disability and their families to avail themselves of every opportunity to reach their potential, a flexible, innovative and sustainable service system must be accessible to all. Getting the service response right requires realistic investment that adequately reflects the actual costs of service delivery, combined with capacity building opportunities and a genuine integrated partnership between Government and the NGO sector.

The positions put forward in this submission reflect on the foundations and successes of *Stronger Together* and other key initiatives to date, whilst acknowledging that more needs to be done in line with further growth of the NSW disability services sector, driven by unmet need and increasing demand.

At the core lies a commitment to enhancing the economic and social participation of people with disability and their carers, in line with their inherent human rights encapsulated most recently in the *UN Convention on the Rights of Persons with Disabilities*. Involving service providers as full partners in care is central to achieving this.

The transformation of the rhetoric of rights into the reality of participation and inclusion is the intended outcome of the following policy and funding proposals. The NSW Government is a key catalyst, in close partnership with non-government organisations, people with disability and their families.

The issue of disability is not (and should not be) a political one – it is about people's lives and about how they live their lives as valued members of an inclusive and just NSW community.

NDS strongly believes that continued commitment to the second five year phase of *Stronger Together* is the central means by which the NSW Government will achieve a more streamlined, more efficient, more appropriate and more innovative service system. An injection of additional funds by NSW

Treasury is undoubtedly needed to meet unmet need and growing demand for disability services into the future. In addition, the power of continued commitment to a genuine partnership approach between Government and the NGO sector cannot be underestimated and is critical to achieving quality outcomes for people with disability, their families and carers in NSW.

NDS RESPONSE TO INQUIRY TERMS OF REFERENCE

NDS welcomes the opportunity to provide comment on the Terms of Reference as laid out by the Legislative Council Standing Committee on Social Issues. The inquiry into services provided or funded by Ageing, Disability and Home Care (ADHC) is timely, with deliberations about the future of *Stronger Together* currently taking place as well as the equal remuneration case currently before Fair Work Australia, lead by the Australian Services Union seeking to significantly lift wages across the sector. In addition, there has been increasing recognition in recent years of the strengths and abilities of people with disability in line with growing acknowledgement of the critical role played by formal and informal services and supports in assisting people with disability to achieve their goals and live their lives commensurate with those of all other citizens.

Significant investment has been directed towards building the capacity and capability of the disability services system in NSW – both in terms of increasing its capacity to deliver specialist services, as well as strengthening linkages with mainstream and universal services to build the capacity of the system as a whole to respond to the needs of people with disability, their families and carers. Central to achieving this is the partnership approach between the government and non-government sectors – a climate of close collaboration that has not yet been achieved in most other portfolios.

In relation to the Terms of Reference, NDS' responses are divided into three key areas:
- What has worked well to date;
- What could be done better within existing resources;
- What areas require further improvement and investment.

NDS wishes to acknowledge ADHC and its executive team for explicitly recognising the unique and valuable role played by non-government organisations in building social capital, leveraging community connections and supporting people with disability to get a life, get a better life and live life on their own terms.

The constraints faced by ADHC are similar that of any agency seeking to provide or fund services and supports within a context where demand outweighs supply. As with all large government departments, much effort, energy and ingenuity is required to manage demand without the inflow of adequate resources to do so. A National Disability Insurance Scheme is the next logical step in ensuring a long term, workable disability services system free from the constraints of electoral cycles and the current struggle for funding. The Australian Government has engaged the Productivity Commission to undertake a public inquiry into a national disability long term care and support scheme (otherwise referred to as a National Disability Insurance Scheme or NDIS), examining its design, costs, benefits and implementation. See Appendix D for further information on a National Disability Insurance Scheme – an imperative initiative strongly supported by NDS.

Significant milestones have been achieved in the disability space in NSW and there remains more to be done. The story of people with disability, their families and carers in NSW should not be one of formal services and supports alone. Instead, we are moving toward a more sophisticated system where people with disability are firmly at the centre, choice is paramount and reliance on formal specialist disability services is reduced. The community has a key role to play in this new world, as do other portfolios such as Education, Health, Housing, Community Services and others. Disability can affect anyone and therefore requires a response by everyone.

The following section details NDS' response to the Terms of Reference for the Legislative Council Standing Committee on Social Issues Inquiry into services provided or funded by Ageing, Disability and Home Care (ADHC). NDS is the peak body for disability services in NSW and across Australia. As such, our responses relate to disability services only, therefore excluding home and community care services and ageing services provided or funded by ADHC.

What has worked well to date

Over the past five years under *Stronger Together,* the NSW Government has invested significantly in disability services in NSW to the tune of an additional $1.3 billion. This has lead to an unprecedented growth in disability services in terms of their capacity and capability to respond to the need of more people with disability, their families and carers.

The success of *Stronger Together* to date is worth highlighting and celebrating, whilst bearing in mind that this only serves as a halfway reflection on what has been achieved in the first five years of a ten year plan. The introduction of *Stronger Together* in 2006 signalled the NSW Government's firm commitment to the provision of high quality, innovative and expanding services and supports for people with disability, their families and carers in NSW. Such a commitment and the establishment of a clear vision for the sector, backed by an investment of $1.3 billion over the first five years, is the most significant of any state or territory government.

Of critical importance has been the explicit recognition over the past five years that the NGO sector is best placed to achieve quality outcomes for people with disability, their families and carers through their ability to respond to local need and mobilise community support. As a result, the growth of the NGO sector has been supported through *Stronger Together*, which has lead to a real increase in the size of the NGO sector (that is, in terms of its capacity and capability) of around 50%.

Other selected highlights from recent years that NDS' cites as worthy of celebration, include:

- The NSW Government's commitment to fully fund the first five years of *Stronger Together* as dictated in 2006 to a total of $1.3 billion in additional funding despite an adverse economic climate;

- Growth in the capacity of the non-government disability services sector in NSW by 50% since 2006 – an explicit recognition of the place and value of NGOs in achieving quality outcomes and positively impacting the lives of people with disability, their families and carers;

- Current annual operating budget for disability services in NSW of $2.46 billion in 2010-11;

- The establishment of genuine partnership between government and the non-government sector;

- The creation of a $17 million Industry Development Fund announced at the 2009-10 Budget briefing to be jointly administered by NDS and ADHC with the purpose of building the capacity of the sector;

- The introduction and expansion of new and innovative programs in response to need and demand, such as:

- o Intensive Family Support,
  - o EarlyStart Diagnosis Support,
  - o Community Participation,
  - o Transition To Work,
  - o Life Choices Day Programs,
  - o Active Ageing Programs,
  - o Flexible Respite Packages,
  - o Drop In and In Home Support,
  - o Innovative Accommodation Framework,
  - o Support Networks Program,
  - o Case Management for Young People with Challenging Behaviour,
  - o Leaving Care Program and Mentoring Service,
  - o my plan, my choice.

- The introduction of new streamlined methods for procuring services form non-government organisations, such as the Pre-Qualified Panel initiative for accommodation support services and day programs;

- Growth in the number of new places across key service types from 2006/07 to the end of 20010/11 (first five years of *Stronger Together*):
  - o 1,370 additional supported accommodation places (exceeding target of 990 set at start of *Stronger Together*),
  - o 612 additional Attendant Care places (exceeding target of 320 set at start of *Stronger Together*),
  - o 2,800 additional therapy places (on target with 2,800 anticipated at start of *Stronger Together*),
  - o 490 additional intensive support packages,
  - o 2,243 additional flexible respite packages (exceeding target of 1,260 set at start of *Stronger Together*),
  - o 780 additional day program places (on target with 780 anticipated at start of *Stronger Together*),
  - o 6,240 young adults with disability in post school programs by June 2011 (on target with 6,240 anticipated at start of *Stronger Together*).

NDS congratulates the NSW Government on its significant investment and achievements to date under *Stronger Together*. Unmet and undermet need continue to pervade the system coupled with the stark reality that an ageing population will lead to increasing demand for specialist disability services in the near future. A continued commitment by the NSW Government to the second five years of *Stronger Together* backed by funding commensurate with growing demand as well as appropriate indexation is critical in ensuring the achievement of quality outcomes for people with disability, their families and carers as well as the sustained development of an innovative, efficient, robust, responsive and integrated disability services system in NSW.

What could be done better within existing resources
The constraints faced by ADHC are similar that of any agency seeking to provide or fund services and supports within a context where demand outweighs supply. In the current rationed system where demand for disability

services and supports outweighs supply of funds, deliberate and specific decisions have been made by ADHC regarding eligibility and more importantly, prioritisation. Current calculations of unmet need are patchy at best with no single data source providing accurate measurements of unmet need and future demand for services.

The National Disability Agreement acknowledges this and includes two specific reform priorities which relate to the measurement of unmet need and demand, these are:
- *Better measurement of need,* which includes the development of a national model to estimate demand, improving population and demographic data collection to provide a stronger basis for demand estimates; and improving the quality of disability service provision data and jurisdiction-level unmet demand data.
- *Population benchmarking for disability services*, which involves the development of a national framework and initial population benchmarking of disability services to improve the evidence base to assist in policy, service and planning decisions.

What areas require further improvement and investment
According to the ADHC Annual Report 2008-09, there is an estimated 1,068,119 people with disability living in NSW. This equates to 16% of the total NSW population of just over 6.5 million people.

Despite significant investment under *Stronger Together*, unmet need continues to exist. It must be highlighted here that although over 1 million people with disability reside in NSW, there is no assumption that *all* people with disability will require supports and assistance from the specialist disability services system. With this in mind, according to the regional breakdown of service delivery in the ADHC Annual Report 2008-09, the following table indicates that gaps still exist across NSW with around 5% of all people with disability receiving an ADHC operated or funded service in 2008-09:

Region	Estimated number of people with disability	Total number of people with disability receiving services	Percentage of people with disability receiving services
Metro North	259,008	15,500	5.98%
Metro South	314,365	12,483	3.97%
Hunter	154,948	8,150	5.26%
Northern	142,581	6,755	4.74%
Southern	98,878	5,017	5.07%

Western	98,339	5,665	5.76%
NSW	**1,068,119**	**53,570**	**5.02%**

In looking to *Stronger Together II* and the future funding of disability services, considerations of unmet need are critical in driving increased investment. Such investment decisions rest with NSW Treasury. It is an undeniable reality that there remain people with disability, families and carers in need of services and supports.

Also worthy of consideration in planning is undermet need – that is, those people currently within the disability services system for whom their current service response is not appropriate. Quantifying the scale of undermet need in our current system is a complex task, however, NDS receives a number of anecdotal reports from service providers indicating that the current services, supports and hours allocated to individuals is not adequately or appropriately meeting their needs. This also indicates a misallocation of resources within the system.

In addition to the significant figure of just over 1 million people with disability currently residing in NSW, demographic projections indicate a rising demand for ageing and disability services into the future as a direct result of an ageing population. Therefore, effective resource allocation and service planning is vital given the growing demand pressures on the system, due in large part to changing demographic trends, improvements in medical technology prolonging life and ageing carers, leading to a decline in informal support networks.

We are seeing for the first time, a generation of people with disability who are enjoying longer life expectancies than ever before. This needs to be acknowledged and accounted for within both the specialist disability services system as well as in the community at large. Increasing demand for services and support by people with disability does not necessarily equate to the need for a specialist disability service system response in every case. Further emphasis needs to be placed on mobilising community goodwill and leveraging opportunities from mainstream and universal services. By getting this mix right, the capacity of the disability services system will be sustainable and people with disability will be receiving the most appropriate responses to their need. Current future need and immediate need registers collated by ADHC indicate and continuing demand for supported accommodation services across all regions.

As a result of the significant growth experienced, particularly through funding under *Stronger Together,* greater consideration in the future should be given to maintaining and sustaining current capital assets and investing in NGO capital growth commensurate with increased places, packages and programs. Increasing the number of services and places available inherently leads to a rising need for appropriate infrastructure to support clients. For many people with high support needs, these capital costs are significant and are reported to NDS to be relatively unfunded by Government.

> **Variations in service delivery, waiting lists and program quality between services provided or funded by ADHC**

What has worked well to date

Services, whether they are provided by Government or the non-government sector, strive to deliver the best outcomes possible for the people they are there to support. The need for true and effective partnerships between the community sector and Government to achieve well-being and social inclusion opportunities for people with a disability, their families and carers cannot be over stated. An ever increasing proportion of services are being provided by non-government organisations.

Over the past decade, the relationship between ADHC and the non-government sector has moved beyond one that is purely driven by funding, to a more collaborative partnership approach at both the regional and central office levels.

A key area of working together in collaboration is resource allocation. Provider funding has traditionally been based on the estimated cost of delivering services at a provider-level (based on tendering arrangements), or based on a specified 'volume' of services to be delivered at a given 'price' (generally determined by Government). Work is currently underway to review and improve this on the basis of partnership.

In addition, work is being undertaken by ADHC to improve purchasing arrangements, including the development of new purchasing guidelines, the development of resources to support the non-government sector tendering to provide services (and reducing the onerous nature of tendering), and the use of different purchasing models such as pre-qualified panels. By reducing requirements on non-government providers in the tendering process and in monitoring of performance, the 'burden' on providers can be reduced – freeing resources for service delivery and achieving outcomes for people with disability.

What could be done better within existing resources

Although work is underway, joint resource allocation and planning (particularly in terms of vacancy management procedures) between ADHC and non-government organisations, particularly at the regional level could be improved within the current context.

In addition, consistency in access to shared training and resources between ADHC-operated and funded organisations would be beneficial. NDS would like to see a general principle put in place that allows for shared training and resources where relevant across the whole of ADHC and the NGO sector. This would be best administered by each region but should be strongly communicated and transparently monitored by central office on the basis of partnership moving forward.

What areas require further improvement and investment

The non-government sector, in partnership with ADHC, plays an essential role in supporting people with disability and their families and carers to get a life, have a better life, and live life on their own terms. Partnership is built on this shared common purpose and enacted through the complementary roles and mutual responsibilities of government and non-government organisations.

As articulated in the *NSW Disability Services Sector: Directions for Industry Development Final Report,* both partners want an NGO sector that:

- is person and family centred, responsive and places people with disability at the centre of informed decision making;
- builds on community connectedness and garners opportunities, resources and supports so that people with disability and their families and carers can live life on their own terms;
- is outcome and performance orientated that welcomes and responds well to feedback from people with disability and the community;
- is the preferred vehicle for service delivery;
- builds community capacity and social capital, and utilises these for the benefit of people with disability;
- is diverse, and offers services with a range of sizes and profiles;
- has sufficient expertise and capability and knows what they should do;
- is well governed, with ADHC and the NGO sector having the confidence to partner together to deliver on this common purpose; and
- has a strong and positive relationship with its workforce.

To support this vision, the shared responsibilities of NGOs and ADHC are to:

- demonstrate that the sector is delivering what it has agreed to do;
- focus on *what* is being achieved rather than *how*;
- make efficient use of government funds to maximise outcomes on behalf of people with disability and represent value for money;
- reduce red tape and simplify doing business with each other;
- addresses issues when community and people with disability are concerned, and puts things right when they go wrong;
- trust well governed organisations to deliver, using a light touch to verify that organisations are doing what they have agreed to do, and take a firmer stance with organisations that misuse that latitude, on behalf of the community and government; and
- reinforce the virtues that any well-governed organisation would want to have rather than prescribe what has to be done.

To achieve the partnership between ADHC and the NGO sector it is critical that the sector is:

- *Integrated* – the sector operates as one, focusing on outcomes for people with disability and their families through equitable sharing of information, resources and training.
- *Efficient* – minimises red tape, and addresses inefficient practices and unnecessary back office procedures to maximise service delivery capacity and quality.
- *Innovative* – improves outcomes for people with disability by creating an environment which cultivates diversity and creativity in the delivery of quality

services and the development of new evidence based and responsive models of support.

- *Robust* – recognises that non-government organisations, both large and small, play a key role in the wider community by building on social capital to carry forward core business; cultivates a sustainable network of providers to assist people with disability to enjoy an ordinary life in keeping with the rest of the community.
- *Responsive* – enables greater opportunities for people with disability to be at the centre of the system, better aligns the mix and nature of available services with those requested by people with disability both now and in the future, and at both the micro and macro level from individual programs to sector-wide commissioning of services.

Effective joint resource allocation, service planning and oversight undertaken on the basis of partnership and collaboration between ADHC and the NGO sector is vital given the growing demand pressures on the system, due in large part to changing demographic trends, improvements in medical technology prolonging life and ageing carers, leading to a decline in informal support networks.

Undertaking robust planning and resource allocation decisions based on data and evidence requires a number of future actions on the part of ADHC, NGOs and mainstream service providers.

To achieve this, consideration should be given to developing and implementing a comprehensive service planning framework, building on the population-based planning framework which is already in place. Utilising the Industry Development Fund, it is envisaged that the framework and resulting processes would have the following features:
- takes a long-term view, that is, 5-10 years;
- integrates planning at a state-wide, regional/local and organisational level, with each level informing levels above and below;
- is underpinned by robust data and evidence of need, and thorough and comprehensive analysis of data and evidence;
- strengthens planning at an organisational level through provision of tools and support.

Further, joint oversight and governance of planning and resource allocation at a local level, involving both government and NGO representatives, will ensure that planning and resource allocation processes and activities are coordinated at a local, regional and state-wide level.

> ➤ **Variations in service delivery, waiting lists and program quality between ADHC regional areas**

What has worked well to date
Planning and procurement at the regional level to meet unmet, undermet and growing need for services is a logical and effective mechanism for achieving meaningful change at the local level. NDS supports the continuation of the regional approach, so long as there are clear, consistent, collaborative and transparent procedures in place to ensure equity in procurement, contract management, service delivery, monitoring and communications across all regions.

NDS NSW conducts quarterly Regional Meetings with the sector in nine locations around the state, allowing great insight into the variations in practices across regional areas.

For non-government service providers, it is their interactions with ADHC regional offices that are most frequent and significant. ADHC regional offices coordinate procurement, contract management and service monitoring such as the collection of the Minimum Data Set (MDS). NDS plays a key role in facilitating linkages between non-government service providers, the macro strategic direction of their respective region/s, and the macro strategic direction of ADHC central office.

What could be done better within existing resources
 In particular, many non-government service providers work across regions and often face barriers with portability, transparency, consistency and continuity. It is often reported to NDS the inequities exist at the regional level, particularly in procuring services from NGOs where some preferential treatment is perceived to be occurring. Communication of procurement processes to the sector (and especially those organisations who are eligible to provide the services) is also reported to be generally poor across the regions, particularly when direct allocations or select tender methods are utilised.

What areas require further improvement and investment
Equity, consistency, transparency and portability across ADHC's six regional areas continues to be an issue reported to NDS frequently by non-government disability service providers. Frequent turnover of ADHC regional staff makes continuity and relationship building difficult for non-government organisations. Regional interpretations of central policies and procedures often vary greatly and it is often only through sector feedback to NDS that these issues are identified. Streamlined, systemic approaches must be put in place to ensure greater consistency and equity across all regions in terms of procurement of services, engagement with NGOs, regional planning, communications and consultations, contract management, information provision and client referral processes.

> **Flexibility in client funding arrangements and client focused service delivery**

What has worked well to date

There has been a shift in recent years in how people with disability receive services. The NSW Government has been considering new and different ways of supporting people with disability, with a focus on flexible and innovative person-centred approaches to service planning and delivery.

The NSW Government's *Stronger Together* plan sets out a ten year strategy on a new direction for disability services in NSW. In particular, *Stronger Together* focuses on five key objectives as the way forward in improving disability services, which consider a more person-centred approach:

- Fair and more transparent access;
- Helping people to remain in their own home;
- Linking services to need;
- Providing more options for people in specialist support services; and
- Creating a sustainable support system.

An individualised approach can be defined as the provision of services linked to need and packaged so as to enable people to have a significant role in determining the services they receive and are flexible in the way they receive them. Key characteristics of an individualised approach include person-centred planning, the provision of choice and control, the interplay between formal and informal supports, the availability of assistance and funding based on need.

Underlying the majority of ADHC operated and funded programs are strong principles of choice, portability, person-centred planning and early intervention where possible. ADHC currently has a large range of disability programs which have aspects of individualised support and offer various aspects of flexibility and portability across a multidimensional continuum of choice and control.[1] To complement flexible service models, ADHC has also explored elements of individualised and self-directed funding across a number of service types. NDS believes that individualised funding is merely one mechanism in providing greater choice, voice and control for people with disability, their families and carers.

Individualised approaches to service delivery are currently being implemented and tested by ADHC in the following service types:

- *Self Managed Model in Community Participation*

  The Community Participation program aims to assist young people with disability to develop the skills they need to work towards their goals, increase their independence and participate as valued and active members of the

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[1] Fisher, K., Gleeson, R., Edwards, R., Purcal, C., Sitek., Dinning., Laragy, C., D'Aegher, L., Thompson, D., *Effectiveness of individualised funding approaches for disability support,* Social Policy Research Centre and Disability Studies and Research Centre, Occasional Paper no. 29, July 2010, p.16.

community. The Community Participation program follows a flexible and personalised framework and emphasises the development of genuine partnerships between young adults, their families, service providers and the community. The Community Participation program offers individualised and portable funding between service providers.

Participants in the Community Participation program can choose between three models – centre based with community access, individual community based options and self managed model (currently in pilot phase only for new school leavers as detailed below).

Piloted in 2007 with two service providers and 40 participants each, the Self Managed Model in Community Participation was launched. In this model, funding is held and managed by a financial intermediary to purchase support on behalf of the person. ARTD were engaged in 2009 at the end of the two year pilot period to evaluate the effectiveness of the Self Managed Model and the implication for future delivery in order to inform its future expansion. This evaluation showed that service users and their families were generally satisfied with the flexibility the Self Managed Model afforded them in terms of employing family members and others as well as receiving support outside traditional centre-based hours (which are usually 9am to 3pm). As with all other Community Participation models, participants were supported by their service provider and family to develop individual plans, highlighting goals, skills and development and support needs.

However, from NDS' perspective, this evaluation did not sufficiently explore the organisational impact of administering the Self Managed Model, in terms of Occupational Health and Safety and Workers Compensation implications, viability of service delivery under the funding arrangements (including the administration fee), and workforce implications, including the employment of family members and potential casualisation of the workforce. Working in Partnership, NDS and ADHC agreed to expand the pool of 'pilot' providers with 23 service providers offering the Self Managed Model to 2010 school leavers. A second evaluation is currently taking place which will deliver a qualitative evaluation as well as a costing evaluation. The results of this evaluation will inform the future expansion of the Self Managed Model.

- *Self Managed Model in Life Choices and Active Ageing*

  The NSW Government has introduced a *New Direction for Day Programs for Adults with a Disability*, through the implementation of Life Choices (day programs for people aged between 25 and 54 years) and Active Ageing (day programs for people aged 55 to 64 years, and those with early onset ageing accepted from the age of 45 years). Key aspects of the two programs include the development and implementation of individual plans and the provision of 18 hours of support per week for 48 weeks per year.

As in Community Participation, participants can choose between three models – centre based with community access, individual community based options and self managed model (currently in pilot phase as detailed below).

- *my plan, my choice Participatory Action Research*

    ADHC has engaged Nous Consulting Group to undertake my plan, my choice: Individualised (Packaged) Support, A New South Wales Participatory Action Research Strategy. This innovative three year Strategy's primary focus is to generate evidence from all stakeholders as to the requirements, impact, and outcomes of Individualised (Packaged) Support. The secondary focus is to embed participatory action research capability and capacity within ADHC human resource and quality management systems

    ADHC has initially identified four program areas with corresponding demographic client groups to voluntarily participate in pilot projects:
    - o my plan, my choice : EarlyStart (young children) – lead by Metro South region;
    - o Extended Family Support (children) – lead by Metro North and Hunter regions;
    - o Life Choices and Active Ageing: Self Managed (adults) – statewide coverage;
    - o my plan, my choice: Older Carers Program – lead by Northern region.

- *Attendant Care Direct Payments*

    The Attendant Care Program aims to enable people aged between 16 and 65 with severe physical disability to live in their own homes and communities. Participants in the Attendant Care Program can receive between 15 and 35 hours per week of personal assistance, self-care and domestic support. Clients choose their own service provider at the outset of the program and are entitled to change service providers at any time.

    Currently, the program operates under three funding models (employer model, cooperative model, direct funding model) allowing for different combinations of responsibilities between clients and services providers that relate to who receive the funds, who employs and manages carers and who is accountable to ADHC for expenditures and service quality.

