

**Submission
No 313**

**INQUIRY INTO IMPLEMENTATION OF THE NATIONAL
DISABILITY INSURANCE SCHEME AND THE PROVISION
OF DISABILITY SERVICES IN NEW SOUTH WALES**

Organisation: NSW Government

Date Received: 5 September 2018

NSW Government Submission

Portfolio Committee No.2 – Health and Community Services:

Inquiry into the implementation of the National Disability Insurance Scheme and the provision of disability services in NSW

September 2018



Executive summary

The NSW Government welcomes the opportunity to provide input into the Inquiry into the Implementation of the National Disability Insurance Scheme (NDIS) and the provision of disability services in NSW.

An Easy English version of this submission will be provided on the NSW NDIS website (www.ndis.nsw.gov.au).

The NDIS is a once in a many generation reform for not only people with disability, but also their families and carers. It is designed to empower people, giving greater choice and control over their lives. It seeks to enhance their quality of life and increase their economic and social participation. It aims to provide people with disability a nationally consistent Scheme, with greater choice and control over their lives, the supports they need, and the providers which deliver them.

The Commonwealth Government and the National Disability Insurance Agency (NDIA) are responsible for the implementation and administration of the NDIS.

NSW was the first jurisdiction to commit to the full scheme NDIS in 2012, the first jurisdiction to roll out the NDIS in trial in 2013, the first state to sign an enduring full scheme agreement in May 2018 and the first state to complete the rollout of the NDIS in July 2018. The approach the NSW Government has taken to transition to the NDIS continues to inform the approach of other states and territories.

It is expected the NDIS will more than double specialist disability service funding in NSW. It will increase total funding from the approximately \$3 billion per year previously spent on specialist disability services in NSW, to over \$6.5 billion per year, once the full Commonwealth Government contribution has been realised. Since July 2013, over \$9.5 billion worth of supports have been committed to NDIS participants in NSW through their NDIS plans and \$4.5 billion has been paid to date.¹ This is an increase of \$1.6 billion in committed supports and \$3.2 billion in payments since Quarter 3 2017/18, which is an increase of approximately \$480 million per month in 2017/18.²

In NSW, 96,000 people with disability are now accessing the NDIS, as of 31 July 2018. Eventually, it is expected that the NDIS will grow to support up to 140,000 people in NSW. The NDIS means more people will be accessing supports than through previous state-funded disability supports.

As at the end of July 2018, over 99 percent of existing NSW disability clients have transitioned into the Scheme or alternate supports, such as aged care, mainstream services, community services, or no longer require services.

Before the introduction of the NDIS, there was a mix of block funded and individualised funding arrangements for specialist disability services in NSW. Under block funding arrangements, which made up the majority of services, funding was allocated by the NSW Government to service providers, who were then responsible for delivering specific services to clients. Funding could only be used to provide specific activities and could not be tailored to the needs of individuals. In addition, clients could not easily change service providers or move to a new location and take their services with them.

¹ COAG Disability Reform Council Quarterly Report 30 June 2018, <https://www.ndis.gov.au/medias/documents/coag-report-q4-v5-full/2018-Q4-June-COAG-report-Full.pdf>

² NDIA Reports to the COAG Disability Reform Council, 30 June 2017, 30 September 2017, 31 December 2017, 31 March 2018, 30 June 2018.

The NDIS is a person-centered approach with all funding tailored to participants' individual goals; participants are given more choice and more control over the supports they receive.

As expected, there are some people with disability who were previously receiving disability supports from the NSW Government who are not eligible for the NDIS. Arrangements have been put in place by the NSW and Commonwealth Governments to ensure they achieve the same outcomes. This assistance includes referrals to mainstream and aged care services to assist the person to continue to manage at home and in the community, to re-apply for the NDIS where applicable, or helping the person access programs specifically designed to improve wellbeing and improve independence.

Prior to the NDIS, non-government organisations delivered 60 percent of disability services in NSW. Non-government organisations were responsible for delivering a wide range of services, including flexible respite and community participation or day programs, attendant care for people with complex physical needs, and accommodation for some of the NSW clients with the most challenging behaviours.

The transfer of all specialist disability services provision to NGOs has allowed the NSW Government to redirect its specialist disability budget directly into the NDIS. It also helps to simplify the system and allow one level of government – the Commonwealth Government – to have clear responsibility for specialist support for people with disability.