    Within these funding models is the option for participants to choose direct funding. This model is cited by SPRC as being one of the first full direct payment options for people with disability in Australia, aiming to give clients greater flexibility and control over their support and services.

    In 2010-11, the budget for the Attendant Care Program is $42.4 million, enabling the creation of an additional 103 Attendant Care places. Under the first five years *Stronger Together*, continued growth in investment will see 612 new Attendant Care places established in NSW.

- *Extended Family Support*

The Extended Family Support Program aims to provide brokerage funding that can be used in a flexible way to put in place extra support that a family might need to avoid relinquishing care of their child or your person. Successful families can receive a package of up to $50,000 per annum. This is supplementary funding to be used for supports not otherwise available through other programs.

Allocation of brokerage funding involves referral and assessment of need, case management, service delivery through a service provider and acquittal of funds. As part of the case management process, families are involved in individual planning and development of an extended support plan – this plan is an addendum to the existing case plan that would be in place for the client. Case managers – either from ADHC, Intensive Family Support or Family Choices programs – have responsibility for preparing and reviewing the extended support plan with the family and relevant service providers. The service provider has responsibility for coordinating the execution of support arrangements.

The Extended Family Support Program allows for a flexible selection of supplementary disability supports including purchasing additional respite, therapy or behaviour support. In some cases the funds can also be used to purchase equipment and assistive technology.

- *Family Assistance Fund*

  The Family Assistance Fund aims to increase family wellbeing and strengthen the capacity of families to provide ongoing care for a child or young person with a disability in their home. Families can use the fund to purchase equipment or services, including assistive technology, recreation activities or minor home modifications.

  Even though the fund follows a direct, one-off or time-limited payment model (of up to $2,000 in 2006), it is not a grant or entitlement. In order to be eligible for the fund, families need to currently be receiving case management from ADHC or an approved non-government service provider. Priority is given to families on low to moderate incomes, where the child has complex or multiple needs, where the child has challenging behaviours, and to those families where are geographically isolated.

The rise of individualised funding is driven by attractive values such as consumer choice and personal empowerment. But the design, implementation and management of individualised funding models – depending on which version is chosen - can raise complex and contentious issues.

The development of individualised funding is part the continuing move towards community living, the empowerment of people with disability and the rejection of a 'one size fits all' approach to service delivery. These are goals which NDS supports.

However, individualised funding is not the only means of achieving these goals. Practices such as person-centred planning, for example, are re-shaping services to reflect the needs and aspirations of individuals, without relying on individualised funding. Moreover, if poorly implemented, individualised funding could actually restrict individual choices and service flexibility. This would occur if individual budgets were inadequate; or if the financial viability of services were undermined; or if the quality of services were depleted; or if the funding model could not accommodate unpredicted circumstances.

To avoid these pitfalls the design and implementation of individualised funding must be carefully done and evidence-based.

What could be done better within existing resources
A number of evaluations have been conducted by ADHC (or on behalf of ADHC) in an attempt to investigate the merits and risks associated with individualised funding approaches in NSW. To date, these evaluations have provided limited evidence as to the impact of individualised funding on organisations – that is, in terms of workers compensation considerations, OHS obligations, workforce impact, true administration costs.

What areas require further improvement and investment
A key feature of disability service provision in NSW is the shift toward more person-centred approaches to working with people with disability and their families. This is underpinned by an emphasis on human rights and a commitment to empowerment through the promotion of informed choice and participation in decision-making.

Person-centeredness is a principle that shapes all aspects of the way services are organised and delivered. Across Australia, there is an increasing emphasis on the rights of people with disability, and the importance of person-centred approaches to the development and delivery of service responses.

Consistent with the promotion of human rights and the principles of participation and self-determination, across Australia, people with disability and their families and carers are playing an increasing role in the design and delivery of support programs and services at a local level.

There is also a substantial move towards tailoring service provision to the individual, with a range of models focused on supporting the person with disability to live in the community and the development of informal support networks, with an emphasis on supporting and strengthening the capacity of families. Associated with the emphasis on tailored responses, there is an emerging trend toward directing people with disability and their families and carers to supports from a range of human services and within informal care networks at an early stage, in order to reduce, delay or avoid the need for more intensive supports provided by the specialist disability service system.

In NSW, growth and additional funding under the first five years of *Stronger Together* provides a platform to improve the client-provider interface and signals

the NSW Government's commitment to this. *Stronger Together* outlines a shift to more flexible services that are better targeted to meeting individual needs and an acknowledgement that these needs will change over time.

While recognising that progress has been made in achieving better outcomes for people with disability and their families, there is a need for a stronger alignment of processes and practices with the principles of person-centred approaches and the promotion of the rights of people with disability to exercise choice, voice and control.

As articulated in the *NSW Disability Services Sector: Directions for Industry Development Final Report* (see Appendix A), strategies to further achieve this in NSW should focus on:

- *Promoting a consistent understanding of person-centred approaches amongst people with disability and their families as well as service providers*

  The focus of this strategy should be on ensuring that appropriate mechanisms are in place to enable people with disability, their families and carers, ADHC and NGO service providers to develop a shared understanding of the concepts and principles related to person-centred approaches. Therefore, consideration should be given to:
  o developing and disseminating an agreed set of principles to guide person-centred approaches across the sector;
  o raising awareness and building understanding of person-centred approaches and implications for people with disability and their families and carers;
  o ensuring that the workforce has the appropriate skills and knowledge to ensure that person-centred approaches are applied to all aspects of service planning and delivery; and
  o strengthening consultation processes to ensure that the service system is responsive to the individual needs of people with disability.

- *Creating greater flexibility in service responses, and innovative approaches that are tailored to an individual's needs and aspirations*

  Increasing the commitment to person-centred approaches means moving away from program driven service provision and toward people with disability accessing the full range of community supports and maximising naturally occurring informal support, as well as mainstream services. Where disability supports are required, they are tailored to and directed by the individual.

  There is already a significant amount of work occurring in NSW to strengthen the focus on prevention and early intervention. This work should be further expanded to create additional capacity and innovative service responses that are aimed at linking people with disability, their families and carers to low intensity supports at the earliest effective time (and which may be in other human services like the health, education and housing systems). In addition, consideration should be given to developing approaches that support people

at key transition points – this work should link to and be informed by the development of individual pathways.

The focus here should be on ensuring that services are responsive to individual needs, and that there is increased innovation and flexibility within services so that people with disability and their families have greater control over what services they receive. This will require:
o understanding what types of supports people with disability and their families would like to receive, and provide opportunities to participate in shaping how services are delivered;
o developing models and approaches that focus on early intervention and provide support to families and carers at key transition points; and
o supporting service providers to reconfigure their service models and practices so as to provide more responsive, flexible and individualised services.

➢ Compliance with Disability Services Standards

What has worked well to date
The NSW Disability Services Act was introduced in 1993, within which 10 Disability Service Standards were established. The national reform agenda attached to the National Disability Agreement has placed the National Disability Services Standards under review with the aim of achieving consistency and applicability across all jurisdictions. This review is currently underway and is due to report to the Australian Government in October this year.

What could be done better within existing resources
A potential efficiency gain in the area of compliance is mutual recognition of other quality frameworks. This would significantly reduce red tape and the onerous administration required to meet multiple compliance regimes.

What areas require further improvement and investment
A key issue for disability service providers is ADHC's multifaceted role which sees it fund non-government disability services, provide direct services and supports to people with disability, their families and carers as well as monitor non-government organisations for compliance. The introduction of independent monitoring processes (or third party accreditation) is to be investigated as a result of the sector's recommendations as articulated in the *NSW Disability Services Sector: Directions for Industry Development Final Report* (see Appendix A).

NDS acknowledges the need for a quality system to support the delivery of services for people with disability. This quality system needs to be effective, relevant and affordable. It must also demonstrably improve the lives of people being supported.

Mutual recognition of quality assurance and other compliance requirements is one area where action is urgently needed—some organisations in the disability sector are required to meet the overlapping requirements of five or six quality systems. While mutual recognition of quality and accreditation schemes was agreed in principle by the Community and Disability Services Ministers in July 2006, no real progress has been made.

In addition, NDS would like to highlight the following issues as necessary to support a well-functioning and effective quality system:
- the need for governments to adequately fund organisations for compliance activities;
- the need to reduce the reporting burden;
- the requirement that monitoring or audit process are independent of both government and service provider; and
- the importance of adequate transition time and funding for full compliance with revised National Standards (and a new Quality Framework).

A robust service system to deliver quality outcomes for people with disability is essential but it is expensive to implement and maintain. Organisations must be adequately funded for the services being delivered, have strong governance and management processes, and be able to employ a skilled and enthusiastic workforce.

➤ Adequacy of complaint handling and grievance mechanisms

What has worked well to date
Disability service providers, whether funded by the Australian or NSW Governments, have instituted internal complaints policies and processes. In recent years, the growing interest in quality systems has resulted in refinements to these internal arrangements to deliver better outcomes for users.

NDS supports the principle of local resolution as articulated in the ADHC *Feedback and complaint handling: principles and guidelines (2005).* In addition, NDS supports the principles of timeliness, outcome driven, and appropriate record keeping and monitoring.

What could be done better within existing resources
The current ADHC *Feedback and Complaint Handling: Principles and Guidelines (2005)* were developed with the purpose of outlining complaint handling principles, and to assist ADHC funded and licensed service providers in responding to complaints received. This policy emerged amidst a growing interest in quality systems, as echoed in the Australian Government's Quality Strategy for disability employment and rehabilitation services introduced in 2002.

NDS supports the development of quality frameworks and mechanisms for accessing, investigating and resolving consumer complaints. NDS NSW is concerned that the current policy for the management of complaints and feedback provides limited resources for service providers responding to a complaint. NDS NSW is also concerned about the impartiality and confidentiality of complaints that are unable to be resolved at the local level.

NDS believes that greater inclusion of services provider rights, as well as greater access to complaint handling information and training would deliver better outcomes for the parties involved.

It is fundamental to the effective operation of any complaint handling system that there is widespread, if not universal, knowledge of the system and ready access to comprehensive information about its processes. The NSW Ombudsman *Complaint Handling at Universities: Best Practice Guidelines* identifies ways in which the complaint handling system should be publicised, such as up to date website information with user friendly links, complaints process flow charts and information in induction procedures for both staff and students.[2]   ADHC's *Feedback and complaint handling: Principles and Guidelines* support complainants requiring assistance after making their initial complaint through the provision of advocates and interpreters, but the accompanying "Information Sheet 1: Making a complaint" and "Information Sheet 2: Complaint process" are not appropriate for service users in terms of format, language and information provided, and therefore inhibit access to the complaints handling process from the outset.

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[2] NSW Ombudsman, *Complaint Handling at Universities: Best Practice Guidelines.*

NDS supports a continued emphasis on local level complaint resolution, accompanied by adequate training and support. In order to enhance the effectiveness of this, it is essential that all staff who investigate complaints have basic training and be able to access additional information and advice. For example, the NSW Department of Education and Training *Complaints Handling Policy Guidelines* provide service providers with resources such as a "Checklist for Assessing a Complaint", "Tips for Receiving and Handling a Complaint", "Informal Resolution" and "Formal Procedures".[3] Such support resources would be of value to ADHC service providers.

Another example is the NSW Ombudsman *Complaint Handling at Universities: Best Practice Guidelines* which features basic training suggestions for those designated as initial complaint recipients, such as knowledge of all significant complaint handling paths, record keeping requirements, assessing risk and knowledge of external referral options.[4]

Ensuring staff designated to deal with complaints are adequately trained and supported is the best form of insurance against potential financial and reputational costs that may arise from improperly handled complaints. ADHC's *Feedback and complaint handling: Principles and Guidelines* provides minimal information to service providers about strategies for accessing potential complainants and making them aware of the complaints process. Unlike service users, no information sheet is provided specifically for service providers.

An important key practice for the efficiency benchmark is ensuring complaints are dealt with by the appropriate process or forum. ADHC provides external review contacts as part of its *Feedback and complaint handling: Principles and Guidelines,* namely the NSW Ombudsman, the National Disability Abuse and Neglect Hotline, the Independent Commission Against Corruption, the Administrative Decisions Tribunal and the Anti-Discrimination Board. NDS is concerned that staff in these external organisations may not be aware of alternate complaint resolution schemes. NDS emphasises the importance of an independent, objective and accountable external review source. As such, NDS recommends that ADHC formulates standards and guidelines that are applicable to external dispute resolution bodies.

By its very name, ADHC's *Feedback and complaint handling: Principles and Guidelines* distinguishes between "feedback" and "complaint handling", however no attention is given to feedback beyond complaints. Not all feedback is negative, and positive feedback is well documented as being an essential element of best practice and building a culture where people have the tools to think ahead.[5] Building such a culture is an investment in the future as services position themselves to address the opportunities and challenges ahead, and to continually look at better ways of improving outcomes for service recipients. Identifying and reviewing elements of good practice is made possible be

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[3] NSW Department of Education and Training, *Complaints Handling Policy Guidelines.*
https://www.det.nsw.edu.au/aboutus/epac/receivcomplaint/assesscomplaint/index.htm
[4] NSW Ombudsman, op. cit.
[5] Australian Government Department of Families and Housing, *Continuous Improvement Handbook.*

recording positive feedback, which also gives service providers the knowledge needed to reward the efforts of staff.

ADHC's current policy focuses only on negative feedback in the form of complaints. NDS NSW identifies a need for disability service providers to capture positive feedback and create accessible pathways to obtain this information via effective and efficient mechanisms. NDS suggests the incorporation of positive feedback reporting mechanisms into the ADHC *Feedback and complaint handling: Principles and Guidelines* for the purposes of continuous improvement and best practice. Such positive feedback can be used as a tool by services to acknowledge and reward appropriate staff.

What areas require further improvement and investment
NDS sees effective complaints handling and grievance mechanisms as being part of an organisation's governance procedures to measure service outcomes and identify areas for quality improvement. In this sense, NDS sees complaints handling and grievance mechanisms as a key driver in service planning, delivery and evaluation. It is important to note here that such mechanisms should not be bias toward negative feedback only, and should encompass positive service feedback from people with disability, their families, carers, staff and the community.

NDS supports the move toward outcomes based accountability, within which consumer feedback plays a critical role.

One of the key reform areas in the *National Disability Agreement* is the development of a National Quality Framework which balances quality assurance and the continuous improvement of disability services. An interim framework was agreed to by Disability Services Ministers in October 2009 and a process of consultation is occurring throughout 2010. Further, a number of other jurisdictions (most notably Victoria and Western Australia) have already progressed with developing their own quality frameworks which move beyond quality assurance and compliance and have a stronger focus on quality improvement and outcomes for people with disability.

In NSW, the current approach is generally accepted as being robust and a good indicator of compliance though not necessarily of quality, and there is a need to better balance compliance against standards with a focus on outcomes and quality improvement mechanisms to ensure continuous improvement. ADHC, with its NGO partners, is seeking to progress the development of a quality framework that focuses on achieving positive outcomes for people with disability and their families.

Further, non-government organisations to a large extent already have a focus on efficiency and performance, and on utilising their resources in the best way possible to maximise the outcomes achieved for people with disability. However, some organisations may lack the management expertise, access to robust data, or performance monitoring systems which are key to improving efficiency and performance.

There are also well-developed data reporting mechanisms that are able to provide valuable information for organisations to support performance improvement. Currently, however, reporting is generally 'one way' (that is, from organisations to Government), and there is no comprehensive performance feedback mechanisms or performance benchmarking systems in existence to better utilise the data collected. This lack of feedback mechanisms and regular analysis means that data quality may not be optimal, reducing its potential to inform efficiency and performance improvement.

Further, elements of competition within the sector (for example, due to competitive tendering) has not promoted collaboration or cooperation and sharing resources, and initiatives that may have improved organisations' operational efficiency (such as shared services) are yet to be utilised to any great extent.

Key strategies as identified in the *NSW Disability Services Sector: Directions for Industry Development Final Report* (see Appendix A) aimed at improving the quality of service delivery whilst reducing red tape and creating efficiencies include:

- *Greater focus on quality improvement and measuring outcomes for people with disability*

  Primarily, this should involve developing a quality framework that focuses on outcomes for people with disability in line with the National Quality Framework.[6] This framework should balance 'quality assurance' and compliance with specific service standards with 'quality improvement' and a focus on outcomes for people with disability and their families. It is here that effective complaints handling and grievance mechanisms are important.

  Elements of the framework should include:
    o clearly articulated outcomes and measurable outcome indicators (including measures of satisfaction of people with disability and their families);
    o objective and consistent processes for monitoring quality across all disability service providers (government and NGO), based on clearly articulated and measurable outcomes and service standards, which do not place an undue administrative burden on organisations who deliver services;
    o supporting processes and tools for measuring outcomes; and
    o appropriate rewards and sanctions for good or poor performance.
  In developing the framework, consideration should be given to the need and feasibility of periodic independent verification of service quality by an independent third party(ies) (third party accreditation).

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[6] The interim *National Quality Framework for Disability Services in Australia* was agreed to by Disability Services Ministers in October 2009, and can be accessed at
http://www.dhs.vic.gov.au/__data/assets/pdf_file/0010/378433/qualitly_interimnationalqfdsinaust_1109.pdf

In addition, consideration should be given to ensuring people with disability and their families are informed about quality and effectiveness and are able to use this information to support their decisions about the services and service providers they access.

- *Further promoting a culture of continuous improvement*

  A culture of continuous improvement within organisations is underpinned by regular, self-review of performance and periodic external review and evaluation, and based on a robust approach to performance measurement and benchmarking. To achieve this, ADHC and NGOs should work together to develop and provide tools and supports to assist organisations embed a culture of continuous improvement with a focus on excellence, innovation and effective risk management.

- *Improving the operational efficiency of organisations*

  Part of a culture of continuous improvement involves organisations regularly examining their operational efficiency and identifying how they can better utilise their resources for the benefit of people with disability. Organisations should be supported in this by:
  - o Developing performance feedback mechanisms (as identified above) to provide the necessary data and information to enable organisations to identify opportunities for efficiency improvement; and
  - o Opportunities to build their organisational management capacity in relation to financial management, human resource management, and change management.

More specific actions to reduce the administrative burden associated with organisational monitoring, reporting and accountability requirements and with purchasing and tendering processes are already underway. These should continue under *Stronger Together II* and potentially extended to achieve further gains in efficiency and to maximise the level of resources available for services and supports for people with disability.

➤ Adequacy of ADHC funded advocacy services

What has worked well to date

In principle, advocacy plays a key role in enhancing the participation and inclusion of many people with disability. Within this space, a number of types of advocacy exist – systemic, individual and self advocacy. Just as in the disability services system, the key principle underpinning the design and function of advocacy services should be one of choice. A well functioning advocacy system is integral to achieving quality outcomes and enhancing the participation and inclusion of people with disability.

Building on the principles of the *United Nations Convention on the Rights of Persons with Disabilities* and the soon-to-be released *National Disability Strategy*, a draft *National Disability Advocacy Framework* has been developed for the purpose of providing a consistent system across all jurisdictions that enables and supports people with disability to safeguard their rights and overcome barriers that impact on their ability to participate in the community.

What areas require further improvement and investment

As articulated in *NDS' Submission on the National Disability Advocacy Framework* (see Appendix C) and linking to the previous section on complaints handling and grievance mechanisms, NDS believes there is a need to articulate a commitment for parties to seek the most efficient and effective route to resolving problems, and to find solutions at the local and organisational level wherever possible. Only when this is not possible should an issue be escalated.

NDS also believes there is need for a principle within the *National Disability Advocacy Framework* and any subsequent state-based advocacy agreements that acknowledges that policy or legal change should not be sought through combat with an individual organisation or disability service provider if that organisation's only 'fault' is operating within laws, policies or procedures set by government or parliament. Such organisations should not be the target of action. If an advocacy services believes that a policy or a law is wrong it should direct its efforts at the institutions that make policy or law. Recent Federal Court cases against individual Australian Disability Enterprises operating within government policy have been expensive (in a resource-starved sector) and have not resulted in better outcomes for people with disability. Legal remedies should be an action of last resort.

In NSW, a multitude of advocacy services are currently in operation, however there remains a need for an overarching advocacy peak to take a greater leading role in ensuring that the system as a whole functions effectively and efficiently enhance the participation and inclusion of people with disability in NSW – whether that be in specialist disability services, mainstream services or within the bounds of natural supports and the community.

> **Internal and external program evaluation including program auditing and achievement of program performance indicators review**

What has worked well to date
NDS supports the current principles of regular program evaluations and reviews by ADHC. A regular evaluation cycle on all programs ensures quality and allows for improvements to be made after the initial pilot or implementation phase.

What could be done better within existing resources
The current process of evaluating programs funded by ADHC is often fragmented and narrowly focuses on individual programs or services types. The majority of service providers offer a diverse range of programs which means that they are often called on to take part in numerous and frequent consultations which inevitably takes staff away from their day-to-day duties. Streamlining sector engagement in evaluation consultation processes could be improved within the confines of current resources and would likely lead to savings and efficiencies. One current example is the absence of an overarching evaluation framework for policy and projects promoting greater personalisation of services (self directed care, individualised funding etc). The Department has a number of evaluation and research projects which promise to contribute greatly to the international evidence base about the merits and implementation issues directly implicated here.

In addition, not all evaluation reports and findings are shared with NDS and the sector, despite NDS being a key partner in the design, oversight and success of independent evaluation activity (ie service providers' active engagement in the evaluation process by way of surveys, focus groups, case studies, facilitating access to clients and staff interviews). Developing a shared learning culture will be critical to the continuous improvement of a more integrated service system.

ADHC Evaluation Policy
The ADHC Evaluation Policy (in its current form) is now just over 2 years old. It represents ADHC Executive support for a more co-ordinated approach to evaluation planning and the development of a corporate evidence base for "what works". The 2007/08 AES was the first annual evaluation program developed under the new policy framework, and hence the first year of the 3-5 year SEC. At the time of launch there was a Ministerial commitment that all program activity would be evaluated within the 5 year cyclical SEC.

What areas require further improvement and investment

NDS suggests that ADHC consider developing additional meta-criteria to guide the overall Strategic Evaluation Cycle in the medium to longer term. That is, criteria that provide for strategic direction of evaluation activity resulting from the sequencing or clustering of single program evaluations, and which therefore

maximises opportunities for broader service learning, re-design and sector improvement.

For example, clustering evaluation activity by program areas /service models, client groups, purpose, regions, partner agency interface, or stages in the care pathway. These approaches would seek to conduct program evaluations of service models relating to a shared feature (e.g. geographical area, client group). In this way evaluation findings from separate evaluation projects could be generated around the same time.

This approach has the key benefit of informing thematic or 'whole systems' improvement options. Similarly, evaluation activity could be clustered so that programs that share a common interface (e.g. with a partner agency) are evaluated within the same timescales. The benefit of this cluster approach is to bring a broader evaluation focus to the partnership development agenda and/or more specific focus to joint working issues or initiatives (e.g. transfers or transitions of care). ADHC could also cluster activity at key stages of the care pathway, focussing for instance, on the barriers and enablers to service navigation, a cross-cutting evaluation of:
- accessible information
- entry points
- initial assessment and prioritisation
- support allocation
- service delivery

Current communication strategies between ADHC and the sector can be improved in this respect. Following the completion of evaluations, it would be beneficial to engage non-government service providers in joint planning and service re-design based on evaluation findings, as a genuine demonstration of a commitment to evidenced based policy.
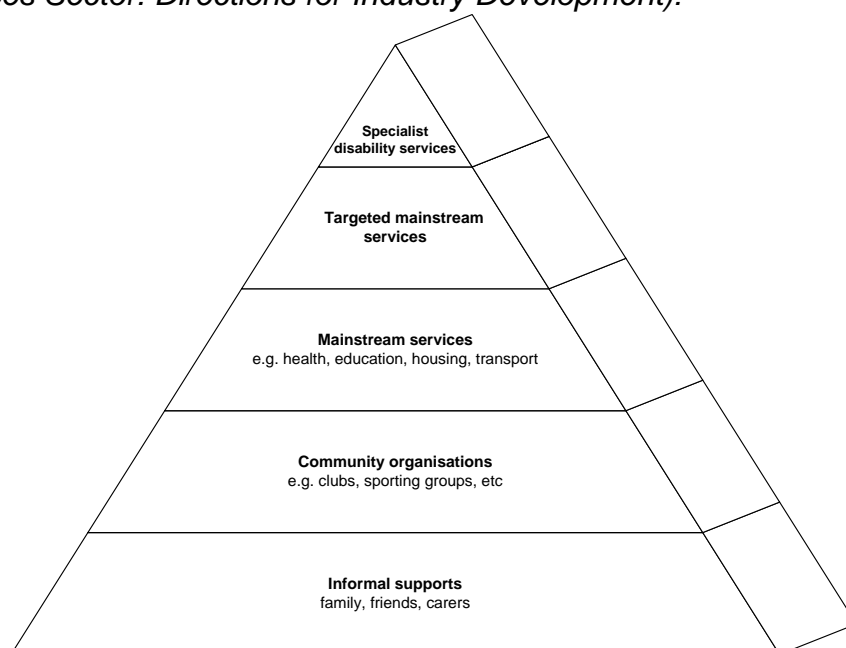
> **Any other matters**

In addition to the Terms of Reference, NDS would like to comment on the following areas impacting on the current NSW disability services system:

> **Building community capacity and engaging and leveraging mainstream and universal services**

Many NGO service providers have the advantage of having greater knowledge of and closer contact with local communities, enabling NGO's to provide better access to services for some targeted groups in the community. The NGO sector is therefore well positioned to leverage these linkages with local communities to enhance services that better reflect the diversity of the communities they service, and enhance the inclusion of diverse cultural groups within the community.