NSW's approach to the transfer of specialist disability services has retained the skilled and dedicated NSW Department of Family and Community Services (FACS) disability workforce. As at 10 August 2018, more than 9,565 direct service delivery staff in NSW had transferred to non-government organisations.

By supporting the establishment of the NDIS, including through service transfers, there will be more jobs in the disability sector with around 30,000 new jobs expected to be generated in NSW as a result of the NDIS. During the transfer process, NSW has worked to ensure that people with disability, their families and carers have been central to the transfer, and that their needs and perspectives have been taken into consideration throughout.

NSW has also made a significant contribution to assisting the disability market prepare for the NDIS. As expected, a particular focus is required in regional and rural parts of NSW to ensure where there are limited providers, they are delivering high quality services and have the capability to support people with a range of needs.

NSW has invested significant resources and effort to help the transition to the NDIS. This includes support for existing clients and staff transferring to the non-government sector, and significant investment to help build the capacity of the disability sector to operate in the NDIS. NSW investment includes over \$30 million in workforce and sector development activities and around \$44.2 million³ in activities to promote the capacity of people with disability.

NSW also works with the Disability Council NSW and the NSW Carers Council. These groups include membership from both the sector and those with lived experience of disability or caring. These organisations continue to provide feedback and valuable insights into the progress of this reform for people with disability and their carers in NSW.

The NSW Government recognises the importance of ensuring people with disability, their families and carers continue to access safe and quality services. On 1 July 2018, the Commonwealth Government assumed responsibility for most quality and safeguarding functions of NDIS funded

³ Total investment includes NSW ILC Transition funding of \$10.6m

services, through the NDIS Quality and Safeguards Commission (the Commission). Elements of the NDIS safeguarding framework have been modelled on the previous NSW system, including the NSW Ombudsman’s reportable incidents functions. NSW is supporting the Commission in its role to ensure the quality and safety of NDIS funded services. NSW remains responsible for safeguarding people with disability outside of NDIS funded services, and for ensuring services funded by or under the control of NSW are safe and of sufficient quality.

The NSW Government is implementing a number of transitional arrangements to manage risks of service gaps and other issues, whilst roles and responsibilities are clarified and as implementation of the Scheme is further embedded. This includes providing increased funding to a number of agencies to implement new or modified programs, expand existing approaches, or continue services for a short-term period.

Not all people with disability in NSW require access to specialist disability services.

The NSW Government is continuing to ensure that NSW is a place where people with disability can access mainstream services and be part of the community, including through implementing the *Disability Inclusion Act 2014* (NSW). Under this Act, all NSW Government Departments, some other government agencies and all Local Councils are required to develop a Disability Inclusion Action Plan (DIAP).

There are a range of activities undertaken by NSW Government agencies to support people with disability, and ensure mainstream services are inclusive and accessible, such as the \$133 million investment in 2018/19 into Transport for NSW’s Transport Access Program. NSW will also continue to drive actions through the National Disability Strategy, a commitment by all levels of government to a unified national approach to disability policy and program development.

The NDIS is a large-scale, complex reform, and as it moves to maturity there are challenges in its implementation that are being addressed. Its design and implementation has required a significant shift in approach across governments, disability service providers, people with disability and their families and carers. Successfully resolving interface issues between the NDIS and mainstream services is critical to ensuring that services are delivered in a streamlined way to support people to live independently. Significant achievements have been made, and approaches to ensuring individual choice continue to evolve, but it will take time for the Scheme to mature.

NSW continues to work with other state and territory governments to support the NDIA and the Commonwealth Government to improve the Scheme over time. As state and territory governments have differing arrangements in place for disability and mainstream service systems and funding arrangements, this complicates implementation of a nationally consistent NDIS. NSW has taken a strong lead to work through national implementation issues, including clarifying roles and responsibilities across service systems.

As of June 2018, 85 percent of NSW NDIS participants surveyed during the quarter rated their satisfaction with the NDIA’s planning process as either good or very good.⁴

Notwithstanding the significant number of people with disability who have entered the Scheme (96,000 people as at end July 2018), it is recognised that the transition to the Scheme has been more challenging for some. The process of securing an NDIS plan of supports can pose particular complexities for some individuals including those with psychosocial disability, families with children under seven years, those with complex needs and those with concurrent disability and medical

⁴ COAG Disability Reform Council Quarterly Report – New South Wales 30 June 2018, <https://www.ndis.gov.au/medias/documents/coag-report-q4-y5-full/2018-Q4-June-COAG-report-Full.pdf>

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conditions. Where possible, the NSW Government provides assistance to individuals accessing NSW services to finalise their NDIA access and planning processes.