The continuum of supports and services that may be required to enable people with disability to live the lives they choose and achieve full social inclusion is represented in the diagram below. People with disability may access services at different points along the continuum at the same time – for example, mainstream services as well as some specialist disability services.

Continuum of supports for people with disability (source: NSW Disability Services Sector: Directions for Industry Development):

For people with disability requiring services (both mainstream and disability-specific), having accessible information about the options available, being able to access and navigate the system, and being able to exercise choice about the service responses they are seeking, are critical to achieving the outcomes they are seeking.

Intake, assessment and referral processes that support access to the full range of informal and community supports, mainstream and specialist services are consistent with contemporary leading edge practice in Australia and internationally. Such approaches move away from program-driven service responses to a system based on assisting people with disability to obtain information about and access the range of supports that fit their needs and aspirations. This requires:

- well-defined, clear entry points into the service system;
- consistent and streamlined intake and assessment processes which are person-centred;
- a service system which is easy to navigate, where people with disability and their families and carers are provided with clear information about community, mainstream and specialist service options, and know where to go to get support when needed;
- clear referral pathways to both mainstream and specialist services; and
- an understanding of system capacity and a resource planning process linked to need.

Supporting people with disability and families to achieve social inclusion and live the lives they choose requires a number of actions on the part of ADHC, NGOs and mainstream service providers as well as greater leveraging of community capacity. Strategies identified in the *NSW Disability Services: Directions for Industry Development Final Report* (see Appendix A) to achieve this include:

- *Building communities that are inclusive and have the capacity to support people with disability and their families*

This involves leveraging the linkages that NGOs have with communities and building on the capacity of communities to support people with disability and their families and carers. This should encompass:

  o raising community awareness about people with disability;
  o providing NGOs with the resources, tools and training to engage in community capacity building; and
  o recognising the diversity within communities and developing evidence based culturally appropriate approaches to community development for Aboriginal communities and among communities of people from different cultural and linguistic backgrounds.

- *Working with mainstream services to better respond to the individual needs of people with disability*

The focus of this strategy should be on strengthening mainstream services so that they are better equipped to cater to the individual needs of people with disability. Building this capacity will require ADHC and NGOs to adopt a collaborative approach to:

  o developing joint training for specialist disability services and mainstream services;
  o up-skilling mainstream services through formal partnerships, secondments of staff or mentoring;

- o local, regional and state-wide planning to proactively target capacity building in mainstream providers; and
- o supporting the NGO sector to leverage its capacity to work with mainstream services to improve outcomes for people with disability and their families.

> ## ➢ Navigation of the complex disability services system

Navigation of the complex disability services system in NSW continues to be cited by parents, carers, people with disability and service providers as a major issue. NDS recommends that proactive engagement strategies be developed with the purpose of engaging all families and carers – most importantly, those who are hard to reach or in most need of support. Many families and carers are simply unaware of the specialist disability services system and are fearful of its strict, rigid and complex bureaucratic structure. As a result, many NGOs report supporting people with disability, their families and carers outside the bounds of ADHC funding and more through goodwill, fundraising and donations.

The provision of information and navigation support is critical to empowering and strengthening families. Further to this, access to the disability services system – including eligibility, assessment, prioritisation and intake processes – should be transparent, easy to understand and equitable. Relevant desired outcomes for the purpose of *Stronger Together II* include fairer and clearer eligibility and priority of access guidelines to the disability service system.

NDS recommends that eligibility and intake processes have the following features:
- a standard approach to entry screening, regardless of disability;
- immediate notification of eligibility (and at times, entitlement) for ADHC-funded services;
- ease of transition (and information) to other Departments for those who are not eligible for ADHC-funded services and support;
- single, visible point of access;
- access based on the level of functional need in the context of a person's environment, regardless of disability type;
- a reduction in the need for repetitive provision of information;
- fast, efficient referrals to providers, with all relevant information shared;
- appropriate case management mechanisms and options for families that are long term, consistent and well resourced.

Supporting families to be resilient, sustainable and happy requires greater investment under *Stronger Together II*, through the expansion of flexible respite service models that focus on strengthening the family/carer's ability to care, diagnosis support services to assist with counselling and service access and peer support groups for families, carers and siblings to share information, approaches and experiences. In addition, greater emphasis over the next five years should be placed on accommodation services and supports that are not

24/7-type care options – such as drop in and in home support options. Preliminary evidence suggests that these service models are strengthening families, building independence of the person with disability and prolonging the ability for the family unit to remain together and continue in their caring role.

Another important consideration going forward is how to best balance flexibility and individualised service responses with ease of navigation of the system as a whole.

> **Adopting a holistic, life-span, integrated approach by engaging the best support to maximise each person's potential**

Early intervention and prevention at any age is a principle strongly supported by NDS. To achieve this, the disability services system must be more proactive in its identification of people at risk of escalating need and must then appropriately respond in a person-centred way.

Currently, the disability services system is structured around rigid, program and service-type based support that is often bound by age categories. Although individual plans are completed for each service type a person receives, there is no systemic approach in place to develop one holistic, all-encompassing, integrated plan that aims to integrate all service types, including those provided under the remit of other government agencies.

Such fragmentation is detrimental to achieving long term, quality outcomes for people with disability, their families and carers.

Engaging the best support to get the best outcomes (particularly engaging support beyond the bounds of the specialist disability services system) is a principle supported by NDS. Holistic planning, sharing of information, open communication, active collaboration and partnership is well documented in research as the cornerstone to achieving quality, lasting outcomes for people with disability, their families and carers. However, in reality, the interface between ADHC-operated and funded services and other agencies is a difficult one.

Over the next five years and beyond, NDS recommends that greater emphasis be placed on strengthening the interface between services and other services such as health, education, housing, juvenile justice, community services. Strategies to achieve this may include:
• Developing and/or revising Memoranda of Understanding between ADHC and other government agencies, including the development of protocols to guide daily practice on the ground;
• Greater education and training on disability for other government agencies, including opportunities for shared training, resources and networking;
• The development of streamlined client management and information systems across agencies where there is a high prevalence of shared clients.

The development of all strategies must include representation from the non-government sector.

Within the disability services system, a number of strategies should be implemented to remove current inequities created by rigid service types and to reduce fragmentation. The current barriers created by historical and other events should be scoped and addressed over the next five years. Some suggested strategies to achieve a life-span approach within the disability services system include:

- The creation of a predictable, appropriate and well resource continuum of care in post school and day programs by reassessing and streamlining the rigid programmatic structure and disparate funding levels across Community Participation, Post School Options, Block Funded Day Programs, *Stronger Together* Day Programs, Life Choices and Active Ageing. This continuum should be underpinned by strong principles of choice and need rather than determined by age categories.
- Greater allocation of 'complementary service packages' to people with disability, such as the allocation of a day program place to all people receiving a new supported accommodation place.

Just as people with disability, their families and carers should be entitled to long term service guarantees through holistic, integrated planning, disability service providers should also be afforded long term contracts and funding agreements to deliver such services and supports. NDS strongly supports the introduction of long term contracts and funding agreements backed by recurrent funding that enable service providers to plan and deliver services to meet the longer term needs of their clients.

Related to this is the need to streamline service description schedules and program guidelines to allow for greater flexibility, ease of transition between service types (such and Community Participation to Transition to Work and back, as well as from Transition To Work to employment and back at any age not just in the immediate years after school; shared care accommodation models), person-centred service responses and enable providers to respond appropriately to changes over time. NDS strongly supports the introduction of outcomes based accountability measures to underpin this approach.

> **Investing in NGOs as the preferred vehicle of service delivery and recognising their unique role in building social capital**

NDS promotes the continued expansion of non-government disability services because they are generally more efficient, responsive and mission-driven than government services.

As noted in the Productivity Commission's recent report, *Contribution of the Not for Profit Sector* (February 2010), the non-government sector is large and diverse and makes a significant contribution to the economy, Australian society and communities, and as a vehicle for government service delivery.

The non-government sector facilitates and contributes to building social capital, which is "the relationships, understanding and social conventions that form an important part of the mediating environment that shapes economic and social opportunities"[7], and the extent of non-government activity is often viewed as an indicator of the health of society.

Governments are paying increasing attention to building the capacity of the non-government sector, not just to expand its role and effectiveness as a provider of government services, but also to build the capacity of the community to respond to the needs of people in the community. A strong, robust and effective non-government sector is more able to contribute to and build the capacity of the community and 'social capital', and is more able to harness and utilise community capacity and social capital for society and community benefit.

The Productivity Commission's report provides an in-depth review of the non-government sector in Australia, including its relationship with Government, and proposes five key areas of reform for building and strengthening the sector:

1. Stimulus for social innovation – develop new and better ways to tackle social problems and other issues where the benefits are largely to the community rather than financial returns. This requires collaborative approaches to address complex problems.

2. Relationship building - to strengthen collaboration and effective engagement especially in the delivery of government funded services.

3. Streamlining the regulatory framework – via a consolidated regulatory framework that provides a simple 'one stop shop' for Commonwealth registration and tax endorsement for Not-for-Profits (NFP); stream-lined reporting requirements; consistent and appropriate regulation by states and territories.

4. Building knowledge systems – that support understanding of the sector by itself, government and business as well as building evidence base for learning about effective social intervention and public policy measures.

5. Improving arrangements for more effective sector development – to promote development of support services for the sector, stimulate co-operation, build skills in governance, business planning and evaluation, promote workforce sustainability, and enhance access to capital.

Recognition of the unique role and contribution of the not for profit sector is reflected in the funding and procurement decisions of ADHC. Total funding to non-government organisations by ADHC has increased from under $1.4 billion in 2004/05 to $2.3 billion in 2009/2010. In addition, over the past five years ADHC's recurrent budget has increased by 46.2% (ADHC Budget 2009-10).

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[7] Productivity Commission (2010): *Contribution of the Not for Profit Sector.*

Building the capacity and capability of the sector to be more sophisticated, innovative, responsive and efficient has been a priority in recent years, with NDS having carriage of a number of key projects funded by ADHC, including:

- *Industry Development Fund*
- *Workforce Recruitment Project*
- *NSW Companion Card*
- *Aboriginal Resources and Pathways (ARP) Project*
- *ARP Southern Highlands*
- *ARP Eurobodalla Transport Project*
- *Disability Safe*
- *Good Governance Project*
- *Financial Management Training*
- *Behaviour Support Training*
- *Probity in Employment*

> ➢ **Attracting and retaining a skilled and dedicated workforce that is appropriately remunerated**

In light of the growth experienced under the first five years of *Stronger Together,* one of the key lessons learned was the need for a skilled, dedicated and expanding workforce to deliver high quality services that achieve quality outcomes for people with a disability, their families and carers in NSW. The ever growing demand for services and movements within and out of the sector (resulting from retirement, change and churn), only compound this need.

In 2009-10, in its carriage of the Workforce Recruitment Project, NDS undertook a disability and home and community care workforce projection exercise. In benchmarking the scale of the workforce attraction and recruitment challenge in NSW, NDS could look to develop a solution in *carecareers* that tackled this necessity. That exercise identified a need to fill 38,000 vacancies in the 5 years to 2014 across frontline support and professional roles, as well roles in facilities and transport, administration and management.

carecareers has achieved significant early success. In just 6 months, it has attracted over 160,000 individuals to its recruitment portal, 5000+ job applications and more than 3000 suitable candidates into its talent pool. It has also secured the participation of 99% of the sector's employers, advertised more than 1300 jobs, and generated recognition and a supportive community for those already working in the sector.

Acknowledgement of the recognised and desired point of entry to the sector that *carecareers* has created, is reflected in the commitment ADHC has made to fund a second phase of the Workforce Recruitment Project, investing a further $4.27m during 2010-12, with a commitment to consider a third year extension.

While several effective workforce solutions are in place via *carecareers*, the lessons emerging from it and the Workforce Recruitment Project clearly demonstrate the need for increasingly broad and complex priorities. NDS contends that the sector's ability to attract and retain a skilled workforce is also dependent on an extension of training, a focus on staff retention and development, the existence of multiple career pathways, ongoing strategic workforce planning and competitive remuneration. The sector's ability to secure an appropriately skilled workforce also depends on the capacity of employers to make their recruitment more efficient, compelling and competitive in relation to the open market.

NDS promotes the continued investment in talent attraction and recruitment via *carecareers* but also recommends greater consideration be given to workforce planning, retention, training and mobility.

> ➢ **Increasing employment opportunities for people with disability, their families and carers**

The Australian Government has responsibility for the provision of employment services for people with disability; however the NSW Government has a role as an employer, purchaser and a provider of transition to work programs.

Suggested strategies to increase employment opportunities for people with disability, their families and carers include:

- *Enhancing procurement opportunities for Australian Disability Enterprises in NSW*

  By supporting Australian Disability Enterprises and other organisations employing people with disability through increased procurement of their products, the NSW Government (at both the State and local level) would help substantially increase the viability of Australian Disability Enterprises and other disability employers, as well as reduce their exposure to current adverse economic conditions. Such an initiative would also create additional employment opportunities for young people in NSW exiting transition to work programs.

- *Expanding the Teen Time program and consideration of other initiatives to support working carers of people with disability*

  Introduced in 2009, the Teen Time program aims to assist working carers continue in employment by providing after school hours support for their teenage child with disability. The economic and social participation of carers is critical for their wellbeing and as such, NDS recommends that Teen Time and other similar programs be further expanded under *Stronger Together II.* Consideration should also be given to extending the hours of post school and day program support from ending at 3pm to 5pm or later to support working carers.

- *Increasing employment of people with disability in the NSW public service*

The NSW Government should ensure that it employs more people with disability in the NSW Public Service. This would be in direct accordance with the NSW Government's State Plan Priority F2 - Increased employment and community participation for people with disabilities. It would directly help meet the target specified in Priority F2 of closing the gap in the unemployment rate between people with disability and the overall community by 50% by 2016.

The NSW Government has a commitment through its Equal Employment Opportunity Management Plan to employ 12% of people with disability including 7% indicating that they need work adjustment, reflecting the representation in the NSW working age population. In 2009, an estimate of the percentage of NSW Public Service employees identifying as having a disability was 5.1% (up from 3.9% in 2008), with 1.06% indicating they need work adjustment.[8] Sufficient funding should be allocated through the NSW Government's State Plan to ensure that its employment targets for people with disability are met. Commonwealth funded Disability Employment Services should be used by the NSW Government to place and support employees with disability in the NSW Public Service.

- *Increasing vocational education and training opportunities for people with disability*

The VET participation rate of people with disability is the lowest of all disadvantaged groups.[9] An increase would boost the employment and career prospects of people with disability and help alleviate the skills shortage in NSW.

People with disability experience social exclusion on many levels. One of the main areas of social exclusion for people with disability is lack of access to employment opportunities and the increased social interaction and independence that employment allows. Statistics for NSW show that the unemployment rate for people with disability is 11% and the participation rate is 56%. The rates for people with no disability are 4.9% and 89%.[10] The NSW Government should implement incentives to help reduce the unemployment rate of people with disability to at least 8% by 2016.

- *Investing in appropriate retirement options for people with disability, including reasonable transition periods*

Unmet demand for disability services exists at both ends of the working life. Most employees with disability who are ageing have nowhere to go if they retire; and not enough school-leavers and young adults in post-school

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[8] The NSW Public Sector Workforce: 2009 Snapshot Tables, NSW Government, Department of Premier and Cabinet.
[9] National Centre for Vocational Education Research, 'People with a disability in vocational education and training. A statistical compendium', 2005, page 7.
[10] Australian Bureau of Statistics, PERSONS AGED 15–64, LIVING IN HOUSEHOLDS, Disability status by labour force status - New South Wales - 2003

programs have access to disability employment programs. Providing retirement options (in cooperation with the Commonwealth Government) would not only assist ageing employees, it would also create employment places for young people with disability who wish to enter the workforce. Such a process would maximise outcomes for young people who have accessed the Transition To Work (TTW) and Community Participation (CP) initiatives funded by the NSW Government.

In NSW there are currently no clear transition pathways from supported or open employment into community access programs. Since 2002-2003 three disability service providers received growth funding from the NSW Government to provide retirement services under a Pilot known as the Day Activities Linking Initiative (DALI).

The pilot aimed to improve the transition from work to retirement for people with disabilities aged over 55. The aim of the pilot was to develop pathways from supported employment to post-vocational options and reduce the resource burden placed on government funded supported accommodation services.

The pilots have shown that establishing transition pathways from business services to community access services prevents supported accommodation services incurring a cost burden to provide support and supervision during the day. The NSW Government should consider implementing additional Pilot programs that align with its new Active Ageing Program funded through *Stronger Together*. Any new pilots should be developed in consultation with the Commonwealth Government through FaHCSIA.

At present, the ADHC Active Ageing Program for people aged 55 to 64 allows eligibility to employees with disability working 8 hours a week. The eligibility guidelines for the Active Ageing Program should ideally enable a greater number of older employees to transition into age-appropriate day services.

Any new pilot programs should also examine the most suitable way to enable employment places to be freed up as older workers transition out of the workforce, enabling younger workers to take their place. Currently, ageing employees working eight hours a week count as an employment outcome in Commonwealth funded employment services. If ageing employees retain eligibility to both an employment program and the Active Ageing Program, younger people will be unable to access funded employment places. This paradox could be addressed by designing a pilot program in such a way that eligible ageing workers transition fully into non vocational options after a set period of time.

CONCLUSION

Much has been achieved over the decade – and particularly the past five years – in disability services in NSW, due in large part to the NSW Government's significant strategic commitment and financial investment under *Stronger Together.*

However, there is no denying that much remains to be done. Unmet need still persists, as does undermet need and growing demand for disability services. Data sources to predict exactly how much unmet, undermet and growing demand exists for disability services is patchy at best.

ABOUT NATIONAL DISABILITY SERVICES (NDS)

NDS is the national industry association for disability services, representing over 650 not-for-profit organisations. Collectively, our members operate several thousand services for Australians with all types of disability. NDS's members range in size from small support groups to large multi-service organisations, and are located in every State and Territory across Australia.

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APPENDIX A

NSW DISABILITY SERVICES SECTOR: DIRECTIONS FOR INDUSTRY DEVELOPMENT

PUBLISHED: JULY 2010

National Disability Services

NSW Disability Services Sector

Directions for Industry Development

Final report

INDUSTRY
DEVELOPMENT
FUND

NDS
National Disability Services

June 2010

Contents

1   Preface

The service system supporting people with a disability, their families and carers is complex and multi-faceted. Services, whether they are provided by Government or the non-government sector, strive to deliver the best outcomes possible for the people they are there to support.

The need for true and effective partnerships between the community sector and Government to achieve well-being and social inclusion opportunities for people with a disability, their families and carers cannot be over stated. An ever increasing proportion of services are being provided by non-government organisations. Clearly articulating a direction that the sector can pursue, being clear about its goals, and what it will set out to achieve by and for itself to get there, is a critical step in achieving that outcome.

The NSW budget for 2009-10 announced $17 million to establish an Industry Fund to be used by the sector to build the capacity and sustainability of services and to revolutionise the way in which services are accessed by, and provided to people with a disability.
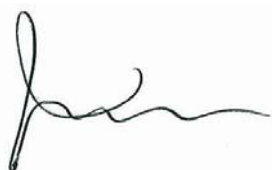
In late 2009, National Disability Services NSW in partnership with Ageing, Disability and Home Care (ADHC), brought together advocates, peaks, service providers and policy makers to develop a vision and direction for disability services into the future.

NSW Disability Services Sector: Directions for Industry Development is the first step in setting out a truly strategic focus for the sector in collaboration with the NSW Government, moving us beyond the funding relationship into a partnership that is focused on supporting people with a disability, their families and carers, and placing them firmly at the centre of service delivery.

It sets out a vision for the sector, by the sector.

This document goes beyond the roles and responsibilities for the non-government organisations (NGOs) sector and includes a range of activities that the NSW Government will need to pursue, either directly through the ADHC agency, or through other areas of government, particularly mainstream services. In this vision, we see opportunities for true innovation, drawing in new partnerships with mainstream services so that people with a disability get the same access to basic services that we all enjoy, and with the private sector that is uniquely placed to bring resources and skills to this sector.

It is time for us to truly work together to make a sustainable and real difference, empowering the NGO sector to achieve and maintain an inclusive NSW where people with a disability are enabled to participate in their community and lead independent and meaningful lives.

Jim Moore

Chief Executive

Ageing, Disability and Home Care

Patrick Maher

State Manager

NDS New South Wales

2   Introduction

Disability services within NSW and around Australia are currently undertaking a range of developments to build on strengths and further improve the provision of services for people with disability, their families and carers.

In NSW, building a responsive, robust and sustainable disability sector has resulted in an increasing emphasis on, and commitment to a partnership approach between government and non-government services, and recognition of the critical importance of supporting the sector through this period. This partnership approach provides a powerful mechanism to achieve quality outcomes for people with disability, their families and carers.

There are still areas requiring further work, including enhancing the voice, choice and control of people with disability in the service system; meeting regulatory requirements; maintaining and improving quality; ensuring good governance; sound financial management and viability; realigning service delivery in accordance with changing expectations; and addressing workforce attraction and retention issues.

Focusing on industry development will further support the transition to a more integrated, efficient, innovative, robust and responsive service system to achieve quality outcomes for people with disability and their families in NSW.

Throughout this report, reference is made to people with disability and in doing so, we recognise the importance of the support provided by families and carers.

2.1   *Developing the directions for industry development*

This document has been developed after a series of workshops and interviews held with service providers, peak body representatives, and government representatives in November and December 2009:

- During November 2009, a series of regional stakeholder workshops were held to explore the sector's views on industry development issues and priorities, and supplemented by a number of interviews with consumer representative and advocacy organisations to capture the perspectives of people with disability and their families. From these stakeholder workshops, eight areas of focus were extrapolated.

- Following this, a two-day planning workshop involving representatives from the non-government disability services sector, peak bodies, and government was held in December 2009. This workshop focused on the vision and directions for the disability services sector in NSW, areas of focus for developing the sector to achieve this vision, and identifying the key industry development priorities and initiatives that need to be implemented in the short, medium and longer term. This resulted in the consolidation of the original eight areas of focus into six.

- A final half-day workshop was held with ADHC, Department of Human Services NSW and National Disability Services (NDS) representatives in March 2010 to examine and discuss the proposed industry development directions, strategies and actions which were derived from consultations with the sector.

2.2 *Purpose of this report*

The purpose of this report is to outline suggested directions for industry development in NSW as articulated by the disability services sector over the period to 2015, and describe the objectives, strategies and actions for industry development in the short, medium and longer term.

This report has been prepared based on consultations with service providers and other stakeholders in the NSW disability services sector, as well as government and NDS representatives.

This report can also be used to inform the allocation of the NSW Government's $17 million Industry Development Fund (IDF) for the disability services sector, which is being administered by NDS in partnership with ADHC.

This report is divided into the following sections:

- *Section 3: Moving forward – a partnership approach* outlines the vision for the non-government disability services sector, and how government and the non-government sector can work together more effectively

- Section 4: *Key areas of focus for industry development in NSW* outlines each of the six areas where industry development should be focused, including the goals and directions for each area, and the high-level strategies required to achieve these goals. These areas of focus are based on the themes identified in the stakeholder consultations as well as national directions and reform areas. The six areas of focus are:

    1. People with disability at the centre of service delivery;

    2. People with disability have access to the information and range of supports they need to live the lives they choose;

    3. High-performing organisations achieving real outcomes for people with disability;

    4. Robust planning and resource allocation decisions based on accurate data and evidence;

    5. Effective governance, leadership and management of the sector;

    6. The workforce is skilled, capable and focused on people with disability.

- *Section 5* outlines implementation considerations, including interdependencies between the areas of focus, and the process for determining priorities and sequencing of specific strategies and actions.

In addition, Appendix A outlines specific strategies and actions for each of the areas of focus for industry development that should be considered to achieve the goals and objectives identified. Appendix B outlines the organisations consulted as part of this project.

3 Moving forward – a partnership approach

3.1 Vision

The shared vision and commitment for industry development in NSW by government and its non-government partners is:

NSW is an inclusive state, where people with disability, their families and carers have the same opportunity to participate and contribute as other citizens.

To achieve this, people with disability need to have access to information to make informed choices and should be able to access a range of supports and services that are responsive, innovative, high-quality and cost-effective, with a strong focus on supporting the inclusion of people with disability in the community. This is to be achieved through genuine partnership between Government, Non-Government Organisations (NGO), the community and people with disability, their families and carers.

3.2 Social capital and the non-government sector

As noted in the Productivity Commission's recent report, *Contribution of the Not for Profit Sector* (February 2010), the non-government sector is large and diverse and makes a significant contribution to the economy, Australian society and communities, and as a vehicle for government service delivery.

The non-government sector facilitates and contributes to building social capital, which is "the relationships, understanding and social conventions that form an important part of the mediating environment that shapes economic and social opportunities"[11], and the extent of non-government activity is often viewed as an indicator of the health of society.

Governments are paying increasing attention to building the capacity of the non-government sector, not just to expand its role and effectiveness as a provider of government services, but also to build the capacity of the community to respond to the needs of people in the community. A strong, robust and effective non-government sector is more able to contribute to and build the capacity of the community and 'social capital', and is more able to harness and utilise community capacity and social capital for society and community benefit.

The Productivity Commission's report provides an in-depth review of the non-government sector in Australia, including its relationship with Government, and proposes five key areas of reform for building and strengthening the sector:

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[11] Productivity Commission (2010): *Contribution of the Not for Profit Sector*.

1. *Stimulus for social innovation* – develop new and better ways to tackle social problems and other issues where the benefits are largely to the community rather than financial returns. This requires collaborative approaches to address complex problems.

2. *Relationship building* - to strengthen collaboration and effective engagement especially in the delivery of government funded services.

3. *Streamlining the regulatory framework* – via a consolidated regulatory framework that provides a simple 'one stop shop' for Commonwealth registration and tax endorsement for Not-for-Profits (NFP); stream-lined reporting requirements; consistent and appropriate regulation by states and territories.

4. *Building knowledge systems* – that support understanding of the sector by itself, government and business as well as building evidence base for learning about effective social intervention and public policy measures.

5. *Improving arrangements for more effective sector development* – to promote development of support services for the sector, stimulate co-operation, build skills in governance, business planning and evaluation, promote workforce sustainability, and enhance access to capital.

The next section outlines the value of building a stronger partnership between government and the non-government disability sector.

3.3   *Government and non-government partnership in NSW*

The non-government sector, in partnership with ADHC, plays an essential role in supporting people with disability and their families and carers to get a life, have a better life, and live life on their own terms. Partnership is built on this shared common purpose and enacted through the complementary roles and mutual responsibilities of government and non-government organisations.

Both partners want an NGO sector that:

- is person and family centred, responsive and places people with disability at the centre of informed decision making;

- builds on community connectedness and garners opportunities, resources and supports so that people with disability and their families and carers can live life on their own terms;

- is outcome and performance orientated that welcomes and responds well to feedback from people with disability and the community;

- is the preferred vehicle for service delivery;

- builds community capacity and social capital, and utilises these for the benefit of people with disability;

- is diverse, and offers services with a range of sizes and profiles;

- has sufficient expertise and capability and knows what they should do;

- is well governed, with ADHC and the NGO sector having the confidence to partner together to deliver on this common purpose; and

- has a strong and positive relationship with its workforce.

Shared responsibilities

To support this vision, the responsibilities of NGOs and ADHC are to:

- demonstrate that the sector is delivering what it has agreed to do;

- focus on *what* is being achieved rather than *how*;

- make efficient use of government funds to maximise outcomes on behalf of people with disability and represent value for money;

- reduce red tape and simplify doing business with each other;

- addresses issues when community and people with disability are concerned, and puts things right when they go wrong;

- trust well governed organisations to deliver, using a light touch to verify that organisations are doing what they have agreed to do, and take a firmer stance with organisations that misuse that latitude, on behalf of the community and government; and

- reinforce the virtues that any well-governed organisation would want to have rather than prescribe what has to be done.

To achieve the partnership between ADHC and the NGO sector it is critical that the sector is:

- *Integrated* – the sector operates as one, focusing on outcomes for people with disability and their families through equitable sharing of information, resources and training.

- *Efficient* – minimises red tape, and addresses inefficient practices and unnecessary back office procedures to maximise service delivery capacity and quality.

- *Innovative* – improves outcomes for people with disability by creating an environment which cultivates diversity and creativity in the delivery of quality services and the development of new evidence based and responsive models of support.

- *Robust* – recognises that non-government organisations, both large and small, play a key role in the wider community by building on social capital to carry forward core business; cultivates a sustainable network of providers to assist people with disability to enjoy an ordinary life in keeping with the rest of the community.

- *Responsive* – enables greater opportunities for people with disability to be at the centre of the system, better aligns the mix and nature of available services with those requested by people with disability both now and in the future, and at both the micro and macro level from individual programs to sector-wide commissioning of services.

3.4 Developing the disability services sector in NSW

The development of the disability services sector in NSW is also based on a partnership approach and a shared commitment and vision for the future. The directions and initiatives for industry development are underpinned by the following principles:

- *Government and non-government organisations as partners in change* - all industry development initiatives will be developed, implemented and reviewed by engaging key stakeholders.

- *Enhancing the voice, choice and control of people with disability* - the structure of the disability services system will support contemporary evidence-based practice founded on person-centred approaches to facilitate greater choice, voice and control for people with disability in the context of an equitable service system.

- *Cost neutral, utilising and restructuring existing resources* – wherever possible, any cost increases resulting from improvements in the structure of the disability services system must be met from within existing resources either through productivity improvements or the redistribution of resources.

- *Early intervention and prevention* - prevention and early intervention services delivered by both mainstream and disability service providers are important considerations in maximising the ability of people with disability, families and carers to live and fully participate in their community.

- *Committed and capable workforce* - the delivery of quality services must be underpinned by a workforce that maintains continuous professional development, that shares similar values and attitudes and that is appropriately skilled.

- *Sustainable service system* - implementation of less onerous but effective systems of compliance, quality and accountability are balanced by the need for a framework that reflects an organisation's ability to deliver on contractual obligations.

In considering the directions for industry development in NSW, it is important to remember that the development of the disability services industry in NSW is not occurring in isolation. It is informed by changes that are occurring within disability service provision across Australia and across the broader human services environment in NSW.

3.5 Links to the national reform agenda

Perhaps the most significant recent influence on disability services in Australia and internationally has been the *United Nations Convention on the Rights of Persons with Disabilities* (UN Convention), which Australia ratified in 2008, and which is the first legally binding international convention on the rights of people with disabilities. The UN Convention entrenches the legal and policy shift that has been occurring since the 1970s from a medical/deficit view of disability to a social and rights-based perspective.[12]

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[12] United Nations (2008) *Convention on the Rights of Persons with Disabilities,* http://www.un.org/disabilities/default.asp?navid=12&pid=150

In Australia, the *stronger emphasis on human rights* for people with disability is evident in a number of ways:

- the UN Convention will be the foundation of the National Disability Strategy;[13]

- the Australian Human Rights Commission is more active in disability issues; and

- the Australian Government has held consultations on how Australia could better protect and promote human rights.[14]

There is currently significant reform being undertaken throughout Australia's disability service systems, both at the national level and within jurisdictions. In addition to the Productivity Commission's broader reform areas suggested for the wider NFP sector (outlined in *Contribution of the Not for Profit Sector*, February 2010), specific disability sector reforms at the national level are being shaped by the development of a *National Disability Strategy*, and the implementation of the recently signed *National Disability Agreement (NDA)*, which replaces the third Commonwealth, State and Territory Disability Agreement (CSTDA).

Under the terms of the NDA, jurisdictions are committed to aspiring to meet the following objective:

> *"People with disability and their carers have an enhanced quality of life and participate as valued members of the community."* [15]

In July 2008 Commonwealth, the State and Territory Governments, through the Community and Disability Services Ministers Conference, agreed to establish a *National Disability Reform Agenda.* This Agenda aims to achieve national consistency and put the person with disability at the centre of disability service provision, as well as addressing demand for services.[16] The National Reform Agenda is referred to within the NDA and will sit under the National Disability Strategy.

The key priority areas, as agreed in the National Disability Reform Agenda, are:

a. Better Measurement of Need – involving developing a national model to estimate demand and improving data collection to provide a stronger basis for demand estimates.

b. Population Benchmarking for Disability Services – A National Population Benchmarking Framework will be developed and initial population benchmarking of disability services will be developed to improve the evidence base to assist in policy, service and planning decisions.

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[13] http://www.fahcsia.gov.au/sa/disability/pubs/policy/Documents/nds_discussion_paper/what.htm
[14] http://www.humanrightsconsultation.gov.au/www/nhrcc/nhrcc.nsf/Page/Home
[15] Council of Australian Governments (2008) *Intergovernmental Agreement on Federal Financial Relations Schedule F - National Disability Agreement*
[16] Community and Disability Services Ministers' Conference: *Communiqué 23 July 2008*: www.csmac.gov.au/admin/documents/2008%20-%20July%2022%20CSDMC%20meeting%20communique.doc

c. Making Older Carers a Priority – The National Disability Priorities Framework will assist Governments to target services to more vulnerable population groups based on relative need (including older carers and Indigenous people with disability).

d. Quality Improvement Systems based on Disability Standards – A National Disability Quality Framework with a National Quality Assurance system for disability services will be developed to introduce a national approach to quality assurance and the continuous improvement of disability services.

e. Service Planning and Strategies to Simplify Access – The National Framework for Service Planning and Access will be developed, focusing on providing a person-centred approach to service delivery and to simplify access to specialist disability services.

f. Early Intervention and Prevention, Lifelong Planning and Increasing Independence and Social Participation Strategies – An Early Intervention and Prevention Framework will be developed to increase Governments' ability to be effective with early intervention and prevention strategies and to ensure that people with disability receive the most appropriate and timely support.

g. Increased Workforce Capacity – A national workforce strategy will be developed to address qualifications, training and cross sector career mapping issues and establishing the disability sector as an 'industry of choice'.

h. Increased Access for Indigenous Australians – A National Indigenous Access Framework will ensure that the needs of Indigenous Australians with disability are addressed through appropriate service delivery arrangements.

i. Access to Aids and Equipment – More consistent access to aids and equipment.

j. Improved Access to Disability Care – Systems that improve access to disability care and ensure people are referred to the most appropriate disability services and supports, including consideration of single access points and national consistent assessment processes in line with nationally agreed principles.

Along with the Australian Government and other jurisdictions, disability service provision in NSW will be shaped by these reform priorities.

4   Key areas of focus for industry development in NSW

This chapter outlines each of the six areas where industry development should be focused, including the goals and directions for each area, and the high-level strategies required to achieve these goals.   These areas of focus are based on the themes identified in the stakeholder consultations as well as national directions and reform areas. The six areas of focus are:

1. People with disability at the centre of service delivery;

2. People with disability have access to the information and range of supports they need to live the lives they choose;

3. High-performing organisations achieving real outcomes for people with disability;

4. Robust planning and resource allocation decisions based on accurate data and evidence;

5. Effective governance, leadership and management of the sector; and

6. The workforce is skilled, capable and focused on people with disability.

These six areas of focus, along with the key strategies for each, link to the vision and the desired outcomes for the NGO sector, and are summarised in Figure 1 on the next page.

These six areas of focus are consistent with the reform areas outlined by the Productivity Commission in its report, *Contribution of the Not for Profit Sector* (February 2010), which aims to strengthen the not-for-profit sector and ensure that it continues to build upon the valuable contribution it makes to Australian society, community, and economy. Figure 2 illustrates how these six areas of focus relate to the Productivity Commission's main reform areas.

The following sections outline each area of focus in more detail, including the objectives and 'end state' for each area, and high-level strategies to be implemented to achieve these objectives. More specific strategies and actions for each area of focus are outlined in Appendix A.

Figure 1 – Vision, outcomes and areas of focus for industry development

Vision | **Outcomes for the NGO sector** | **Areas of focus** | **Strategies**

Vision:
NSW is an inclusive state, where people with disability, their families and carers have the same opportunity to participate and contribute as other citizens

People with disability have access to information to make informed choices

A range of services that are responsive, innovative, high quality and cost effective

A strong focus on supporting people with a disability in the community

Genuine partnership between Government, NGOs, the community and people with a disability, their families and carers

Outcomes for the NGO sector:
Government and non-government partners will work together to build an NGO sector that is:

Person and family centred

Builds on community connectedness

Outcome and performance orientated

Preferred vehicle for service delivery

Builds and utilises community capacity and social capital

Diverse

Sufficient expertise and capability

Well governed

Strong and positive relationship with workforce

Areas of focus / Strategies:

Empowering people with disability

People with disability at the centre of service delivery
1. Promoting a consistent understanding of person centred approaches
2. Greater flexibility and innovative approaches tailored to people's needs and aspirations

People with disability have access to the information and range of supports they need to live the lives they choose
3. Building inclusive communities with capacity to support people with disability and their families
4. Working with mainstream services to respond to the needs of people with disability
5. Improving navigation of the service system for people with disability and their families
6. Creating consistent and streamlined intake and assessment processes for specialist disability services

Improving performance and decision-making

High-performing organisations achieving real outcomes for people with disability
7. Greater focus on quality improvement and measuring outcomes
8. Further promoting a culture of continuous improvement
9. Improving operational efficiency of organisations

Robust planning and resource allocation decisions based on accurate data and evidence
10. Strengthening service planning so that it is more robust and underpinned by data and evidence
11. Enhancing resource allocation to achieve an efficient, viable and sustainable sector

Building organisational capacity

Effective governance, leadership and management of the sector
12. Further enhancing Boards' corporate governance and leadership skills and their understanding of contemporary disability service provision
13. Enhancing managers' business management skills and leadership

The workforce is skilled, capable and focused on people with disability
14. Creating a sector that is an attractive and desirable place to work and has an adequate supply of skilled staff
15. Undertaking strategic workforce planning at system and organisational levels
16. Developing end enhancing workforce skills

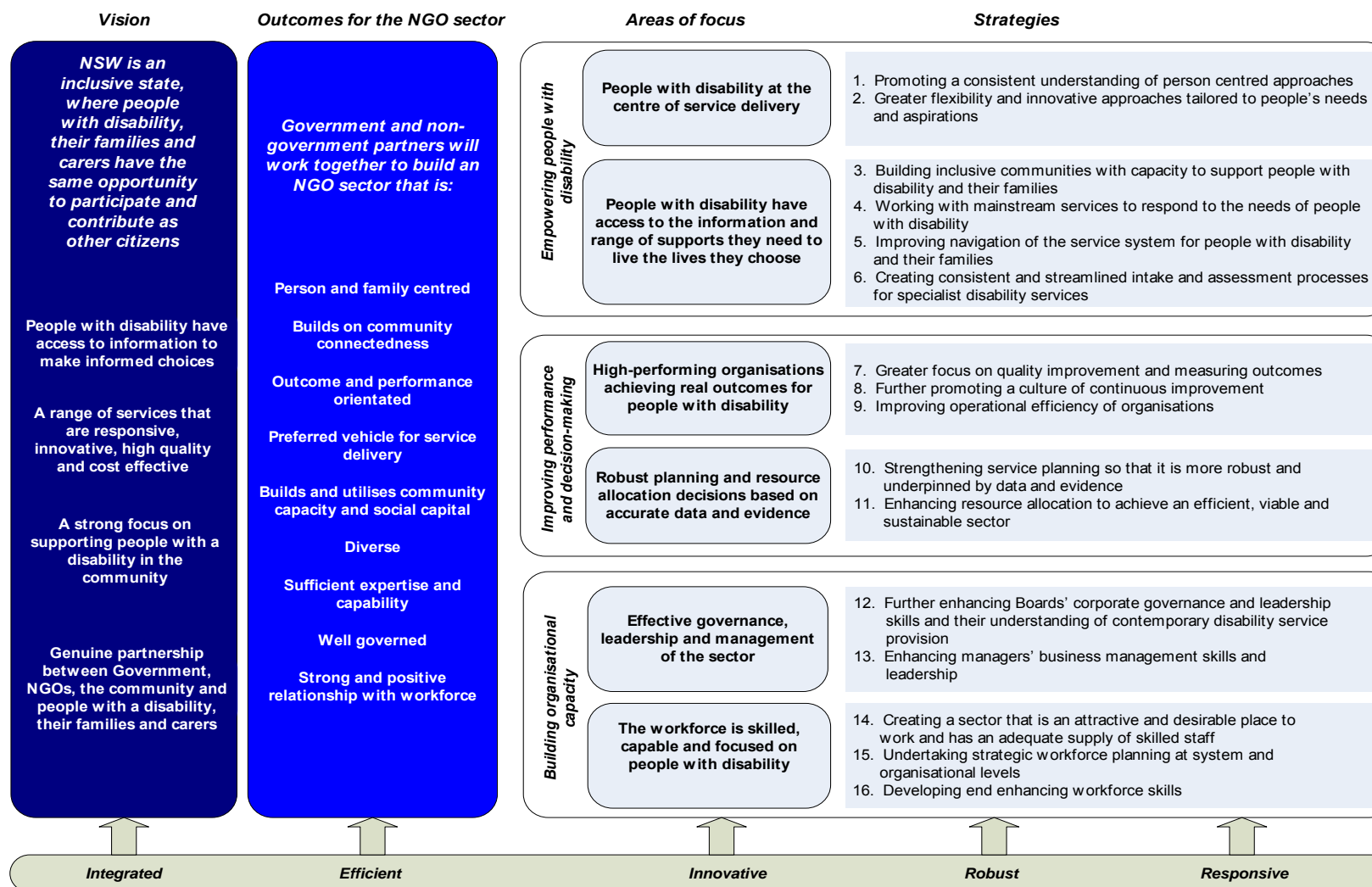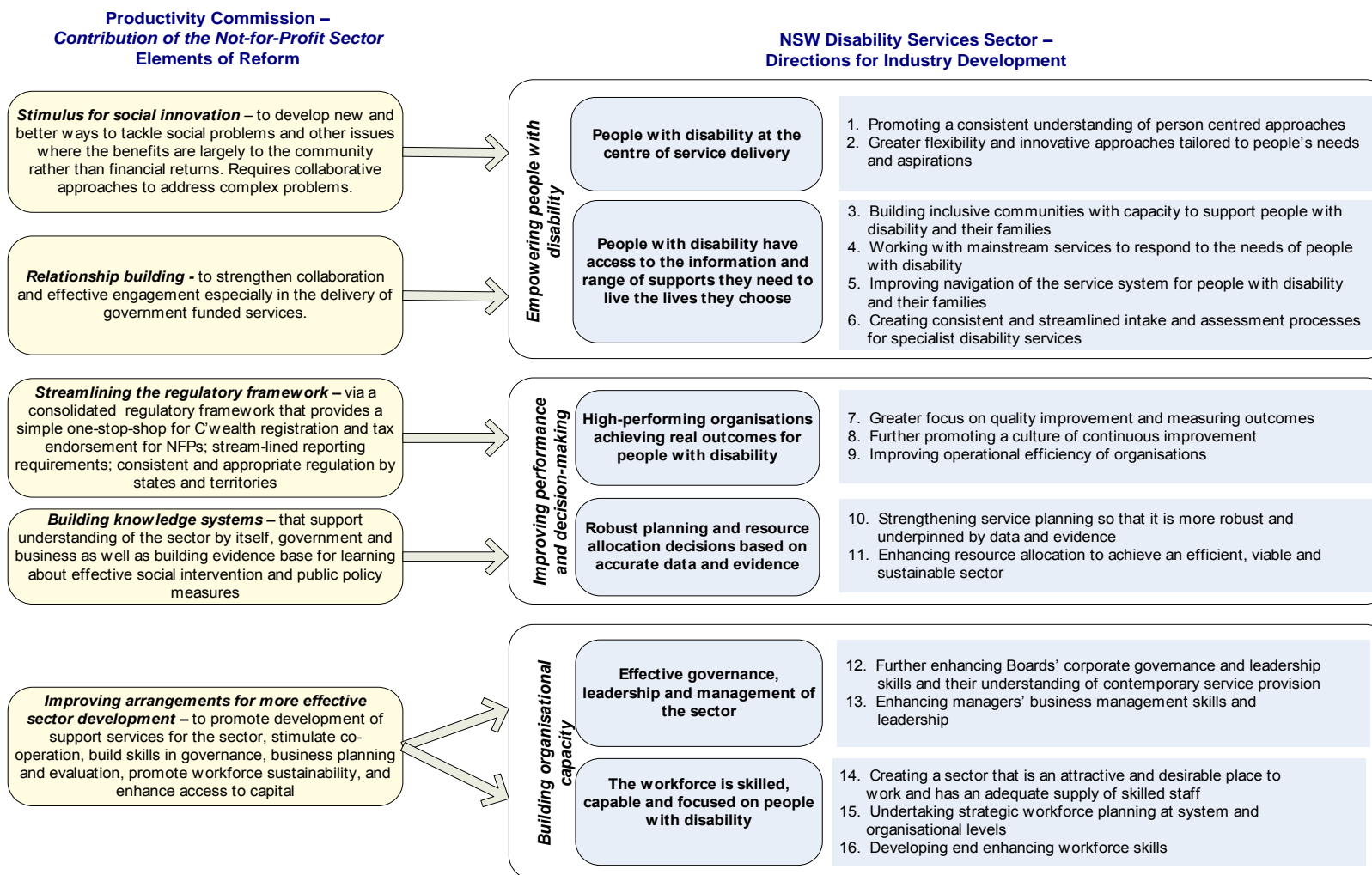*Integrated*   *Efficient*   *Innovative*   *Robust*   *Responsive*

14

Figure 2 – Areas of focus for industry development and Productivity Commission's main reform areas for not-for-profit sector

Productivity Commission –
Contribution of the Not-for-Profit Sector
Elements of Reform

NSW Disability Services Sector –
Directions for Industry Development

Stimulus for social innovation – to develop new and better ways to tackle social problems and other issues where the benefits are largely to the community rather than financial returns. Requires collaborative approaches to address complex problems.

Relationship building - to strengthen collaboration and effective engagement especially in the delivery of government funded services.

Empowering people with disability

People with disability at the centre of service delivery

1. Promoting a consistent understanding of person centred approaches
2. Greater flexibility and innovative approaches tailored to people's needs and aspirations

People with disability have access to the information and range of supports they need to live the lives they choose

3. Building inclusive communities with capacity to support people with disability and their families
4. Working with mainstream services to respond to the needs of people with disability
5. Improving navigation of the service system for people with disability and their families
6. Creating consistent and streamlined intake and assessment processes for specialist disability services

Streamlining the regulatory framework **–** via a consolidated regulatory framework that provides a simple one-stop-shop for C'wealth registration and tax endorsement for NFPs; stream-lined reporting requirements; consistent and appropriate regulation by states and territories

Building knowledge systems **–** that support understanding of the sector by itself, government and business as well as building evidence base for learning about effective social intervention and public policy measures

Improving performance and decision-making

High-performing organisations achieving real outcomes for people with disability

7. Greater focus on quality improvement and measuring outcomes
8. Further promoting a culture of continuous improvement
9. Improving operational efficiency of organisations

Robust planning and resource allocation decisions based on accurate data and evidence

10. Strengthening service planning so that it is more robust and underpinned by data and evidence
11. Enhancing resource allocation to achieve an efficient, viable and sustainable sector

Improving arrangements for more effective sector development **–** to promote development of support services for the sector, stimulate co-operation, build skills in governance, business planning and evaluation, promote workforce sustainability, and enhance access to capital

Building organisational capacity

Effective governance, leadership and management of the sector

12. Further enhancing Boards' corporate governance and leadership skills and their understanding of contemporary service provision
13. Enhancing managers' business management skills and leadership

The workforce is skilled, capable and focused on people with disability

14. Creating a sector that is an attractive and desirable place to work and has an adequate supply of skilled staff
15. Undertaking strategic workforce planning at system and organisational levels
16. Developing end enhancing workforce skills

4.1 People with disability at the centre of service delivery

A key feature of disability service provision in NSW is the shift toward more person-centred approaches to working with people with disability and their families. This is underpinned by an emphasis on human rights and a commitment to empowerment through the promotion of informed choice and participation in decision-making.