The NDIA has made significant progress to address these implementation issues and is currently deploying a range of initiatives to assist, including changes to the participant pathway. The NSW Government continues to work closely with the NDIA to ensure people with disability can access appropriate and quality supports.

This work continues as the Scheme matures, so that the significant investment that governments are making can fully benefit people with disability, their families and carers across NSW.

Implementing the NDIS in NSW

In 2011, the Productivity Commission found that disability services across Australia were underfunded, unfair, fragmented and inefficient.⁵ It recommended the creation of the NDIS, to:

- support the independence and social and economic participation of people with disability
- provide reasonable and necessary supports, including early intervention supports, for participants
- enable people with disability to exercise choice and control in the pursuit of their goals and the planning and delivery of their supports
- facilitate the development of a nationally consistent approach to the access to, and the planning and funding of, supports for people with disability, and
- promote the provision of high quality and innovative supports to people with disability.⁶

The NDIS is a fundamental shift in the way disability services are delivered across Australia. The Scheme aims to provide people with disability with choice and control over the supports they receive, enable people with disability to enhance their quality of life, and increase economic and social participation for people with disability, their families and carers.

There are a range of different support types available within the NDIS. This includes services aimed at capacity building for people with disability, early intervention services for young children and reasonable and necessary supports funded through individual participant plans.

The NDIS moves away from previous State funded and delivered services, which limited individual choice and control. The NDIS helps support people with disability to realise their goals and aspirations, and have the ability to exercise choice and control over the reasonable and necessary supports that will help achieve these.

The Commonwealth Government and the National Disability Insurance Agency (NDIA) are responsible for the administration and implementation of the NDIS. NSW has supported the Commonwealth Government to implement the Scheme.

NSW was the first jurisdiction to commit to the full scheme NDIS in 2012, the first jurisdiction to roll out the NDIS in trial in 2013, the first state to sign an enduring full scheme agreement in May 2018 and the first state to complete the rollout of the NDIS in July 2018.

Every jurisdiction has now agreed to transition to full scheme NDIS. The Scheme became available to all eligible residents in the ACT in July 2016 and NSW by July 2018. South Australia intended to move to full scheme roll out by July 2018, but has experienced some delays. Tasmania, Victoria and the Northern Territory will transition to full scheme by July 2019 and Western Australia in 2020.

On 25 May 2018, NSW was the first state to enter into an agreement with the Commonwealth Government on ongoing funding, governance and operation of the NDIS.⁷ The NSW NDIS full scheme agreement confirms the NSW Government's commitment to increase its funding contribution to the NDIS.

⁵ <https://www.pc.gov.au/inquiries/completed/disability-support/report>

⁶ <https://www.pc.gov.au/inquiries/completed/disability-support/report>

⁷ <https://www.coag.gov.au/sites/default/files/agreements/nsw-bilateral-agreement.pdf>

The NSW Government will contribute more than \$3.2 billion a year to the NDIS. Annual contributions will be escalated by four percent per year to keep pace with population and price increases and ensure the Scheme will be financially supported in the long term. The Commonwealth Government will pay the balance of NDIS costs in NSW, providing certainty that the NDIS will remain fully funded into the future. It is anticipated that this will mean a near doubling of funding for specialist disability supports in NSW, compared to before the NDIS. The agreement also enabled NSW to access \$3.1 billion of DisabilityCare Australia Fund⁸ payments between 2018-19 and 2023-24.

NSW remains committed to the NDIS and providing more choice and control for people with disability.

Investing in disability sector reform in NSW

Over the last ten years, the NSW Government invested significantly in disability sector reform. This included \$2 billion from 2011/12 to 2015/16 under *Stronger Together 2*. This initiative was the second part of a ten-year plan, to provide greater assistance and long-term practical solutions for people with disability and their families. Following this, *Ready Together* focused funding to deliver more flexibility, more choice and more control to people with disability.

As part of this investment, the NSW Government invested in a number of activities that have been of significant benefit in preparing NSW for the transition to the NDIS including:

- over \$30 million since 2011 in developing the disability workforce and building the capacity of the disability sector through a number of initiatives and strategies, delivered at local, regional and state levels.
- approximately \$44.2⁹ million since 2012 in projects aimed at improving the capacity of people with disability, reaching over 68,620 people across NSW.

Rolling out the NDIS in NSW

The initial implementation of the NDIS in NSW was trialled in the Hunter region between 1 July 2013 and 30 June 2016.

During the trial period, more than 8,000 people became participants in the NDIS. At the end of the trial period (June 2016) 98 percent¹⁰ of NSW trial participants surveyed indicated that their experience with the NDIS and NDIA, in particular the planning process, was either good or very good. This was the highest result of any state.

From July 2015, the early rollout of the NDIS began in the Nepean Blue Mountains area, delivering early intervention services for nearly 2,000 children and young people aged 0 to 17 years.

Over two years from July 2016 to June 2018 the remainder of NSW transitioned to the NDIS. Taking into consideration the lessons learned from the trial and early rollout, transition to full scheme NDIS was implemented in two stages across the FACS Districts. This staging reflected population size, proximity to existing trial sites, and readiness of local service systems to operate under the NDIS.

⁸ Further information on the DisabilityCare Australia Fund can be found at <https://www.finance.gov.au/investment-funds/disabilitycare-australia-fund/>

⁹ Total investment includes NSW ILC Transition funding of \$10.6m.

¹⁰ NDIA Quarterly Report to COAG Disability Reform Council, 30 June 2016 (Quarter 4 of Year 3), available at www.ndis.gov.au

As of 31 July 2018, 96,000 people with disability in NSW were accessing the NDIS. There were 88,000 participants with an approved plan and 2,800 children aged 0-6 years were in the Early Childhood Early Intervention (ECEI) gateway. The remainder of participants are in the process of planning. It is expected the NDIS will progressively grow to support up to 140,000 people.

Since July 2013, over \$9.5 billion worth of supports have been committed to NDIS participants in NSW through their NDIS plans and \$4.5 billion has been paid to date¹¹. This is an increase of \$1.6 billion in committed supports and \$3.2 billion in payments since Quarter 3 2017/18, which is an increase of approximately \$480 million per month in 2017/18.¹²

Transitioning state funded disability clients into the NDIS

The implementation of the NDIS in NSW included the transition of all NSW specialist disability funding to the NDIS. As at 31 July 2018, of the 96,000 people accessing the NDIS, over 56,700 are existing NSW clients (clients who were accessing state-funded disability services prior to 1 July 2018). Over 99 percent of the existing NSW disability clients have transitioned into the Scheme or alternate supports, such as aged care, mainstream services, community services, or no longer require services.

The NDIA has acknowledged the excellent working relationship with FACS in achieving this result and will be using the strategies put in place by NSW in other states and territories.

The NDIA implemented a streamlined access process whereby clients receiving particular NSW disability services automatically satisfied the disability requirements of the NDIS without further assessment.

FACS also implemented a number of strategies to support the transition of existing clients, including making direct contact with clients and carers to enable an effective transfer to the NDIA's National Access Team. Correspondence was sent to clients and carers encouraging contact with the NDIA, and FACS liaised with service providers to obtain updated contact details, where required, or to identify clients who were no longer receiving services.

The NDIA put in place a process of phone calls and correspondence to individuals who were unable to be contacted, in addition to steps undertaken through regional and local services to contact individuals directly. FACS expanded on this and undertook further correspondence to the individual, carer and providers to ensure every possible effort was made to contact individuals during the transition period. A minimum of 6 attempted contacts and up to 11 attempts for each client/carer were made by the NDIA and FACS.

Some existing clients have declined to enter the NDIS or have been uncontactable during the transition period. Some of these individuals are expected to approach the NDIA to access the NDIS in the future. This is consistent with experiences in the Hunter trial and reflects that some sporadic or one-off recipients of services in the past may not have required NDIS support during the transition period.

¹¹ COAG Disability Reform Council Quarterly Report 30 June 2018, <https://www.ndis.gov.au/medias/documents/coag-report-q4-y5-full/2018-Q4-June-COAG-report-Full.pdf>

¹² NDIA Reports to the COAG Disability Reform Council, 30 June 2017, 30 September 2017, 31 December 2017, 31 March 2018, 30 June 2018.

Continuing support arrangements for previous NSW clients

Some people with disability who were previously receiving disability supports through FACS are not eligible for the NDIS. Arrangements have been put in place by the NSW and Commonwealth Governments to ensure they continue to achieve similar outcomes.

Under 65 Continuity of Support (CoS)

NSW and the Commonwealth Government committed to assisting people aged under 65 years old, who were receiving FACS funded specialist disability support prior to transition and were deemed ineligible for the NDIS, to achieve similar outcomes to the outcomes they were achieving prior to the introduction of the NDIS.