Person-centeredness is a principle that shapes all aspects of the way services are organised and delivered. It is the underpinning driver for each strategy that has been identified to enhance the industry's development in providing more effective services and supports for people with disability and their families in NSW, as outlined in this report.

Throughout this report, reference is made to people with disability, families and carers. In this context, "people with disability" is used to refer to children, young people and adults with disability. Person-centred approaches encompass all of these age groups, although specific strategies developed for children and young people with disability should be underpinned by a "child and family centred approach" in recognition of the importance of families and carers in supporting children and young people. Many adults with disability are also supported by families and carers, and person-centred approaches recognise the importance of this support, while also promoting the rights of adults with disability to make informed decisions and direct the way in which they receive services to the fullest extent of their ability.

Objectives

By implementing a range of strategies to strengthen person-centred approaches, it is envisaged that by 2015:

- *People with disability and their families and carers determine what supports and services they receive*, and are provided with information and support to access the full range of supports and services available so that they can live the life they choose. These include informal supports, mainstream services and specialist disability services.

- *Staff are skilled in person-centred planning and service delivery*, and work with people with disability in a way that empowers them and promotes choice.

- *Facilitating personal planning is a separate process to service provision*. This does not necessarily mean that it is carried out by a separate entity, particularly in rural areas, where there is a limited number of providers. Service providers may be involved in personal planning for clients already within the service system.

- There is a *range of funding mechanisms for individual supports in place* and people are provided with meaningful information that enables them to choose their preferred funding mechanisms.

- There is *collaboration between the disability services sector and other relevant government agencies*, such as housing, health, education, supported by a range of agreements such as whole of government strategy, Memoranda of Understanding or other such agreements. Specialist disability services and mainstream services collaborate at a local community level to enhance access to the supports and services to people with disability and their families.

- There is a *high level of trust and collaboration within the sector*, which enables collaboration and innovation to occur without fear from competition. Consequently, there is a greater range of options available to people with disability.

- An individual with disability has a *single holistic plan* that identifies their aspirations and support needs. Individuals are provided with information about the full range of options available to them which enables them to make informed choices about the types of supports and services that they prefer to access. These options include both informal and formal supports and are not limited by funding provisions.

Current situation

Across Australia, there is an increasing emphasis on the rights of people with disability, and the importance of person-centred approaches to the development and delivery of service responses.

Some jurisdictions have recently revised their disability services legislation to further emphasise the rights of people with disability and their place at the centre of service provision, for example the *Disability Services Act 1993 (Western Australia – amended in 2004)*[17], *Disability Services Act 2006 (Queensland)*[18] and *Disability Act 2006 (Victoria)*[19]

Victoria has taken this commitment further and has developed the *Victorian Charter of Human Rights and Responsibilities 2006*, which is a legislative framework based on the Universal Declaration of Human Rights guaranteeing civil, political, social and cultural rights to all people in Victoria.

All jurisdictions are implementing reforms to make their services systems more person-centred, and many have developed key policy and strategy documents that reflect this focus on the individual. Examples include:

- Western Australia's *Disability Future Directions 2025* (currently under development), *Community Living Initiative*[20] and *Disability Services Commission Strategic Plan 2006-2010;*[21]

- Queensland Government's *Growing Stronger*[22] which introduces a person–centred approach to delivering disability services through tailored service responses informed by assessment outcomes; and

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[17] Available at
http://www.slp.wa.gov.au/pco/prod/filestore.nsf/Documents/MRDocument:5629P/$FILE/DisabilityServAct1993_03-a0-06.pdf?OpenElement
[18] Available at http://www.legislation.qld.gov.au/LEGISLTN/CURRENT/D/DisabServA06.pdf
[19] Available at
http://www.legislation.vic.gov.au/Domino/Web_Notes/LDMS/PubStatbook.nsf/f932b66241ecf1b7ca256e92000e23be/0B82C05270E27961CA25717000216104/$FILE/06-023a.pdf
[20] Available at http://www.disability.wa.gov.au/forindividuals/clivinginitiative.html
[21] Available at
http://www.disability.wa.gov.au/dscwr/_assets/main/guidelines/documents/pdf/dsc2006strategicplan_(id_1176_ver_2.0.0).pdf
[22] Available at http://www.disability.qld.gov.au/key-projects/growing-stronger/

- Disability ACT's *Quality of Life Grants*[23], which provides funding for small person centred projects directly to an individual rather than an agency.

Consistent with the promotion of human rights and the principles of participation and self-determination, across Australia, people with disability and their families and carers are playing an increasing role in the design and delivery of support programs and services at a local level. Some examples of mechanisms for ensuring that people with disability have a voice in shaping the way services respond to them include:

- the Australian Capital Territory *Challenge 2014 – A ten year vision for disability in the ACT,*[24] which was developed through extensive consultation with people with disability, families and carers, service providers, community organisations and Government agencies through public forums, targeted discussions and meetings and through written submissions;

- people with disability have been heavily involved in the development of Western Australia's *Disability Future Directions 2025*[25] - people with disability, their carers and services providers were asked to consider the future and consulted about their experiences, hopes and fears, participate in workshops, and comment on the draft policy document;

- Western Australia's reference networks conduct regular public meetings throughout WA with people with disability; and

- *Have Your Say: On Improving Disability Services in Queensland – 2005-06* which involved a public consultation process on proposed improvements to disability services in Queensland.

There is also a substantial move towards tailoring service provision to the individual, with a range of models focused on supporting the person with disability to live in the community and the development of informal support networks, with an emphasis on supporting and strengthening the capacity of families. Associated with the emphasis on tailored responses, there is an emerging trend toward directing people with disability and their families and carers to supports from a range of human services and within informal care networks at an early stage, in order to reduce, delay or avoid the need for more intensive supports provided by the specialist disability service system.

In NSW, growth and additional funding under *Stronger Together 2006-2016*[26] provides a platform to improve the client-provider interface and signals the NSW Government's commitment to this. *Stronger Together* outlines a shift to more flexible services that are better targeted to meeting individual needs and an acknowledgement that these needs will change over time. Research and piloting is underway to investigate how to further implement individualised support for people with disability.

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[23] Available at http://www.dhcs.act.gov.au/__data/assets/pdf_file/0007/28996/Information_-_Qualtiy_of_Life_Grant_2009.pdf

[24] Available at http://www.dhcs.act.gov.au/__data/assets/pdf_file/0015/5334/Challenge_2014.pdf

[25] Available at www.disability.wa.gov.au/dsc/corpdocuments/.../dfd2025.html?s

[26] Department of Ageing, Disability and Home Care (2006) *Stronger Together – A New Direction for Disability Services in NSW 2006-2016*: http://www.dadhc.nsw.gov.au/NR/rdonlyres/93E65784-353B-4E01-8858-303F4B247A76/1986/StrongerTogetherPlan2.pdf, Accessed October 2009.

There has also been a greater shift to:

- *early intervention and prevention* to enable people with disability to live as independently as possible and to reduce, delay or avoid the need for more intensive or specialist supports; and

- *supporting families* and *building informal care capacity* to give them the knowledge and skills to meet the needs of the person with disability in a more appropriate, less intensive way than the specialist disability service system.

The *NSW State Plan* sets a whole of government goal for early intervention, and a number of early intervention and family support initiatives have been implemented under *Stronger Together*, including the development of a new case management framework and additional case managers, the introduction of Intensive Family Support program, and the establishment of the Family Assistance Fund.

Strategies and actions for consideration

While recognising that progress has been made in achieving better outcomes for people with disability and their families, there is a need for a stronger alignment of processes and practices with the principles of person-centred approaches and the promotion of the rights of people with disability to exercise choice, voice and control.

Strategies to achieve this should focus on:

Promoting a consistent understanding of person-centred approaches amongst people with disability and their families as well as service providers

The focus of this strategy should be on ensuring that appropriate mechanisms are in place to enable people with disability, their families and carers, ADHC and NGO service providers to develop a shared understanding of the concepts and principles related to person-centred approaches. Therefore, consideration should be given to:

- developing and disseminating an agreed set of principles to guide person-centred approaches across the sector;

- raising awareness and building understanding of person-centred approaches and implications for people with disability and their families and carers;

- ensuring that the workforce has the appropriate skills and knowledge to ensure that person-centred approaches are applied to all aspects of service planning and delivery; and

- strengthening consultation processes to ensure that the service system is responsive to the individual needs of people with disability.

Creating greater flexibility in service responses, and innovative approaches that are tailored to an individual's needs and aspirations

Increasing the commitment to person-centred approaches means moving away from program driven service provision and toward people with disability accessing the full range of community supports and maximising naturally occurring informal support, as well as mainstream services. Where disability supports are required, they are tailored to and directed by the individual.

There is already a significant amount of work occurring in NSW to strengthen the focus on prevention and early intervention. This work should be further expanded to create additional capacity and innovative service responses that are aimed at linking people with disability, their families and carers to low intensity supports at the earliest effective time (and which may be in other human services like the health, education and housing systems). In addition, consideration should be given to developing approaches that support people at key transition points – this work should link to and be informed by the development of individual pathways.

The focus here should be on ensuring that services are responsive to individual needs, and that there is increased innovation and flexibility within services so that people with disability and their families have greater control over what services they receive. This will require:

- understanding what types of supports people with disability and their families would like to receive, and provide opportunities to participate in shaping how services are delivered;

- developing models and approaches that focus on early intervention and provide support to families and carers at key transition points; and

- supporting service providers to reconfigure their service models and practices so as to provide more responsive, flexible and individualised services.

4.2 People with disability have access to the information and range of supports they need to live the lives they choose[27]

The Australian Government's Social Inclusion Agenda foresees a future in which 'no Australian is excluded from meaningful participation in the mainstream economic and social life of the community'. This agenda is driving reform in human service delivery by demanding an improved reach, impact and accountability of government and non-government services for individuals and communities who are excluded or marginalised, including people with disability.

For people with disability, social inclusion and community connectedness implies having access to a range of supports and services that provide the skills and opportunities to enable education and labour market participation, as well as participation in the full range of social opportunities that are available to other members of the community. These supports and services include:

- informal supports e.g. families, carers, friends;

- community programs e.g. social clubs, community colleges;

- mainstream services e.g. health, housing, transport, education; and

- targeted programs provided within mainstream services e.g. **Disability Housing and Support Initiative** (**DHASI**).

Many NGO service providers have the advantage of having greater knowledge of and closer contact with local communities, enabling NGO's to provide better access to services
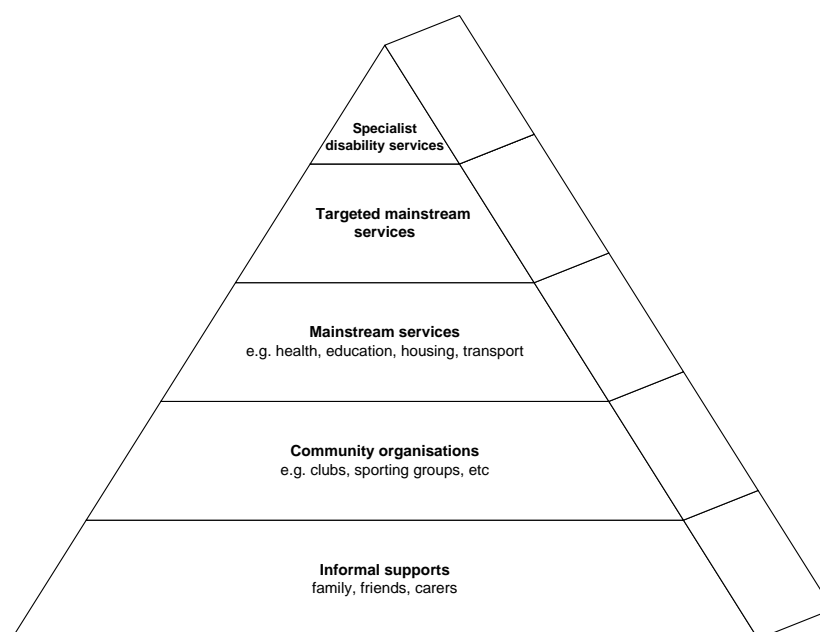
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[27] This area of focus is a consolidation of 'a service system which is easy to access and navigate' with 'strong community linkages and connectedness'

for some targeted groups in the community. The NGO sector is therefore well positioned to leverage these linkages with local communities to enhance services that better reflect the diversity of the communities they service, and enhance the inclusion of diverse cultural groups within the community.

Some people with disability and their families and carers will require access to a level of support that cannot be obtained through informal, community or mainstream supports. When this occurs, specialist disability service responses should be available and provided in a way that builds the capacity and independence of individuals, with a focus on removing the barriers to full inclusion in society.

The continuum of supports and services that may be required to enable people with disability to live the lives they choose and achieve full social inclusion is represented in the diagram below. People with disability may access services at different points along the continuum at the same time – for example, mainstream services as well as some specialist disability services.

Figure 1   Continuum of supports for people with disability

For people with disability requiring services (both mainstream and disability-specific), having accessible information about the options available, being able to access and navigate the system, and being able to exercise choice about the service responses they are seeking, are critical to achieving the outcomes they are seeking.

Intake, assessment and referral processes that support access to the full range of informal and community supports, mainstream and specialist services are consistent with

contemporary leading edge practice in Australia and internationally. Such approaches move away from program-driven service responses to a system based on assisting people with disability to obtain information about and access the range of supports that fit their needs and aspirations.

This requires:

- well-defined, clear entry points into the service system;

- consistent and streamlined intake and assessment processes which are person-centred;

- a service system which is easy to navigate, where people with disability and their families and carers are provided with clear information about community, mainstream and specialist service options, and know where to go to get support when needed;

- clear referral pathways to both mainstream and specialist services; and

- an understanding of system capacity and a resource planning process linked to need.

Objectives

Achieving better outcomes for people with disability and their families in terms of full social and economic participation requires a fully integrated approach to providing supports and services and is best achieved through partnership between Government, NGOs, the community and people with disability. It is also important that the service system is easy to navigate for people with disability and their families and carers, that they are able to easily access the information and services they require, and that individuals are directed to the most appropriate services for their needs.

Building an integrated system that works together to achieve the social inclusion of people with disability and their families will mean that by 2015:

- People with disability have *access to a range of services and supports* that provide the skills and opportunities to enable education and labour market participation, as well as participation in the community.

- The sector will provide people with disability, their families and carers access to information on what services are available and how these services can be accessed (both specialist and mainstream) from any point in the service system that they initially contact.

- Information for different parts of the service system is readily available through *collaborative 'hubs'*. Hubs also provide the platform for sharing information between different parts of the service system.

- *Services are more visible* to people with disability and their families and carers, and to the general population, so that people know where to go to access information and services.

- There is a *single intake point ("one door") for specialist disability services* – people with disability who need to access services go through this single point. This single door acts as a gatekeeper, determines eligibility, and assesses for need.

- *People are screened for eligibility only once* using a common screening tool, though their needs are reassessed at key life stages or as their needs change.

- The approach for accessing services is:

  - *Planned* – reflecting key life stages and transition points

  - *Facilitated* – to assist people with disability access the services they need, where this facilitation is needed. This facilitation can be independent of service provision, or located within service providers.

  - *Integrated* – the sector shall seek to identify the gaps, cracks and overlaps in the service system, and shall seek to influence other community and mainstream services to work collaboratively to develop an integrated service system.

- *The disability service system is easy to navigate* for people with disability and their families and carers. This is particularly apparent at key transition points – such as leaving school – when people with disability need to access new services.

- *Aboriginal people and other communities* including culturally and linguistically diverse groups and people with specific communication needs are aware of what services are available and are assisted to access the services they need by utilising a *proactive outreach approach*.

- Disability service providers have *strong linkages to communities, local government, the for-profit sector and mainstream services, as well as other disability service providers,* and use these connections to ensure that people with disability have access to the full range of supports available in the local community.

- NGOs are encouraged and supported to be *innovative in building capacity in the community*. This includes allowing organisations to make mistakes, with the learnings from such mistakes shared across the sector. The responsibility of NGOs in community capacity building is reflected in funding agreements.

- *IT systems support access to and sharing of information* and the transfer of an individual's information to facilitate access to services.

Current situation

Across Australia, the provision of information is a pivotal part of an effective disability service system. It supports and empowers people with disability, their families and carers to make choices about their supports and to live as independently as possible. It is also an important mechanism for raising awareness and influencing attitudes and behaviours within the broader community in order to increase the social and economic inclusion of people with disability in society.

Additionally, the National Disability Agreement includes commitments to:

- develop a National Framework for Service Planning and Access, focusing on providing a person-centred approach to service delivery and to simplify access to specialist disability services;

- consider single access points and nationally consistent assessment processes in line with nationally agreed principles by the end 2011;

- develop a National Disability Priorities Framework to assist Governments to target services to more vulnerable population groups based on relative need (including older carers and Aboriginal and Torres Strait Islander people with disability); and

- develop a National Indigenous Access Framework to ensure that the needs of Aboriginal and Torres Strait Islander Australians with disability are addressed through appropriate service delivery arrangements.

Improving access to and navigation of the service system, and ensuring that people with disability are able to get the supports that they require, has highlighted the need for collaboration between service providers – including mainstream services as well as Government and NGO disability service providers.

The increased reliance on partnerships and coordination between government agencies and NGO service providers is a current trend in the delivery of disability services, which improves the integration, coordination, responsiveness and accessibility of generic services and enables better targeting of specialist disability services.

Tasmania provides an example of jurisdictions undertaking work to improve collaboration and integrate specialist disability services with other government services.[28] Tasmania is developing a combined implementation plan for its disability services and family services reforms. Once implemented, access to these services will be through a common point of access within each region, with a combined local area coordination service. Implementation of these reforms is a key reform priority for Tasmania.

The *NSW State Plan* sets out goals and priorities to improve government service delivery for the benefit of the people of NSW. Within one of its five areas of activity – Fairness and Opportunity – is a priority to increase "employment and community participation for people with disability". This is reinforced in the objectives of *Stronger Together* and *Better Together.* The NSW Government has made a commitment to the development of Disability Action Plans for all government departments. In addition, the NSW Government has made changes to government procurement regulations to enhance government procurement from Australian Disability Enterprises.

Strengths of the current disability service system include the commitment between Government and NGOs to work together to improve outcomes for people with disability and their families. In addition, many NGOs have strong linkages with their local communities, and there is scope to build on this connectedness to and strengthen the role of the community in supporting and including people with disability.

For people requiring access to specialist disability services, the system can be difficult to navigate and it can be difficult to obtain information to support informed choice about services. This is particularly apparent at key transition points – such as leaving school – when people with disability need to access new services.

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[28] Department of Health and Human Services, Future Communities, Operational Framework for Disability Services http://www.dhhs.tas.gov.au/future_communities/reform_implementation_unit/disability_services_reform/operational_framework_for_disability_services

One way of addressing this is to consider the concept of an individual's pathways. By looking at the key transition points across an individual's life it is possible to estimate the array of supports that an individual may need. This provides a useful method for assessing the capacity of the local service system to respond to such needs while concurrently highlighting areas requiring further enhancement and development. A focus on an individual's pathways does not negate the need to tailor services and take an individualised approach, rather it is complementary and provides a useful framework for assessing needs.

Currently, there are a range of strengths and initiatives that can be built on:

- ADHC's regional Information, Referral and Intake teams currently provide a single point of contact for disability support for each region and referral to mainstream and NGO disability supports.

- the Service Provider Portal is an internet-based broadcast communication tool, which could be enhanced. Human Services Net (HSNet) is an internet-based portal which contains information and service directories on a range of services – both specialist and mainstream – which organisations can access to ensure they have the best information on services available when making referrals. HSNet also has the functionality to transfer referral information between providers electronically.

- a single entry point for Home and Community Care (HACC) services is also currently being trialled in the Hunter region. This access point means that clients who need HACC services contact a single point, have their needs assessed, and be referred to one or a number of services. Clients are able to contact one place rather than potentially multiple service providers and give their personal information once only (with information stored and transferred electronically). The single access point has enabled more consistent assessment of needs and eligibility, and aims to ensure that clients reach the services that are most appropriate for their needs. Wider roll-out of the access point model is currently being examined.

Strategies and actions for consideration

Supporting people with disability and families to achieve social inclusion and live the lives they choose requires a number of actions on the part of ADHC, NGOs and mainstream service providers as well as greater leveraging of community capacity. Strategies to achieve this should focus on:

Building communities that are inclusive and have the capacity to support people with disability and their families

This involves leveraging the linkages that NGOs have with communities and building on the capacity of communities to support people with disability and their families and carers. This should encompass:

- raising community awareness about people with disability;

- providing NGOs with the resources, tools and training to engage in community capacity building; and

- recognising the diversity within communities and developing evidence based culturally appropriate approaches to community development for Aboriginal

communities and among communities of people from different cultural and linguistic backgrounds.

Working with mainstream services to better respond to the individual needs of people with disability

The focus of this strategy should be on strengthening mainstream services so that they are better equipped to cater to the individual needs of people with disability. Building this capacity will require ADHC and NGOs to adopt a collaborative approach to:

- developing joint training for specialist disability services and mainstream services;

- up-skilling mainstream services through formal partnerships, secondments of staff or mentoring;

- local, regional and state-wide planning to proactively target capacity building in mainstream providers; and

- supporting the NGO sector to leverage its capacity to work with mainstream services to improve outcomes for people with disability and their families.

Improving navigation of the service system for people with disability and their families and carers particularly at key transition points

To improve navigation of the service system for people with disability and their families and carers, NGOs, ADHC and mainstream services providers need to work together to improve information, coordination and integration within the system so that people with disability and their families are to make informed decisions about the supports and services they wish to access, are able to access these supports and services and move through the system as needs change.

This will require information to be accessible, not only to people with disability and their families, but also to service providers and the wider community to build a shared understanding of options available. This should involve exploring the potential for easily accessible information "hubs" or portals to provide information for people with disability, disability services, mainstream services, families, and community members.

Consideration should also be given to improving the ease of navigation of the system through establishing local coordinators/ facilitators to assist people with disability to access information about the range of supports and services available in the community and within the disability services system, and to access these supports.

Using the concept of 'individual pathways' and identifying the key transition points across an individual's life, it is possible to identify the array of supports that an individual may need. This will provide a useful method for assessing the capacity of the local service system to respond to such needs while concurrently highlighting areas requiring further enhancement and development.

Creating consistent and streamlined intake and assessment process for accessing specialist disability services

The focus should be on ADHC and NGOs working together to build on work currently underway in NSW to improve intake and assessment processes, and information sharing to promote ease of access to supports and services (including community and mainstream

services) and reduce the burden on people with disability and their families associated with multiple assessments, particularly for people who require multiple supports or services.

A particular focus should be improving current approaches to establishing eligibility, and consideration should be given to agreeing its purpose and when it occurs so as to reduce the need for re-establishing eligibility at multiple points in a person's life or when accessing more than one service.

Further detail regarding these strategies and actions is outlined in Appendix A.

4.3 *High-performing organisations achieving real outcomes for people with disability[29]*

High-performing organisations are those which are delivering quality services achieving outcomes for people with disability, manage resources efficiently and maximise the benefit for people with disability within the available resource pool, and are innovative and strive for excellence in what they do.

Objectives

Implementing a range of strategies to support and encourage high-performing organisations that achieve real outcomes for people with disability will mean that by 2015:

1. *organisations are more effective*, deliver better quality services and better achieve outcomes for people with disability;

2. *organisations are more efficient* and achieve greater *value-for-money* by utilising the available resources for maximum benefit of people with disability; and

3. *organisations are more innovative*, willing to take risks and try new methods of service delivery with confidence, share learnings and contribute to the evidence base for effective care and support.

Current situation

The NSW Government is taking action to ensure that regulation is more effective in achieving its objectives and do not impose unnecessary burdens on business and the community. Cutting red tape is a priority under the *NSW State Plan*, and the Government announced in April 2009 that it has committed to reducing red tape, across the whole of government, by $500 million by 2011. In December 2009 the NSW Government released a report which commits it to delivery of specific red tape reduction strategies for the non-government sector throughout 2010. ADHC is also exploring alternative approaches to reduce regulatory burden.