The Information, Linkages and Capacity Building (ILC) support under the NDIS includes a range of support options that can be provided to these individuals. ILC grants to non-government organisations aim to build personal and community capacity to ensure all people with disability (both NDIS and non-NDIS participants) are able to achieve their goals and access opportunities and services.¹³

Other potential alternate pathways include aged care, or services delivered through NSW mainstream agencies, such as the new Safe and Supported at Home (SASH) program.¹⁴ This program is being delivered by NSW Health, and provides a mix of clinical and non-clinical services (including home and personal care) to those with disability who are ineligible for NDIS funding, with the specific aim of avoiding unnecessary admissions to hospital or residential aged care.

The Pathways Project, funded by the NDIA and the Commonwealth Department of Social Services and administered by FACS, assists former FACS clients who have applied to the NDIS and been found ineligible to transition to alternative services and supports. FACS contracted the non-government organisation, Ourcare Services, to support service providers to find the most appropriate pathways for these clients, such as mainstream services, community services and aged care.

The Pathways Project commenced in July 2017. It was intended to cease on 30 June 2018, but has been extended until 30 September 2018 to ensure individuals who either had a late NDIA access determination, are yet to have an access determination, or those with high needs awaiting referral to appropriate alternative services, are not disadvantaged.

Over 65 Continuity of Support (CoS)

Responsibility for people aged 65 and over (and Aboriginal people over 50) receiving specialist disability services has transferred to the Commonwealth Government.

The CoS Over 65 program is administered by the Commonwealth Department of Health (DoH). NSW FACS has been helping DoH and providers to ensure that all existing clients aged 65 years and over have been identified and service agreements entered into between DoH and providers to address the needs of individuals. This has occurred progressively over the period of transition.

¹³ NDIS ILC information available at: <https://www.ndis.gov.au/communities/ilc-home.html>; most recent ILC NSW Jurisdictional grant list available at: <https://www.ndis.gov.au/medias/documents/ilc-nsw-rnd2/Jurisdictional-Based-Grants-NSW-Successful-grants.pdf>

¹⁴ The SASH program has been funded for 2018-19 and 2019-20, and provides particular services to individuals who meet specific eligibility criteria.

Transfer of disability services to the non-government sector

Service transfer approach

Under the NDIS, service providers will no longer receive direct funding. Rather, eligible NDIS participants will receive individualised funding packages in their NDIS plan and they will be supported to choose the services they need.

The transfer of specialist disability services to experienced, long standing non-government organisations has been critical to the implementation of the NDIS. Non-government organisations are able to be responsive and dynamic to support individuals, already had the skills and experience to appropriately support people with disability, and are able to provide individuals more choice and control. Operation of a dual NSW Government run system would limit choice and control and create duplicative and confusing funding and accountability arrangements. The Productivity Commission confirmed in its 2017 NDIS costs study that it considers a single national NDIS, operated by a single national agency, as the best model to provide disability care and support.¹⁵

Non-government organisations were already delivering 60 percent of disability services in NSW before the transfer began, and were the primary providers in many parts of NSW. For example, the non-government sector was the only provider of some types of support such as transition to work supports for young people with disability leaving school, and day program activities.

To date, services have been transferred to eleven non-government providers around NSW, including in rural and regional areas. Services have been transferred to experienced, highly regarded non-government organisations including:

- The Benevolent Society
- Live Better
- Mid North Coast Disability Services, (Ability Options and their directly owned subsidiaries)
- Northcott
- House with No Steps
- Hunter Valley Disability Services (consortium comprising Ability Options, Finding Yellow, Connectability)
- Cerebral Palsy Alliance
- Life Without Barriers
- Achieve Australia
- The Disability Trust
- Australian Unity

These providers have the skills, experience and flexibility to meet the needs of the most vulnerable people in our communities, including those with complex needs.

Service transfer enables the NSW Government to invest every dollar of the NSW specialist disability budget directly into the NDIS. The transfer also means more jobs in the disability sector

¹⁵ Productivity Commission (2017) National Disability Insurance Scheme Costs: Study Report, <https://www.pc.gov.au/inquiries/completed/ndis-costs/report/ndis-costs.pdf>

with around 30,000 new jobs expected to be generated in NSW. This is a result more individuals receiving more support under the NDIS.

Transferring services to the non-government sector simplifies the system and allows one level of government – the Commonwealth Government – to have clear responsibility for providing support to people with disability, enhancing the choices for participants under the NDIS.