One of the key reform areas in the National Disability Agreement is the development of a National Quality Framework which balances quality assurance and the continuous improvement of disability services. An interim framework was agreed to by Disability Services Ministers in October 2009 and a process of consultation is occurring throughout 2010. Further, a number of other jurisdictions (most notably Victoria and Western

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[29] This area of focus is a consolidation of 'quality services achieving outcomes for people with disability' and 'efficient and well performing organisations'.

Australia) have already progressed with developing their own quality frameworks which move beyond quality assurance and compliance and have a stronger focus on quality improvement and outcomes for people with disability.

In NSW, the current approach is generally accepted as being robust and a good indicator of compliance though not necessarily of quality, and there is a need to better balance compliance against standards with a focus on outcomes and quality improvement mechanisms to ensure continuous improvement. ADHC, with its NGO partners, is seeking to progress the development of a quality framework that focuses on achieving positive outcomes for people with disability and their families.

Further, non-government organisations to a large extent already have a focus on efficiency and performance, and on utilising their resources in the best way possible to maximise the outcomes achieved for people with disability. However, some organisations may lack the management expertise, access to robust data, or performance monitoring systems which are key to improving efficiency and performance.

There are also well-developed data reporting mechanisms that are able to provide valuable information for organisations to support performance improvement. Currently, however, reporting is generally 'one way' (that is, from organisations to Government), and there is no comprehensive performance feedback mechanisms or performance benchmarking systems in existence to better utilise the data collected. This lack of feedback mechanisms and regular analysis means that data quality may not be optimal, reducing its potential to inform efficiency and performance improvement.

Further, elements of competition within the sector (for example, due to competitive tendering) has not promoted collaboration or cooperation and sharing resources, and initiatives that may have improved organisations' operational efficiency (such as shared services) are yet to be utilised to any great extent.

Strategies and actions for consideration

Supporting and encouraging high-performing organisations requires a number of actions on the part of ADHC and NGOs. Strategies to promote and achieve improvements in performance should focus on:

Greater focus on quality improvement and measuring outcomes for people with disability

Primarily, this should involve developing a quality framework that focuses on outcomes for people with disability in line with the National Quality Framework.[30] This framework should balance 'quality assurance' and compliance with specific service standards with 'quality improvement' and a focus on outcomes for people with disability and their families.

Elements of the framework should include:

- clearly articulated outcomes and measurable outcome indicators (including measures of satisfaction of people with disability and their families);

- objective and consistent processes for monitoring quality across all disability service providers (government and NGO), based on clearly articulated and

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[30] The interim *National Quality Framework for Disability Services in Australia* was agreed to by Disability Services Ministers in October 2009, and can be accessed at
http://www.dhs.vic.gov.au/__data/assets/pdf_file/0010/378433/qualitly_interimnationalqfdsinaust_1109.pdf

measurable outcomes and service standards, which do not place an undue administrative burden on organisations who deliver services;

- supporting processes and tools for measuring outcomes; and

- appropriate rewards and sanctions for good or poor performance.

In developing the framework, consideration should be given to the need and feasibility of periodic independent verification of service quality by an independent third party(ies) (third party accreditation).

In addition, consideration should be given to ensuring people with disability and their families are informed about quality and effectiveness and are able to use this information to support their decisions about the services and service providers they access. This may include investigation of a quality 'branding' (such as using the NDS brand as an indicator of quality) or a rating system.

Further promoting a culture of continuous improvement

A culture of continuous improvement within organisations is underpinned by regular, self-review of performance and periodic external review and evaluation, and based on a robust approach to performance measurement and benchmarking.

To achieve this, ADHC and NGOs should work together to develop and provide tools and supports to assist organisations embed a culture of continuous improvement with a focus on excellence, innovation and effective risk management.

Improving the operational efficiency of organisations

Part of a culture of continuous improvement involves organisations regularly examining their operational efficiency and identifying how they can better utilise their resources for the benefit of people with disability. Organisations should be supported in this by:

- Developing performance feedback mechanisms (as identified above) to provide the necessary data and information to enable organisations to identify opportunities for efficiency improvement; and

- Opportunities to build their organisational management capacity in relation to financial management, human resource management, and change management.

Organisations are also able to work collaboratively with others to improve their organisations' operational efficiency, such as sharing 'back office' functions and common transactional processes (such as IT, human resource management and recruitment). To facilitate this and further contribute to improving sector and organisational efficiency, information on and promotion of sustainable business models and collaborative models should be developed, and assistance to implement these models provided by government or by other non-government organisations that have already benefited from such models should be considered.

More specific actions to reduce the administrative burden associated with organisational monitoring, reporting and accountability requirements and with purchasing and tendering processes are already underway. These should continue and potentially extended to

achieve further gains in efficiency and to maximise the level of resources available for services and supports for people with disability.

Further detail regarding these strategies and actions is outlined in Appendix A.

4.4 Robust planning and resource allocation decisions based on accurate data and evidence

Effective planning and resource allocation ensures that resources are available for services and supports where they are needed most as well as where they can have the greatest impact now and in the future.

Effective resource allocation and service planning is vital given the growing demand pressures on the system, due in large part to changing demographic trends, improvements in medical technology prolonging life and ageing carers, leading to a decline in informal support networks.

A key attribute of resource allocation and service planning is basing investment decisions on reliable, accurate data relating to need (including unmet need and under-met need) and demand, which can enable services to be more responsive and adaptive to need in the short, medium, and longer term. Investment decisions should also be based on proven benefit, where resources allocation is balanced between services and supports that can provide the best outcomes for people with disability in the short term with 'early intervention' that can have a significant longer term impact.

Objectives

Implementing a range of strategies to strengthen planning and resource allocation will mean that by 2015:

- Comprehensive service planning and resource allocation will ensure that *service location and availability is consistent with levels of need and demand*, service delivery is *viable and sustainable*, *efficient and effective*, and is underpinned by thorough and robust analysis and understanding of need, current service levels, and costs of service provision.

- Service planning and resource allocation is *undertaken with a long-term investment view*, focusing on building capacity over time, is dynamic and takes account of changing needs and circumstances, provides certainty of resourcing, and which considers the longer term impacts and benefits of investment. Taking a long-term view will also facilitate stronger linkages between service and infrastructure planning.

- *Joint planning is a transparent, open and consultative process* – involving Government, the non-government sector, other appropriate mainstream government services and the community – and occurs at a local, regional and state-wide level.

- Resource allocation is a *collaborative, partnership-based process*, rather than a competitive process which results in unnecessary competition between organisations, and which undermines moves to greater cooperation and collaboration between providers.

- There is *joint oversight and coordination* of planning and resource allocation processes, involving both ADHC and NGOs.

Current situation

Provider funding has traditionally been based on the estimated cost of delivering services at a provider-level (based on tendering arrangements), or based on a specified 'volume' of services to be delivered at a given 'price' (generally determined by Government). More recently, with the shift to more person-centred approaches, individualised funding is being implemented as an option within some programs, where service funding is determined on the basis of individual need and is portable across providers.

In addition, work is being undertaken by ADHC to improve purchasing arrangements, including the development of new purchasing guidelines, the development of resources to support the non-government sector tendering to provide services (and reducing the onerous nature of tendering), and the use of different purchasing models such as pre-qualified panels. By reducing requirements on non-government providers in the tendering process and in monitoring of performance, the 'burden' on providers can be reduced – freeing resources for service delivery and achieving outcomes for people with disability.

The National Disability Agreement includes two specific reform priorities which are relevant for improved planning and resource allocation, and these areas of work will further inform the work to be undertaken in NSW. These are:

- Better measurement of need*, which includes the development of a national model to estimate demand, improving population and demographic data collection to provide a stronger basis for demand estimates; and improving the quality of disability service provision data and jurisdiction-level unmet demand data.*

- *Population benchmarking for disability services*, which involves the development of a national framework and initial population benchmarking of disability services to improve the evidence base to assist in policy, service and planning decisions.

Further, NSW and a number of other jurisdictions already utilise population modelling at the state-wide level to support its resource allocation processes.

Strategies and actions for consideration

Undertaking robust planning and resource allocation decisions based on data and evidence requires a number of actions on the part of ADHC, NGOs and mainstream service providers. Strategies to achieve this should focus on:

Strengthening service planning so that it is more robust and underpinned by accurate data and evidence

To achieve this, consideration should be given to developing and implementing a comprehensive service planning framework, building on the population-based planning framework which is already in place. It is envisaged that the framework and resulting processes would have the following features:

- takes a long-term view, that is, 5-10 years;

- integrates planning at a state-wide, regional/local and organisational level, with each level informing levels above and below;

- is underpinned by robust data and evidence of need, and thorough and comprehensive analysis of data and evidence;

- strengthens planning at an organisational level through provision of tools and support.

Further, joint oversight and governance of planning and resource allocation at a local level, involving both government and NGO representatives, will ensure that planning and resource allocation processes and activities are coordinated at a local level, and enable information and evidence to flow between local, regional and state-wide levels. Local oversight and governance should be supported by a central, joint oversight and governance group to ensure consistency in the planning process.

Enhancing resource allocation to achieve an efficient, viable and sustainable sector

It is important that resource allocation decisions are based on an understanding of the true cost of service delivery, and take into account 'efficient' costs of service provision as well as organisations' ability to harness social capital – to ensure that prices paid are realistic and support the long-term viability and sustainability of providers and the sector.

Further, resource allocation processes should utilise a suite of purchasing methodologies for allocating new or additional funding to facilitate cooperation and collaboration rather than competition among organisations. Examples include pre-qualification panels (already being examined and implemented by ADHC), and funding methods which explicitly take into account current or past performance.

Finally, promoting greater involvement and choice by people with disability in resource allocation – for example, through individualised support models where funding is attached to individuals and is portable between providers – could be considered to give people with disability a greater say in who they choose to receive services from, and to potentially increase the responsiveness of providers to an individual's needs.

Further detail regarding these strategies and actions is outlined in Appendix A.

4.5 *Effective governance, leadership and management of the sector*

NGOs which are well-governed, with effective leaders and managers, are key to ensuring a responsive and robust service system which achieves real outcomes for people with disability.

Objectives

A range of skills are required to govern and operate an effective organisation, including strategic thinking, leadership, effective strategic and corporate planning, well-developed financial management, human resource management, and risk management capacity. Ensuring that organisational managers, leaders and Board members are equipped with these skills is essential for high-performing organisations.

In addition, there is an increasing recognition of the contribution that people with disability and their families can make to effective governance and sector leadership. This

acknowledges the unique perspective that service users bring to the Board table, and values these alongside more traditional Board skills. This approach is also consistent with a person-centred philosophy of service planning and delivery and ensures that people with disability have a voice in shaping the sector.

Strengthening governance capacity and sector leadership means that by 2015:

- *Boards and managers understand and are skilled in their corporate responsibilities.* This means that Boards:

    - are skilled in an array of areas necessary to their organisation;

    - act in alignment with the operational side of their organisation; and

    - understand the value of working collaboratively with Government and communities.

- *The engagement of people with disability in corporate decision-making is promoted and supported.*

- *Developmental mechanisms for Boards and managers are in place.*

- *Linkages are in place with professional bodies* such as the Australian Institute of Company Directors, Institute of Chartered Accountants, and the Law Society and these are a source of Board members and bring specific expertise to sector governance.

- There is an *industry-wide approach to developing leadership and effective management skills.*

- The sector *develops leadership and management skills from within organisations.*

Current situation

There are a range of skilled and committed leaders, managers, and Board members working in the disability sector who create effective organisations. However, there are gaps in skills and capabilities – at both the Board and management levels.

A recent report by the Bradfield Nyland Group found that approximately 18 per cent of organisations reported that they had no Board members with specific professional governance related expertise. Most of these were smaller organisations.[31] ADHC has developed *It's Your Business* – a good governance resource for non-government organisations designed to support the development of governance knowledge and Board management skills,[32] and also engaged NDS to roll-out a learning and development strategy known as the Good Governance Program.

A 2006 report by KPMG stated that generally, those who move into management positions have extensive experience as practitioners but sometimes had no experience of the type required for the successful management of an organisation or of staff.[33]

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[31] Bradfield Nyland Group (2009) *It's Your Business: Good Governance Learning and Development Strategy Research Report,* June 2009. Available at www.nds.org.au/asset/view_document/979317309
[32] It's your business resources can be accessed at
http://www.dadhc.nsw.gov.au/dadhc/Doing+business+with+us/Its+Your+Business.htm
[33] KPMG (2006) *National Disability Administrators Investigation into Disability Workforce Capacity Issues,* prepared for National Disability Administrators, April 2006. Available at
http://www.nda.gov.au/cproot/504/1830/DisabilityWorforceCapacityResearchreport.pdf.

Strategies and actions for consideration

There are a range of strategies and actions which should be considered to strengthen governance, leadership and management within the disability services sector. These include:

Further enhancing Boards' skills in corporate governance and strategic leadership and their understanding of contemporary disability service provision

The existing Good Governance Program aims to develop a range of skills for Boards to increase their effectiveness, including skills in corporate governance and strategic leadership as well as knowledge and understanding of contemporary disability service provision.

While the Good Governance Program is relatively new and needs time for benefits to be realised, there are a range of current and planned enhancements to the program which will further assist in developing Boards' skills, including mentoring, Board-to-Board and Directors' networking, and industry workshops and newsletters.

Another planned enhancement is the establishment of linkages with professional bodies (such as the Australian Institute of Company Directors, Institute of Chartered Accountants, and the Law Society) to facilitate additional support and training for Board members as well as attract new, well qualified people with specific governance and leadership skills and expertise.

Involvement of people with disability in corporate decision-making brings a different perspective to organisational decisions than what might traditionally be the case, and provides a number of benefits as well as challenges.

One of the main conditions to facilitating people with disability's involvement is providing appropriate opportunities and support as well as training – both for people with disability and their families relating to how they can participate, and for Boards on how they can involve people with disability.

Enhancing managers' business management skills to enable them to run effective, efficient and responsive services

Managers of non-government organisations need a range of management and leadership skills, and need to be supported to develop these skills. There are a range of different methods that can be considered both by organisations themselves and the sector as a whole, including providing opportunities for and supporting formal management development education, mentoring, networking and information sharing, and on-the-job learning. The Good Governance program extends to offer CEOs and senior managers an informal networking space, but further developments would be required to facilitate the management and leadership competencies required.

Further detail regarding these strategies and actions is outlined in Appendix A.

4.6 *The workforce is skilled, capable and focused on people with disability*

A skilled and capable workforce focused on people with disability is an essential component of delivering high quality, effective services and supports which meet the needs of people with disability.

Disability service policy directions have changed many aspects of the way disability services are delivered in Australia, and have had significant impacts on the disability services workforce. In order to ensure that changes in practice and culture are appropriately implemented and sustained, it is important that the disability services workforce have the appropriate skills and capacity to deliver services and contribute to achieving outcomes for people with disability.

Ensuring that there is a skilled workforce will involve:

- effective attraction, recruitment and retention strategies to ensure that there is an adequate workforce with appropriate skills;

- employment models that are flexible, and consider the needs of people with disability and their families and carers and ensure sustainability of the employing organisation; and

- supporting all staff to acquire appropriate knowledge and skills, including an understanding of the needs of people with disability and the elements of contemporary practice, the capacity to assist people with disability to identify their goals and aspirations, a focus on working holistically, the capacity to work with people with disability and their families and carers, informal networks and other services in partnership.

Objectives

It is envisaged that by 2015:

- Workers have the *attributes* necessary for person-centred service delivery. This means that:

  - organisations are *committed* to training their workforce;

  - organisations provide *opportunities for workers to achieve formal qualifications* and are supported to achieve these;

  - training courses, qualifications, and training providers are effective and focused on providing *quality training opportunities;*

  - *on-the-job learning* is a recognised and valid element of achieving formal qualifications and is accredited/quality assured by registered training organisations; and

  - *traineeships* continue to be a major component of the system, with people learning on-the-job.

- The disability sector is an *attractive sector to work in* and an *employer of choice:*

- *marketing and recruitment strategies* are in place to attract workers to the disability sector; and

- non-government pay rates and conditions are on par with Government sector, with increase in pay and conditions, financed through a combination of additional funding and productivity/efficiency gains.

- Workforce development, recruitment and retention is underpinned by a *coordinated disability sector workforce strategy*, linked to a broader human services strategy.

In short, what is required is a skilled, valued, engaged and responsive workforce enabling all people who need disability services to achieve their goals.

Current situation

A number of factors are predicted to impact on the disability services workforce in future years, including:

- the ageing of the population and the workforce in general, leading to declining rates of labour force participation and a more competitive labour market;

- a decline in the traditional disability workforce pool (that is, women aged over 35 years);

- an increasing casualisation of the workforce; and

- the need for increasing flexibility in work arrangements.

Most jurisdictions are currently working to improve their disability workforce.

In NSW, *carecareers*[34] is an innovative initiative managed by NDS, sponsored by the NSW Government, which aims to grow the pool of labour for government and non-government providers of disability and community care services in NSW by helping attract and retain suitable candidates to work within the sector.

Within NSW, as in other jurisdictions, workforce attraction and retention is a challenge for the sector:

- Many regions face a shortage of appropriate workers within the disability sector, having to also compete for staff with other human services industries. There are also difficulties with recruiting appropriate people to management positions and more senior positions in management committees and Boards,

- While it may be useful to require minimum level qualifications (such as Certificate III or IV) in order to attract appropriate people to the positions, a potential employee's values, attitudes and passion for working in the industry may also be an important consideration, with formal qualifications able to be obtained at a later stage,

- Pay inequity between ADHC and other government agencies and NGO providers creates difficulties in staff attraction for NGOs.

- A higher level of remuneration would provide greater acknowledgment of the sector's work.

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[34] www.carecareers.com.au

Another challenge is that the disability services sector is competing with other human services sectors for staff. This indicates that a key challenge is not only attracting and retaining people within disability services, but increasing the total number of people who choose to work in human services and ensuring that potential employees perceive the disability services sector as a desirable place to work.

Strategies and actions for consideration

Achieving the vision for a skilled and capable workforce focused on people with disability, requires ADHC and NGOs to work together to implement a range of strategies.

Strategies to achieve this should focus on:

Creating a sector that is an attractive and desirable place to work and has an adequate supply of skilled staff

Ensuring that there is an adequate supply of appropriately skilled staff will require a sector-wide approach to workforce planning. ADHC and NGOs should work together to build on the current initiatives to increase the profile and attractiveness of the sector including addressing employment conditions that may be a disincentive to workers to enter or remain in the sector. There should also be focus on ensuring that recruitment practices and employment models contribute to the overall attractiveness of the sector.

Undertaking strategic workforce planning at the system and organisational levels, and considering both the government and NGO workforces

ADHC and NGOs should work together to develop a strategic workforce plan for implementation at a sector level. Components of the plan should include:

- identification of skills requirements and shortages;
- recruitment;
- strategies to retain staff; and
- learning and development requirements.

Organisations should also be provided with resources to support them to engage in effective workforce planning at the organisational level.

Developing and enhancing workforce skills through relevant training and a culture of continuous learning

ADHC and NGOs should work together to develop strategies that promote a culture of continuous learning throughout an employee's career. Learning and development opportunities should also be linked to career pathways, not only promotional pathways but also pathways that provide more diverse opportunities for people to enhance their skills, knowledge and experience through movement across different environments and working with different groups of people with disability.

There should also be a focus on identifying current and future staffing requirements and skill mix, and considering the need for professionalisation of the workforce, any appropriate entry-level qualifications, training requirements (and capacity to meet training demand), and the potential to achieve efficiencies in the cost of training.

Further detail regarding these strategies and actions is outlined in Appendix A.

5 Implementation and next steps

This report contains a number of suggested strategies and actions for the six areas of focus for industry development. This section discusses the process for determining the sequencing and prioritisation of strategies and actions prior to implementation, and outlines the interdependencies between the areas of focus.

5.1 Priorities and sequencing

This report, and the proposed industry development strategies and actions, have been developed with a five-year time horizon in mind – that is, it has been envisaged that the strategies and actions will be considered for implementation over the period to 2015.

The two-day planning workshop identified the sector's priorities for industry development.

The priority and precise sequencing of specific strategies and actions has not been finalised, and it is envisaged that this will be determined by the IDF Governance Board, with support from an implementation group that is representative of the sector. In determining the priorities and sequencing, it will be important to distinguish between priority strategies and actions for *industry development* from priority strategies and actions for the *IDF*. Further, the interdependencies between areas of focus – as outlined in the next section – can also be used to inform this process.

5.2 Interdependencies

The table below outlines the degree of interdependence between the six areas of focus.

A high degree of interdependence (shown by ✓✓✓) implies that the directions, strategies and actions for those areas are closely linked, and the sequencing of strategies and actions will need to be considered when determining the implementation scheduling. Further, the success of strategies and actions within one area of focus are likely to be influenced by the design and success of other strategies and actions in another area of focus where there is a high degree of interdependence.

Area of focus	People with disability at the centre of service delivery	People with disability have access to the information and range of supports they need to live the lives they choose	High-performing organisations achieving real outcomes for people with disability	Robust planning and resource allocation decisions based on accurate data and evidence	Effective governance, leadership and management of the sector	The workforce is skilled, capable and focused on people with disability
People with disability at the centre of service delivery		✓✓✓	✓✓	✓✓✓	✓✓	✓✓✓
People with disability have access to the information and range of supports they need to live the lives they choose			✓✓	✓✓	✓✓	✓✓
High-performing organisations achieving real outcomes for people with disability				✓✓✓	✓✓✓	✓✓
Robust planning and resource allocation decisions based on accurate data and evidence					✓✓	✓✓
Effective governance, leadership and management of the sector						✓✓
The workforce is skilled, capable and focused on people with disability						

✓✓✓ high degree of interdependency   ✓✓ medium degree of interdependency   ✓ low degree of interdependency

A Strategies and actions

This appendix provides additional detail regarding the strategies and actions that should be considered to achieve the goals and objectives for industry development in NSW, and are presented for each one of the six areas of focus identified in this report.

1. People with disability at the centre of service delivery

Actions
Promoting a consistent understanding of person-centred approaches amongst people with disability and their families as well as service providers
1A. Develop and disseminate an agreed set of principles to guide person-centred approaches across the sector.
1B. Build understanding of person-centred approaches, including: • raising awareness and build understanding of person-centred approaches and implications for people with disability and their families and carers, and for the disability services workforce. • working with higher education, TAFE and other training providers to ensure that training remains contemporary and is grounded in person-centred approaches to all aspects of service planning and delivery. This should include education for managers to promote understanding of the impact of person-centred approaches on business models and strategic planning.
1C. Develop and implement mechanisms for sharing learnings to inform better practice and foster continuous improvement in implementing person-centred approaches e.g. regular interagency forums, online portal, collecting and disseminating existing research and evidence.
1D. Strengthen consultation processes to ensure that the service system is more responsive to and representative of the needs and voices of people with disability.
Creating greater flexibility in service responses and innovative approaches that are tailored to the individual's needs and aspirations
1E. Develop and implement processes for engaging with people with disability to explore their perspectives and preferences about the types of supports they would choose and disseminate this information to service providers to enable planning for future service delivery.
1F. Develop service models and provide resources and other supports to assist service providers to evaluate and enhance their ability to reconfigure their practices towards providing more flexible and adaptive services, responsive to individuals with a focus on prevention and early intervention which provides support to families and carers particularly during transition periods.

2. People with disability have access to the information and range of supports they need to live the lives they choose

Actions
Building communities that are inclusive and have the capacity to support people with disability and their families
2A. Support the sector to build capacity and social capital within the community by assisting them to: • undertake specific capacity building activities, utilising and leveraging organisations' existing resources and volunteer-base. • develop and implement approaches to raise community awareness about disability, including establishing community champions/ambassadors, and identifying other key people in community to connect with (business people, childcare, education, health) developing resources, tools and training to support NGOs to engage in community capacity building. • develop an information sharing process so that good practice examples and success stories can be shared and encourage learning across the sector. • develop an evidence base to support culturally appropriate approaches to community development in Aboriginal communities and among communities of people from different cultural and linguistic backgrounds.
2B. Support the sector to further leverage the capacity of the community to support people with disability and their families.
Working with mainstream services to better respond to the individual needs of people with disability
2C. Engage with mainstream services to develop a range of strategies to build capacity to respond to people with disability and their families. These may include: • joint training with the specialist and mainstream services. • up-skilling mainstream services through formal partnerships, secondments of staff or mentoring. • developing a series of plans at local, regional and state-wide levels to proactively target capacity building in mainstream providers. These plans should link to other relevant human services capacity building strategies e.g. the Keep Them Safe strategy.
2D. Support the sector to leverage its capacity to work with mainstream services.

Actions
Improving navigation of the service system for people with disability and their families and carers particularly at key transition points

2E. Improving access to information through exploring the potential for online information "hub(s)" or portal(s) to provide information for people with disability, disability services, mainstream services, families, and community members. Information should emphasise life choices, and may include:
 	
    • links to information about resources, supports and services
    • positive stories about the experiences of people with disability and families
    • potential pathways across all life stages highlighting supports available
    • links to local community information (geographical, cultural etc)
    • services and capacity
    • referral, assessment, and intake processes
 	
Consideration should be given to leveraging off HSNet and the use of potential interactive functions e.g. blogs to provide a forum for information exchange between site users.
 	
As part of this project, a service capacity database will need to be developed. Management of the database would be an ADHC responsibility.

2F. Improve navigation of the service system for people with disability and their families through promoting a 'no wrong door' approach, where the sector has a responsibility to ensure people with disability are referred to the right supports at the right time, and explore the better use of existing systems to assist organisations to make the right referral decisions (such as HSNet and referralLink).
Creating consistent and streamlined intake and assessment process for accessing specialist disability services
2G. Review the existing evidence base to examine different models of intake to both ADHC and NGO provided services, as well as the intake processes of other agencies (such as Health, Aged Care) e.g. the centralised intake and assessment model with either a single entry point or multiple entry points.
2H. Review current approaches to priority of access for specialist services and explore the potential for introducing a single set of priority of access criteria which are consistently applied.

3. High-performing organisations achieving real outcomes for people with disability

Actions
Greater focus on quality improvement and measuring outcomes for people with disability
3A.   Develop a quality framework that focuses on outcomes for people with disability in line with the *National Quality Framework*. The quality framework for NSW should include: • clearly articulated outcomes for people with disability, and measurable outcome indicators for each of these outcomes (including measuring the experience of people with disability). • objective and consistent processes for monitoring quality across all disability service providers (government and NGO), based on clearly articulated and measurable outcomes and service standards. • supporting processes and tools for measuring outcomes. • appropriate consequences for good or poor performance. • consideration of the need for periodic independent verification of service quality by an independent third party(ies) (third party accreditation). • recognises equivalent data and evidence requirements of other quality and measurement systems ('reciprocity') that would demonstrate achievement of outcomes and compliance with standards, in order to reduce the administrative burden on service providers.
3B.   Develop resources and tools to build understanding of quality improvement and measurement of outcomes, targeting organisations' staff, management, and Boards.
3C.   Examine options, and implement the most feasible option, for ensuring that people with disability and their families (and other relevant stakeholders) have access to information about quality and effectiveness to support people with disability and their families' decision making and choice. This may include investigation of a quality 'branding' or rating system.
3D.   Restructure funding agreements so that they focus on outputs and outcomes rather than inputs.

Actions
Further promoting a culture of continuous improvement
3E.   Develop and provide tools and supports to assist organisations embed a culture of continuous improvement with a focus on excellence, innovation and effective risk management.
3F.   Increase the focus of organisations in measuring and analysing their own performance through: • robust, comprehensive and consistent set of key performance indicators (KPIs) which organisations can use to measure their own performance, and which Government can use to review performance on a periodic basis. This should include indicators of quality and effectiveness, efficiency and value-for-money, and other indicators important to organisations and Government. • performance feedback mechanisms, systems, tools or online portals utilising existing data collected and reported by organisations to support performance measurement against these KPIs. • industry benchmarks based on the set of KPIs to enable service providers to compare their performance against established benchmarks. • developing the skills of managers and Boards to measure and monitor their organisation's performance on a regular basis (links to focus area 5).
Improving the operational efficiency of organisations
3G.   Develop strategies for organisations to improve their operational efficiency by utilising cost optimisation strategies, for example through: • providing organisations with tools and resources, and external support and advice from cost optimisation advisors, to enable organisations to examine their cost base, identify savings and refocus investment to achieve better value from existing resources, and develop organisational management's cost optimisation capacity. • examining models to facilitate greater collaboration between organisations to improve organisations' operational efficiency, such as sharing 'back office' functions and common transactional processes. • collating research on examples of best practice in sustainable business models in specialist disability and related sectors.

Actions
Improving the operational efficiency of organisations
3H. Examine and develop strategies and tools to reduce the administrative burden of the Government-NGO relationship. Examples include: • examining current monitoring, reporting and accountability requirements that organisations are required to comply with across government agencies and departments and programs, and identify areas where there is duplication and/or where information reported can be streamlined.   • reviewing existing systems and processes for accountability reporting and examine the feasibility of developing an IT-based system or tool to reduce the administrative burden of reporting.   • examining the administrative burden of purchasing/tendering/funding processes on organisations and develop options for reducing the administrative burden of purchasing/tendering (such as pre-qualification panels, reducing required tender documentation).

4. Robust planning and resource allocation decisions based on accurate data and evidence

Actions
Strengthening service planning so that it is more robust and underpinned by accurate data and evidence
4A.   Develop and implement a comprehensive planning framework to guide long-term decision making and investment that: • takes a long-term view (5-10 years) • integrates planning at a state-wide, regional/local and organisational level,   with each level informing levels above and below • is underpinned by robust evidence and data • strengthens planning at an organisational level through provision of tools and support
4B.   Develop and implement an online repository of information that brings together a range of data sets that are relevant and useful for planning at a local, regional and state-wide level for use by both government and service providers (e.g ABS data, MDS data, and other service and service user data from related programs).
4C.   Establish a joint oversight and governance mechanism for planning and resource allocation at a regional/local level, involving both government and NGO representatives, to ensure planning processes are coordinated, and enables information and evidence to flow between different levels. This should be supported by a central, joint oversight and governance group.
4D.   Examine the evidence base about approaches to successful collaboration/partnership and develop resources to support local partnership agreements between complimentary services. These should be aimed at assisting organisations to articulate roles and responsibilities and foster collaboration.
4E.   Facilitate the development and implementation of dedicated planning resources and skilled government and/or non-government staff to undertake planning at a local, regional and state-wide level (recognising that planning is a specialised field that requires a range of qualitative and quantitative skills, and is an activity that needs to be resourced appropriately).

Actions
Enhancing resource allocation to achieve an efficient, viable and sustainable sector
4F. Develop a thorough understanding of the true costs of service provision (both government and NGO) and identify 'efficient' costs within the range of different services, taking into consideration the range of factors that may influence costs (such as location, nature and range of need of people with disability, infrastructure needs and costs), and refine resource allocation processes to ensure they take account of efficient costs of service provision as well as organisations' ability to harness social capital.
4G. Examine options for developing or refining purchasing/tendering/funding processes and the circumstances when each is appropriate – to achieve good outcomes for people with disability, promote efficiency and reduce administrative burden, build sector capacity, and foster cooperation and collaboration between organisations.

5. Effective governance, leadership and management of the sector

Actions
Further enhancing Boards' skills in corporate governance and strategic leadership, and their understanding of contemporary disability service provision
5A. Develop, enhance and implement a range of strategies to supplement the existing governance training and build the skills of Boards. These may include: • establishing a mentoring program. • developing resources to ensure effective induction processes. • supporting Board Directors' networking. • conducting workshops and publishing newsletters. • developing additional chapters to the *It's Your Business* governance resource. • develop Board assessment tools that enable Boards to review their teams working and hence the quality of their decision making. • undertaking a mid-term evaluation of the current Good Governance Program. These elements are already being delivered through or are planned as part of the Good Governance Program.
5B. Develop and disseminate indicators of high-performing Boards and promote assessment of Board performance against these indicators at an individual organisational/Board level.
5C. Strengthen the skills base of Boards, which may include: • establishing linkages with professional bodies such as the Australian Institute of Company Directors, Institute of Chartered Accountants, and the Law Society as sources of potential Board members to bring specific expertise to sector governance. • developing a promotional strategy to attract skilled Board members to the sector.
5D. Promote the engagement of people with disability in corporate decision-making.

Actions
Enhancing managers' business management skills and leadership to enable them to run effective, efficient and responsive services

5E. Develop a range of mechanisms to equip the leaders of organisations, particularly smaller organisations, with the skills and capacity to be effective leaders as well as effective managers. This may include:

- expanding the Good Governance Program (already implemented for Boards) to managers and leaders of organisations.

- mentoring (for example, more experienced CEOs supporting and mentoring less experienced leaders).

- networking and information sharing through management forums (where people meet regularly or communicate electronically) can be established to promote network and mentoring and facilitate transfer of skills and ideas. These could operate at a local or regional level.

- formal training and education.

5F. Work with universities, TAFEs and other training and management development organisations to:

- map current opportunities for managers wishing to obtain relevant skills, and to identify gaps.

- identify and implement opportunities to develop relevant courses or enhance existing management programs to ensure that industry requirements for managers are reflected in available programs.

- explore the feasibility of providing additional, direct support to managers and potential leaders to enhance their management and leadership skills (for example through partnering with existing management and leadership development providers, extending the number of places available for managers of NGOs within existing management and leadership development programs).

5G. Examine the feasibility of engaging external support and advice for managers and leaders of NGOs to build management and leadership capacity.

6. The workforce is skilled, capable and focused on people with disability

Actions
Creating a sector that is an attractive and desirable place to work and has an adequate supply of skilled staff
6A. Continue to implement and build on the carecareers strategy to promote the sector as a desirable employment environment.
6B. Review employment conditions, career paths and learning and development opportunities to ensure industry sustainability and competitiveness in the broader marketplace.
6C. Foster collaboration between organisations to: • develop and share innovative employment models that seek to provide increased employment opportunities by offering employment across multiple agencies. • attract and retain specifically skilled people e.g. clinicians by sharing positions across organisations. • streamline recruitment, particularly for staff seeking employment across multiple organisations.
Undertaking strategic workforce planning at the system and organisational levels, and considering both the government and NGO workforces
6D. Develop a sector workforce planning mechanism involving ADHC, NDS and service providers to support:: • sharing of information regarding demand for staff. • identification of skills requirements and shortages. • an industry-wide recruitment strategy (already in place through carecareers). • the development of strategies to address particular needs e.g. additional incentives to those already offered to skills shortage areas, rural and regional specific initiatives. • establishing industry-sponsored specialist positions across organisations. • the development of sector-wide training programs.
6E. Support recruitment and retention of staff at all levels by developing and distributing resources pertaining to best practice HR e.g. leadership development, management development, values-based recruitment framework, linking to National Skills Framework (links to focus area 5).

Actions
Developing and enhancing workforce skills through relevant training and a culture of continuous learning
6F. Undertake a workforce development project to examine the need for professionalisation of the workforce, any appropriate entry-level qualifications, determine training requirements (and capacity to meet training demand), and explore the potential to achieve efficiencies in the cost of training by more effectively utilising the purchasing power of the sector as a whole.
6G. Establish partnerships with universities, TAFEs and other training providers to review existing training and develop new programs or content that will ensure that the workforce is skilled in working with people with disability within a contemporary service system, and examine innovative methods to delivering learning and development (e.g. e-learning options).
6H. Establish communities of practice and provide forums for shaping training and development across the sector (links to 6A).

APPENDIX B

NDS POLICY PAPER
INDIVIDUALISED FUNDING: WHAT IT REQUIRES TO WORK

PUBLISHED: AUGUST 2008

NDS Policy Paper
Individualised Funding: what it requires to work

Purpose of this paper

The use of individualised funding to support people with disability is increasing. Although the trend is not uniform around Australia, it is apparent across all the main service types funded through the CSTDA. Over the three years to 2005-06 the individualised funding of respite, for example, rose from 6% of service users to 28%; accommodation support from 21% to 37%; and community access from 15% to 29%.[35] All disability employment services have now moved to case based funding - a quasi-individualised model. In their 30 May 2008 communiqué Federal, State and Territory Disability Services Ministers agreed that "access to services would be provided on a case-based approach, to ensure people with disability receive appropriate services when needed."

The rise of individualised funding is driven by attractive values such as consumer choice and personal empowerment. But the design, implementation and management of individualised funding models – depending on which version is chosen - can raise complex and contentious issues.

The purpose of this paper is to help identify those issues and to outline the conditions required for individualised funding to function effectively for consumers, service providers and governments.

Background

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[35] AIHW 2007 & 2006, *Disability Support Services 2005–06 & 2004–05, National data on services provided under the Commonwealth State/Territory Disability Agreement*, AIHW, Canberra.

Origins

Individualised funding seems to have its origins in the 1970s in British Columbia. There, a number of families wanting to secure self-determination for their sons and daughters with intellectual disabilities—to enable them to move out of institutions—negotiated arrangements for funding to be provided at an individual level. At a similar time, some people with physical disabilities began demanding the ability to create their own support system by hiring and paying their own staff.[36]

Since this time, aided by deinstitutionalisation and the disability rights movement, many countries have adopted individualised funding mechanisms, to varying degrees and in a range of forms. Models now operate in parts of Europe, Canada, the USA, the United Kingdom, New Zealand and Australia.

Within Australia, the introduction of Local Area Coordination in rural areas of Western Australia in 1988 marked the beginning of an interest individualised funding. This initiative was strengthened in 1993 by the introduction of the *Disability Services Act*, which established the WA Disability Services Commission and allowed for grants to be approved to individuals.

> Local Area Coordination had a clear charter, 'to support people with disabilities and their families to identify their own needs, determine their preferred services and control the required resources to the extent they desire, so they can pursue their chosen lifestyle.' There were two kinds of funding, tied and untied. Untied funding was designated for 'one-off' funding needs, were modest, and often used in an emergency, at the coordinators' discretion. Tied funding was normally for larger amounts and required individuals and families to submit a detailed plan.[37]

Most jurisdictions within Australia have now introduced some degree of individualised funding, and some are currently considering expanding the use of this approach.

Philosophical underpinnings

The impetus for individualised funding draws on two discourses: social justice and market theory.

The social justice approach emphasises 'the importance of integrating rights, across a full range of personal, social, educational and economic life experiences.'[38] It promotes the active participation of all citizens, stressing that they should not be the passive recipients of services but in control of when and how they are delivered.

The market perspective conceptualises disability service users as customers. By giving customers purchasing power individualised funding delivers what they want when they want it.

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[36] Dowson, S & Salisbury, B, 1999, *Individualised funding: Emerging policy issues*, pp.1–2. viewed at http://www.ndt.org.uk/docsN/IF_Policy_issues.pdf on 01/02/08.

[37] Lord, J & Hutchison, P, 2003, *Individualised support and funding: Building blocks for capacity building and inclusion*, Disability & Society, Vol. 18, No. 1, pp. 75–76.

[38] Pearson, C 2000, *Money talks? Competing discourses in the implementation of direct payments*, Critical Social Policy, Vol. 20, p. 461.

Moreover, the 'amalgamation of consumer choices will shape the overall pattern of service provision'[39]. Proponents believe this will result in an efficient and effective use of public funds.

These complementary discourses mean that the idea of individualised funding attracts supporters from both sides of politics.

A recent paper by the Victorian State Services Authority, developed in conjunction with Demos, suggests that there are currently four key imperatives driving governments:

- the shift from outputs to outcomes;
- the shift from welfare to social investment;
- the shift from command and control to innovation and collaboration; and
- the shift from standardisation to personalisation and customisation.[40]

The move to individualised funding is consistent with these drivers of public sector reform.

What is it?

Across Australia and internationally, the term 'individualised funding' is used to describe a myriad of arrangements. At its most basic level, it is:

> …public funding that is allocated to the individual, based on his/her unique strengths and needs, and placed under the control of the individual to enable them to live in the community as a full citizen.[41]

While the concept expressed like this is simple, its effects can be complex:

> State fund-holders properly retain their responsibility for ensuring effective and equitable use of public funds, but lose their direct involvement in the spending of funds. Service providers, for their part, must finds ways to deliver quality services without the security of block-funded grants…And, last but by no means least, those who choose to receive IF [individualised funding] accept not only the power and freedom, but also the very substantial responsibilities of planning, buying and managing their supports.[42]

A reading of the literature about individualised funding uncovers an extraordinary number of terms, either used interchangeably or in association with each other: 'self-determination', 'person-centred', 'individually-attached', 'individual budgets', 'brokerage', 'financial intermediaries', 'consumer-direction', 'self-direction', 'direct payments' are some. Self-determination is broadly acknowledged to be the central goal or focus of individualised funding, but that term also attracts diverse definitions.[43]

In addition to the debates over terminology is disagreement about whether particular arrangements termed 'individualised funding' really fit the definition. Research undertaken by the Roeher Institute categorised a number of arrangements on whether they conformed to the principles of individualised funding (see Figure 1).

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[39] ibid., pp. 460–1.
[40] State Services Authority 2008, *Towards agile government*, State Government of Victoria Demos, Melbourne, p. 4.
[41] Dowson, S & Salisbury, B, op. cit., p. 3.
[42] ibid., p. 3.
[43] Turnbull, A & Turnbull, R 2006, *Self-determination: Is a rose by any other name still a rose?*, Research and Practice for Persons with Severe Disabilities, Vol. 31, No. 1, p. 1.

Figure 1: Is it really individualised funding[44]

CONTROL WITH STATE FUND-HOLDER	Individual service costs identified, but only as accounting exercise within block-funded services.	**ARRANGEMENTS WHICH DO NOT CONFORM TO THE PRINCIPLES OF INDIVIDUALIZED FUNDING.**
	Services costed and allocated individually, but assessed and controlled by fund-holder.	
	Standard allocation of vouchers issued to individuals for 'purchase' of services.	
	Individually determined credits which individuals can trade for services from authorized providers.	**ARRANGEMENTS WHICH ARE MARGINALLY CONSISTENT WITH IF.**
	Responsibility for service planning and funding requirements notionally passed to the individual, but overseen by 'broker' answerable to state fund-holder.	
	Individual allocation remains in hands of state fund-holder, but spent according to the person's requirements, subject to contractual constraints from state fund-holder.	**ARRANGEMENTS WHICH ARE FULLY CONSISTENT WITH IF.**
	Individual allocation passed to fiscal intermediary, to be spent according to the person's requirements, but subject to contractual constraints from state fund-holder.	
	Individual allocation of money passed to the individual, subject to binding conditions of use, with monitoring arrangements.	
CONTROL WITH INDIVIDUAL	Individual allocation of money passed to the individual with no imposed conditions of use.	

Understanding the issues

Government perspective

The administration of public funds is a key function of governments. Governments need to demonstrate fiscal responsibility for both public expenditures and for the services purchased.

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[44] Dowson, S & Salisbury, B, op. cit., p. 6.

As Senator Ursula Stephens, Parliamentary Secretary for Social Inclusion, stated at the 2008 ACOSS Conference:

> The government also needs to be able to assure the Australian public that there is transparency, accountability, efficiency and value for money in the services being delivered.

In developing guidelines for individualised funding, governments need to decide on what types of services can be purchased, from which organisations or individuals, what quality standards are required and how accountability will be provided. But government's requirements are not necessarily the same as those of the individual person with disability:

> the fund-holder does have additional interests which may conflict with an individual's. The fund-holding agency has not only to ensure that IF recipients are adequately assisted, but also to *demonstrate* fiscal responsibility for public expenditures and services. This implies the need to monitor the actual use of funding—relatively easy if payments are made by the state fund-holder, or fiscal intermediary, direct to the provider agency, but risking complaints of intrusiveness when funds have been passed to the individual.[45]

Individual perspective

On evaluation, recipients of individualised funding overwhelmingly report satisfaction with the system.

> The opinions of service users in many countries have been canvassed about their experience of consumer-directed care. Responses vary of course according to scheme and service user group, but a high proportion of reactions have been positive to the idea of consumer-directed care as an option, given the right kind of support.[46]

> Evaluations of DPs [direct payments—one of a range of funding mechanisms] report a very high recipient satisfaction rate, particularly in comparison to conventional services…The most important aspect of this satisfaction seems to be the opportunity to exercise choice and control over support arrangements…As a consequence, many recipients report positive benefits to their quality of health and social life…Recipients report enhanced personal autonomy, emotional and psychological wellbeing, raised opportunities and a greater quality of life…[47]

However, satisfaction depends on certain conditions being met. If the allocation of funding to an individual is insufficient to enable that individual to exercise real choices and purchase what they need, then the promise of self-determination will be experienced as hollow.

> Even with effective access guaranteed, there remains the potentially difficult issue of the potential gulf between what individuals might want and what government might be prepared to endorse and fund so that there [sic] needs are actively met.[48]

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[45] ibid., p. 7.

[46] Social Care Institute for Excellence 2007, *Choice, control and individual budgets: Emerging themes*, Research briefing no. 20, p. 4.

[47] Spandler, H 2004, *Friend of foe? Towards a critical assessment of direct payments*, Critical Social Policy, vol. 24, pp. 192–3.

[48] Dowson, S & Salisbury, B, op. cit., pp. 9–10.

In addition, people with disability (or their advocate/carer) who opt for direct payments can be overwhelmed by the administrative tasks required for the management of funds, particularly those relating to financial reporting and audit. Finding a process that satisfies governments but is manageable for individuals (and service providers) is difficult.

Service provider perspective

While disability service providers would strongly endorse the concept of self-determination by people with disability, the use of individualised budgets can present them with challenges:

- **Financial viability**

  A move away from block funding to individualised funding has administrative and cash-flow implications for organisations. The right of an individual to move easily from one provider to another reduces income predictability. The management of uneven cash flow requires service providers to have sophisticated financial skills and take on increased risk, particularly if the payment for services occurs some weeks, even months, after they are delivered. For the first time organisations may have to put in place arrangements to manage 'bad debt'.

  In addition, there are increased administrative demands on organisations to monitor and invoice individuals for services delivered and to provide accurate reporting both to individuals and to government.

  A very real concern of service providers is how *fixed costs* will be serviced—all organisations require resources just to open their doors, prior to the delivery of any services to people with disability. The question of how organisations will maintain infrastructure and administrative functions within a demand-driven model is critical.

  And, if government shifts from funding organisations to funding individuals and families will that affect public donations, which are directed to organisations not individuals?

- **Price taking or price setting**

  The notion of a market assumes a price mechanism based on the interaction of supply and demand, with suppliers free to set prices constrained by the pressure of competition. However, in current Australian approaches to individualised funding, governments have retained their role as price setters.

  Arguably, a continuing role for government is justified by the imperfections of the market — the lack of information available to consumers, the limited choice of providers, and disadvantages to rural and regional people by lack of competition and higher service delivery prices. But if government continues to set prices it should cover the full and reasonable costs of service delivery, with appropriate annual indexation. Currently, this is not the experience of providers.

  Moreover, families may be unhappy to pay a service charge (for example, for a therapist) that includes the cost of travel to the home, not just the time spent in the home.

- **Workforce**
  A concern raised overseas about individualised funding is that it does not support staff training at a time when the changing roles of direct support workers require increased investment in training:

  > A…staffing concern is how agencies which have traditionally received funding for staff training will continue to address this need. Even if individual budgets have a training component built in, there remains a concern about whether this will be sufficient to address the issue of minimum standards that most agencies will probably wish to ensure in their staff.[49]

  > Major changes have also occurred in the expectations and roles of direct support professionals [DSPs]…Today, in addition to meeting peoples' basic health, safety and care needs, DSPs have responsibilities to support people to develop and achieve their own personal goals, to balance risks with choices, to connect with peers, friends and family members, and to be full and active citizens in their communities. They carry out these expanded responsibilities with less supervision and increasingly while working alone. These expanded responsibilities and increased isolation of DSPs have not been accompanied by increased qualifications, education or training. As a result, many DSPs report that their training has been insufficient to prepare them for their job responsibilities.[50]

  A recent report highlights the need to investigate the systemic impact of a growth in consumer-directed care on workforce training:

  > In the US, it could be argued that movements to empower consumers have occurred at the cost of, or without substantial consideration of, broader implications for skill sustainability…There is, as yet, little research available to give insight on the impact of consumer-directed care on skill and training levels within the personal care industry…The only evaluation that addresses skill in its terms of reference found that…the greatest growth in the personal care assistant labour market occurred among workers with absolutely no formal training or skill in caregiving (Paraprofessional Health Care Institute 2003).[51]

  An additional concern of providers is that an increase in individualised support arrangements may result in a greater use of casual labour: for example, to meet demands for out-of-hours services and for services to be provided for short periods of time. Staffing these arrangements is already known to be more difficult than those occurring in 'regular' hours'.

- **Standards and accountability**
  Governments in Australia require funded organisations to meet the Disability Service Standards. The improvement of quality assurance systems, based on the Disability Service Standards, has been identified as a priority for the next CSTDA.

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[49] ibid., p. 8.

[50] Hewitt, A. 2001, *Issues in the Direct Support Workforce and their Connections to the Growth, Sustainability and Quality of Community Supports*, p. 2 viewed at http://ww.ancor.org/issues/shortages/issues_in_the_direct_support_wor.htm on 01/03/2008.

[51] Community Services and Health Industry Skills Council 2008, *Identifying paths to skill growth or skill recession, Executive summary*, CSHISC, Sydney, *pp*. 11–12.

Quality service delivery is in the interest of all parties: people with disability, service providers, governments and the broader community. There are, however, costs associated with implementing and operating appropriate systems. These systems are likely to become even more complex as jurisdictions move to incorporate outcomes as a key component of their quality framework. Measuring outcomes in an individualised funding system has the potential to increase the costs of compliance.

- **Crisis management**
  As part of their regular business, service providers support people with disability through crises—by providing additional hours of support, by changing support arrangements and by providing different types of services. Block funding provides the service provider with flexibility to manage these circumstances. If individualised funding is to work, it must be flexible enough to allow a response to unpredicted events to be put in place quickly and easily.

  > A possible response … is to either have a crisis component funded as a percentage of each individual plan, or to make a crisis budget available to agencies (or individuals) which could be accessed via negotiations with government.[52]

- **Community development**
  A consequence of the increasing support provided to people with disability within the community is an increased requirement for community development work. It is not clear how community development work is funded under models that attach budgets to individuals.

Making it work

Principles

Work done by the National Development Team in the United Kingdom indicates that an individualised funding system needs a foundation of strong principles:

> Although there are some core elements in both the In Control programme and the IB [Individual Budget pilots], both initiatives are weak on centrally-defined, over-arching principles and structures. As a result many aspects of local projects are left for local people to decide. At first, this seems to make good sense. It seems to offer a more creative approach, and developing local projects from 'the bottom up' should give local users and carers more chance to influence what happens.

> But in reality there are two flaws. Firstly, it means that a lot of time is wasted 'reinventing wheels'. Some very important principles and practical lessons have emerged from international experience…Secondly, a bottom-up approach is unlikely to put decision-making in the hands of people who use services…Experience in the UK, and internationally, demonstrates how easily IF systems are downgraded at the planning

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[52] ibid., p. 8.

stage, or drift back into old habits, because there is not enough understanding of, or commitment to, the core principles of IF.[53]

The development of a set of principles agreed by individuals, governments and service providers is important to guide the development and evaluation of a funding model

System design

- **Obtaining funding: eligibility, assessment, planning & allocation of funds**

The design of access arrangements requires careful consideration in relation to eligibility, assessment, planning and allocation of funds.

Eligibility is relatively straightforward; but assessment of need is more complex. It raises the question of whether an allocation of funds should be based on an assessment of support needs using some assessment tool, or whether it should be determined on the basis of a plan or vision to achieve explicit outcomes.

> It [individualised funding] requires that funding be allocated to meet individual needs for support that are defined in relation to a person's vision/direction, and to their plan for getting there. We have naturalized a categorical, impairment-based approach to funding where people get funding depending on an assessment of their functional needs. So if we have a system for allocating funds on the basis that a person has, say a level 1,2,3, or 4 need, then we may be allocating funds on an individual basis, but we are not putting in place a system of individualized funding that can meet the test of self-determination.[54]

Related to this is a question about the size of the individual's budget. This will be vigorously debated as governments move away from block grants based on costs associated with the delivery of group activities. Disaggregating this funding without a substantial injection of new funds would curtail the choices available to people.

The role of planning within an individualised funding model also generates debate. Some advocate that planning is the key to self-determination so should precede resource allocation. Others insist that a resource allocation should occur before planning. A finding from the Victorian individualised funding initiative, *Support & Choice*, supports the latter approach:

> Participants/families were clearly more satisfied with the planning process and more in control of their plan when they were provided with a funding range to plan around. This gave them the opportunity to develop realistic goals and priorities, created a greater likelihood of plans being fully accepted by the verification panel and generated more commitment and ownership of the plan. This finding highlights a tension between pure person-centred planning approaches, which encourage dreaming without boundaries, and the provision of individualised funding within constraints such as the available budget.[55]

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[53] The National Development Team, *Individualised funding and support brokers*, pp. 3–4, viewed at http://www.ndt.org.uk/projectsN/IF.htm on 03/02/08.

[54] Bach, M 2000, *Individualized funding and self-determination: making sure the means does not become the end*, p. 8, presented at the First International Conference on Self-determination and Individualized Funding, viewed at http://members.shaw.ca/individualizedfunding/Articles%20for%20download/Self-Determination%20-%20Michael%20Bach.doc on 20/03/08

[55] Lime Management Group 2005, *Evaluation of Support & Choice Implementation*, A report for the Victorian Department of Human Services, p. 81.

There are related questions about whether there is a need for a formal planning service which is independent; how any planning service would be funded; and whether all people accessing individualised funding would need to use such a service. Within the literature, there is broad consensus about the need to have planning services available to support those individuals who would like assistance. There is considerable agreement that this service should be separate from the funding allocation process (be located outside government) but less agreement about the role of service providers in this task.

Should individuals have free access to a government-funded planning service or should planning be one of the possible services an individual with funding may choose to purchase? A rights perspective would suggest that the decision to pay for planning should sit with the individual, but others argue that until people have experienced the benefits of good planning they are unlikely to value it highly enough to purchase it. Related planning questions are whether individuals should be required to use authorised planners—either to assist with the development of a plan or sign off on it with respect to it meeting certain requirements—what level of resources should be allocated to planning, do plans have to be lodged or verified (if so, where), and what role do planners have, if any, to monitor the delivery of support against the plan.

- **Using funding: purchasing, quality, flexibility & portability**

Once in receipt of funding, an individual will be at a point of being able to purchase services. Guidelines about the operation of the program will need to cover elements such as:

- what can be purchased;
- from where;
- how closely the purchases have to relate to the plan;
- how the plan will be managed;
- how portability will be managed;
- how crises will be funded; and
- whether people will have the ability to 'bank' funds to use at another time.

The decision about what can be purchased is an important one. What connection does a purchase need to have to an individual's requirement for support? Some purchases in an individualised funding environment are likely to be from generic services, where standard consumer protection processes will be in place. But the question of where personal support services are sourced from is more complex. As the funding will be provided through the CSTDA, there is a strong case for services purchased being required to meet the Disability Service Standards.

In the United States, research suggests that the option to employ family carers and friends has put downward pressure on working conditions:

> Paid family carers and friends play a key role as independent workers, accounting for the majority of providers…Family caregivers were more likely to feel close to beneficiaries, but reported more emotional burden than other individual providers…The California study illustrates the typical compensation problems facing home care

workers, with virtually all individual providers reporting no fringe benefits [such as paid sick leave, paid annual leave and paid travel costs].[56]

Clearly, the presence of a plan should influence the types of services purchased—the question is how closely? Does the presence of a plan 'lock in' purchase decisions until an application to alter it is made or some review is undertaken, or should individuals have the discretion to alter these decisions without an approval process? The greater the flexibility given to this element of the model, the greater the control invested in an individual but the greater the accountability challenges will be. And clearly, if almost total flexibility is provided to the individual to be able to make and change purchasing arrangements it can be questioned whether a plan is needed in the first instance.

A related consideration (important for the financial and workforce management of organisations) is the length of the notice period required for the termination of services being provided (common in contracts for services such as gymnasium membership).

The options regularly put forward for the management of a plan include directing the funding to an individual (or advocate/carer), to a financial intermediary or to a service provider. Individuals self-managing their package have the ability to direct all the funds to support arrangements—a benefit often raised by supporters. However, all organisations undertaking the management of individualised funding packages (direct service providers as well as financial intermediaries) will incur costs and should be compensated. The amount of this compensation, whether it is capped and whether it should be paid by the funding body or from an individual package are decisions which need to be made.

Crises will occur in the lives of people being supported through individualised funding models—responses must be rapid, flexible and appropriate. The funding of these arrangements needs consideration as a response will sometimes require resources greater than what is available and may need to be accessed immediately. Complex approval processes are not appropriate. Some crises are likely to be the result of an individual 'overspending' (or perhaps spending on non-approved items) rather than the need to alter support arrangements in an emergency. Appropriate management of these cases is critical to ensuring ongoing public support for individualised funding arrangements.

Related to the arrangements developed for the management of crises is whether individuals should have the ability to 'carry over' some unspent funds from one year to the next. The ability to do this would provide individuals with greater flexibility, possibly even to manage crises, should they occur.

- **System support: prices, accountability & sustainability**

People supported by individualised funding will be best served by the existence of a robust disability services system which offers choice and flexibility. Related to this is the need for infrastructure and sustainability funding separate from individualised budgets. This has been proposed internationally:

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[56] Wiener, J & Brown, D 2004, *Home and community-based services: A synthesis of the literature*, RTI International, Washington, pp. 21–22.

> …"viability" concerns begs the larger question of just how much financial support, outside of revenue generated from individual contracts, that agencies should expect from government to maintain administrative integrity, and thus the ability to respond to what will undoubtedly be a changing marketplace. It seems unfair, and poor public policy for that matter, to place agencies in a vulnerable position because of the whims of the marketplace. It is for this reason that some observers have proposed what is referred to as the 85/15 model. In this approach, the funding body provides community agencies…with up to 15% of their anticipated yearly operating costs, thus ensuring some ongoing capacity to respond to issue impacting agency functioning…The remaining 85% of operating revenues are supplied from contracts with individuals.[57]

Individualised funding will certainly result in increased costs associated with reporting and accountability (invoicing and processing payments, reporting to individuals as well as to governments, and monitoring a greatly increased number of service agreements). These costs should not be borne by providers without recompense, nor is it desirable that the supports available to individuals should be diminished to fund them. Processes that provide sufficient information about the expenditure of public money without being administratively complex and time-consuming need to be developed.

Individualised funding models are more expensive to operate than block-funded models. Transition arrangements need to be implemented and the ongoing existence of a robust service system needs to be ensured. People with disability need to have choices—about the types of supports, about the providers of supports, about the location of supports. Quality must underpin these choices.

Conclusion

The development of individualised funding is part the continuing move towards community living, the empowerment of people with disability and the rejection of a 'one size fits all' approach to service delivery. These are goals which NDS supports.

However, individualised funding is not the only means of achieving these goals. Practices such as person-centred planning, for example, are re-shaping services to reflect the needs and aspirations of individuals, without relying on individualised funding. Moreover, if poorly implemented, individualised funding could actually restrict individual choices and service flexibility. This would occur if individual budgets were inadequate; or if the financial viability of services were undermined; or if the quality of services were depleted; or if the funding model could not accommodate unpredicted circumstances.

To avoid these pitfalls the design and implementation of individualised funding must be carefully done and evidence-based.

> In all, over fifty IF projects have been developed worldwide. Not all of them have been very good, but nevertheless they offer an enormous amount of learning about what works and what doesn't work. And, of course, alongside these developments there has

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[57] Dowson, S & Salisbury, B, op. cit., p. 8.

been an international community of people debating and refining the ideas in the light of experience.[58]

NDS recommends that the following statements be used to shape the development of new individualised funding models in Australia:

- transitional funding is provided to disability service providers to ensure their financial viability during the introduction of the new funding model;
- funding ensures that well-run organisations are sustainable;
- organisations undertaking financial management on behalf of individuals are compensated for doing so;
- key stakeholders are involved in establishing the principles underpinning the development, implementation and evaluation of an individualised funding model;
- the introduction of new individualised funding models is incremental, allowing time for review and refinement;
- the allocation of resources is based on an assessment of needs, which can be moderated by factors such as a person's goals and existing support arrangements;
- a mechanism to appeal the allocation of funds is in place;
- a re-assessment/re-application process exists to respond to the changing needs of an individual;
- a nominal allocation of funds, at least within a band, is made prior to the development of a plan for the expenditure of funds;
- the funds allocated are sufficient to provide real choices for people with disability;
- planning services are available to support people who would like to use them and should be independent of government;
- when necessary, people undertaking planning are supported to think broadly about aspects of their lives;
- approval processes for plans, including changes to them, are simple and quick to implement;
- arrangements for dealing with a crisis are flexible, quick to implement and provide additional funding when needed;
- unspent funds are able to be 'banked' for future use;
- allocated funds are used for disability support and not for gambling or illegal purposes;
- clear agreements or contracts between individuals and service providers exist;
- individuals wishing to terminate a contract with a service provider provide a reasonable notice period;
- personal support services are purchased from organisations that meet relevant quality standards;

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[58] The National Development Team, *Individualised funding and support brokers*, p. 2, viewed at http://www.ndt.org.uk/projectsN/IF.htm on 05/02/08.

- family members are used as paid carers only in circumstances where there are not obvious alternatives;
- if family members are to be paid for services they must be employed by an organisation that meets relevant quality standards; and
- prices for services cover the full cost of delivery.

There are issues on which NDS has not yet formed a position but considers important in the development of individualised funding. These include:

- What services should be supported and available outside an individualised funding model? Planning, case management, case coordination, community development, therapy and transport have all been suggested as needing special funding arrangements.
- Is there a need to define what constitutes 'disability support'?
- How should an assessment of support needs be determined and influenced by an individual's goals and personal circumstances?
- What level of funding, in an environment of unmet need, should be available for planning services?
- Should disability service providers have the ability to set their own prices?
- How should transitional and sustainability funding be structured?

The importance of individualised funding in the achievement of self-determination demands that models are well-structured to ensure good outcomes for people with disability. This will require a viable and dynamic disability sector into the future.

August 2008

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About National Disability Services

National Disability Services is the peak body for non-government disability services. Its Australia-wide membership includes 630 not-for-profit organisations. Through the provision of information, representation and policy advice, NDS promotes and advances services which support people with disability to participate in all domains of life.

APPENDIX C

NDS SUBMISSION ON THE NATIONAL DISABILITY ADVOCACY FRAMEWORK INDIVIDUALISED FUNDING: WHAT IT REQUIRES TO WORK

PUBLISHED: JULY 2010

NDS Submission on the
National Disability Advocacy Framework

NDS supports the commitment within the National Disability Agreement to improve advocacy services for people with disability:

> Governments agreed to consider improvements in administration of advocacy services, with a focus on improving service delivery and access to advocacy services for people with disability. Responsibility for funding advocacy services will be reviewed in this process.

Advocacy services perform an important function in supporting people with disability to participate as valued members of the community.

The increased emphasis on the rights of people with disability in all domains of life—reflected in Australia's ratification of the UN Convention on the Rights of Persons with Disabilities and the soon-to-be-finalised National Disability Strategy—should herald a continued broadening of the role of advocacy services; but the capacity of advocacy services across Australia to perform this expanded role is very uneven.

Now, more than two years after committing to bring about improvements to disability advocacy, it is time to progress these issues. For this reason NDS welcomes the opportunity to comment on the draft National Disability Advocacy Framework.

Comments

The lack of a robust quality framework applying to disability advocacy services is a significant vulnerability. Disability employment services (open and supported) have operated with a rigorous quality system for many years (legislation was enacted in 2002) and their consumers have benefited from this. The introduction of a quality assurance system for advocacy services has been considered at least since 2006, but progress has stalled. These services' own adherence to Disability Service Standards is far less rigorously monitored than the employment services that some of them criticise.

It is time establish a timeline for all funded advocacy services to be quality assured. While the advocacy sector remains without a robust quality assurance system it remains vulnerable to criticism.

NDS is concerned the draft Framework neglects to address the critical connection between individual and systemic advocacy; a bridge between these two approaches is essential to developing a concerted approach to protecting the rights of people with disability to participate as valued members of the community. Systemic advocacy should be informed and shaped by the issues arising through individual advocacy.

The definitions provided for disability advocacy, individual advocacy and systemic advocacy appropriately describe services which may be provided. The objective also adequately outlines the impact advocacy services should have on the lives of people with disability.

Within the principles, NDS believes there is a need to articulate a commitment for parties to seek the most efficient and effective route to resolving problems, and to find solutions at the local and organisational level wherever possible. Only when this is not possible should an issue be escalated.

NDS also believes there is need for a principle that acknowledges that policy or legal change should not be sought through combat with an individual organisation or disability service provider if that organisation's only 'fault' is operating within laws, policies or procedures set by government or parliament. Such organisations should not be the target of action. If an advocacy services believes that a policy or a law is wrong it should direct its efforts at the institutions that make policy or law. Recent Federal Court cases against individual Australian Disability Enterprises operating within government policy have been expensive (in a resource-starved sector) and have not resulted in better outcomes for people with disability. Legal remedies should be an action of last resort.

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About National Disability Services

National Disability Services is the peak industry body for non-government disability services. Its purpose is to promote and advance services for people with disability. Its Australia-wide membership includes about 700 non- government organisations, which support people with all forms of disability. Its members collectively provide the full range of disability services—from accommodation support, respite and therapy to community access and employment. NDS provides information and networking opportunities to its members and policy advice to State, Territory and Federal governments.

APPENDIX D

A NATIONAL DISABILITY INSURANCE SCHEME

PUBLISHED: JUNE 2010

As an insurance-based scheme, providing cover to Australians as and when they need it, an NDIS would be funded by all taxpayers through general revenue or an extension of the Medicare insurance levy. An insurance-based approach to disability services stems from the view that disability is a "risk" that can strike anyone in our society, with potentially catastrophic consequences if proper support services are not in place, but will not affect everyone.

Because an NDIS would be a major social and economic reform, on a par with the introduction of Medicare and compulsory superannuation, the first necessary step towards implementation is a detailed feasibility study that would allow for careful, thorough planning and consultations with the States and all stakeholders.
It is envisaged that principal beneficiaries would be those Australians with profound and severe disabilities (approximately 700,000) who need assistance with daily living tasks (self care, communication and mobility) while people with more moderate disabilities could also be eligible for some assistance based on their lesser needs.

The defining criteria should be needs, as determined by clear eligibility criteria, which would include measures of physical, intellectual and behavioural disabilities. It's estimated that only some 3% of the population would be the primary beneficiaries of an NDIS. But all Australians would benefit from peace of mind knowing that a Medicare-type safety net was in place, should they or someone they love be affected by disability, either from birth of as the result of accident or illness.

Without a comprehensive funding plan to meet future need, Australia faces social catastrophe as an entire generation of ageing carers die, other carers and people with disabilities become increasingly isolated from the labour force and the community, and many more families collapse under the strain.

The economic, social and intergenerational argument for a National Disability Insurance Scheme

The cost of caring for people with disabilities now represents a very large unfunded liability. It must be met directly by families, friends or the community through government expenditures.

In the next 15 to 20 years, the size of this unfunded liability will grow significantly due to increasing incidence of disability at birth (older mothers, IVF and increased survival rates amongst very low birth-weight babies), increasing numbers of people with acquired brain injuries, people with disabilities living longer and others acquiring disabilities as they grow older.

At the same time, the number of informal carers per head of population is expected to decline sharply, as older carers pass away or become too infirm to look after their adult children. Amongst young families the capacity to provide care for a disabled child is declining, because for more and more families both parents need to work to pay the mortgage and meet other necessary expenses. (According to the National Centre for Social and Economic Modelling the number of principal carers for every 100 older persons

needing informal care will fall from 57 in 2001 to 35 in 2031. Access Economics estimates that the replacement value of informal care, Australia-wide, is $30.5 billion annually.)

The projected increase in the proportion of the population with disabilities and declining informal support through unpaid carers will lead to very large increases in the costs of disability, which will add significantly to government outlays.
We need to plan ahead before the current unmet and under-met needs become overwhelming. The situation is similar to the problem identified in the 1980s, when it was recognised that an ageing population dependent on old age pensions would place an extreme burden on taxpayers. This led to the development of compulsory superannuation.

The current approach to supporting people with disabilities is also based on an outdated welfare model which is not efficient. It is focused on minimising costs in the short term rather than minimising costs and maximising opportunities over a lifetime. It is also poorly integrated with other support structures and the responsibilities of the Commonwealth and the states are unclear.

As a result, people with disabilities and their carers are not only amongst the most disadvantaged in Australia, they experience low rates of labour force participation and high rates of unemployment:
- In 2003 labour force participation rates for males and females with disabilities were 59.3% and 47.0% respectively, compared with 89.0% and 72.3% for males and females without disabilities, respectively, ranking Australia 13th out of 19 OECD countries.
- Disability Support Pension (DSP) recipients are amongst the poorest groups in Australia and in 2007 the recipients had spent an average of 8.7 years out of the past 10 years on the DSP.

Amongst families providing care and support to loved ones with non-compensable injuries the Australian Institute of Family Studies estimates that:
- Sixty per cent of carers reported that they cared for a person with a disability for more than 100 hours per week.
- Thirty per cent of families with a carer receiving either Carer Payment or Carer Allowance had experienced difficulty in paying electricity, gas or telephone bills on time, compared with 14.6% for the general population.
- Almost twice as many carers were in poor physical health than the general population.
- Fifty one per cent of female carers and 31 per cent of males reported that they had been depressed for six months or more since they started caring.

Amongst carers who provide informal care full time and are in receipt of Carer Payment only 11% work part-time. Then, in more than 50% of cases when they are no longer eligible for Carer Payment, they shift across to other forms of government income support, because either long term disengagement from the workforce or the onset of physical disabilities or mental illness due to their caring roles have made them unfit for work. This is a huge cost to society.

In the Background Paper prepared for the Australian Government's Pension Review it was noted that people on Disability Support Pensions are even poorer than single old age pensioners, because they face much higher costs. The Pension Review further noted that the best way to meet these costs is not through the income support system and in the final report, Dr Jeff Harmer, Secretary to the Department of Families, Housing, Community Services and Indigenous Affairs, noted that 'new approaches to funding services and support for people with disability is important to the long-term stability of the system. In particular, the idea of a National Disability Insurance Scheme is worthy of further consideration'.

The timing of the introduction of an NDIS would need to balance the long term inter-generational effects of an ageing population against the likely shorter term effects of the Global Financial Crisis. Significantly, while adding to government expenditures, an NDIS would create major employment and business opportunities, as well as meeting the needs of people with disabilities, their families and carers. It would also reduce costs in the medium and long term by eliminating many of the inequities and inefficiencies in the current welfare-based system:

- First, by shifting to a needs based no-fault system the current major inequities between the few who have access to multi-million dollar payouts and the majority who receive very little support, and between the treatment of identical injuries depending on how they are acquired, would be eliminated.
- Second, in insurance models liability management is critical to cost containment and so every effort would be made to ensure that services are delivered as effectively as possible.
- Third, the opportunities for people with disabilities to work would be maximised, with an emphasis on education and training, as in workers' compensation schemes today. This would be facilitated through active case management to achieve as normal a life as possible and to minimise the risks of over-dependence on publicly funded support.
- Fourth, the insurance approach would create an automatic alignment between the interests of people with disabilities, families, carers, the community and governments built on maximising opportunities and minimising costs over the life course. For example, a life-time approach to care would ensure that early intervention, therapy, equipment and home modifications are available as soon as they are needed following diagnosis or injury, leading to better and lower cost long-term outcomes.
- Fifth, families of people with disabilities would have confidence that the needs of their family member would be met, reducing unnecessary stress and risks of family breakdown, which are currently adding significantly to costs.
- Sixth, carers would be supported and sustained in their roles rather than burnt out and left exhausted, because informal care is both high quality and helps to contain long term costs, while carers would also be encouraged to work and so remain engaged in the labour force.
- Finally, properly structured an NDIS would lead to significant family and private investment in disability services, as is the case in education and health, ultimately reducing the costs to governments.

The theoretical underpinnings to an NDIS are also strong, as it is built on the models used for workers' and accident compensation, including most importantly the analyses by Meredith, Beveridge and Woodhouse.

The practical underpinnings are also strong, as there are already no-fault insurance schemes to meet the needs of people injured in the workplace in NSW, Victoria, South Australia, Northern Territory and the Commonwealth and in car accidents in NSW, Victoria and Tasmania. There are also international examples of disability insurance schemes, such as the Accident Compensation Commission in New Zealand.

Addressing the National Press Club on 1 April 2009, the federal Parliamentary Secretary for Disabilities, Bill Shorten, described the NDIS proposal as 'a simple yet visionary and exciting idea… [that] would turn our current system of disability services on its head… [and remove] the last practical barrier to civil rights in this country'.