FACS clients, their families, carers and guardians have played a significant role in this process. As part of the transfer, 700 people attended over 150 forums from December 2015 to the middle of 2016 and informed key evaluation criteria which was used to assess shortlisted providers. The key principles, as determined through these family forums, were:

- Mission and values focused on supporting people with disability
- Having a proven track record and critical experience
- Staff capability and management
- Local presence and knowledge
- Ways to improve service
- Commitment to communication and family input
- Financial stability

An evaluation was undertaken to ensure shortlisted providers met strict integrity and capability requirements and there would be minimal disruption to services during and after transfer.

Further forums were held in February and March 2017 to provide people with disability, their families, carers and guardians with the opportunity to provide input on the shortlisted providers for supported accommodation.

Regular communication occurred with clients, their families, carers and guardians and other stakeholders to keep them informed about the transfer process. FACS also put in place Transfer Connect, a dedicated phone line and email address to respond to any queries or concerns promptly and sensitively. This service provided support to people with disability, their families and carers, whose specialist disability services were being transferred to the non-government sector. The service was a key avenue for people to raise questions or concerns relating to their own situation in the transfer process. Mission Australia was contracted to provide this service, which was available until June 2018.

Probity advisors have been in place to oversee the process. FACS also included a number of independent assessors with direct disability experience as part of the process of reviewing tender proposals.

The NSW Ombudsman was funded to provide additional assurance for clients with complex support needs in the service transfer process. This project has provided independent oversight and advice to FACS to address identified issues during the transfer process, including issues related to clients with complex support needs.

Non-government organisations now deliver over 95 percent of all disability services in NSW. The transfer process is currently underway for the remaining services, including the Casuarina Grove centre, Summer Hill centre, Community Justice Program and Integrated Service Program. It is expected these services will be transferred by the end of 2018.

The devolution of Large Residential Centres (LRC's) in NSW has been underway for a significant period of time, recognising that LRC's do not meet contemporary standards for disability services, and do not offer appropriate privacy, personal choices, independence and community access for residents.

In 1998, NSW announced it would progressively close all LRCs. The 2006 Stronger Together, 10 year Plan for Disability Services, provided funding for the closure of the Lachlan Centre (Ryde), the Peat Island Centre (Central Coast) and the Grosvenor Centres (Summer Hill). These Centres were

closed in 2009 and 2010 and were replaced by the Norton Road group homes, Casuarina Grove and the Summer Hill group homes.

In 2010, the NSW Government announced it would work towards the closure of the Westmead and Rydalmere Centres in Western Sydney, the Riverside Centre at Orange and the Stockton, Tomaree and Kanangra Centres in the Hunter by June 2018.

By March 2011, approximately 500 people had transitioned to more contemporary accommodation from the closure of the Lachlan, Grosvenor and Peat Island Centres and a number of other non-government centres. The Westmead Centre was closed in 2016 and the Rydalmere and Riverside Centres closed in 2017.

In 2012, the NSW Government approved funding for the redevelopment of 14 LRCs operated by non-government organisations across NSW, requiring the construction of approximately 70 new units of accommodation. Projects for 12 out of the 14 non-government organisations have been completed and the remaining projects are well advanced and expected to be completed before the end of 2018.

Since 2011, over 600 more people have transitioned to new accommodation from LRCs operated by both the NSW Government and the non-government sector.

As highlighted, a large redevelopment is occurring in the Hunter region to replace the below LRCs with new, purpose-built group homes in the community.

- Stockton Centre in Newcastle, which opened in 1910.
- Kanangra Centre in Morisset, which opened in 1985 and is located on the grounds of the Morisset Hospital (established in 1909).
- Tomaree Lodge in Shoal Bay, which opened in 1947.

The first stage of the program was completed in early 2017 and consisted of 11 new group homes, enabling the transition of 55 people from the Hunter Residences. A further 11 residents have been transitioned to vacancies in other group homes that were built as part of the redevelopment of other LRCs. Approximately one third of residents have selected to move into homes outside the Hunter region such as on the North Coast, in South Western and Western Sydney, in the Illawarra Shoalhaven, North Sydney, Southern Sydney, the Riverina and Western NSW, as well as several sites on the Central Coast.

This redevelopment approach and move to community-based group homes means in many instances, people from Hunter Residences have more choice to where they live and in many instances will be closer to family.

Families have had significant input into the Hunter Residences redevelopment. The Hunter Residences Consultation Unit within FACS is in contact with families and guardians at least once every six weeks and has had more than 15,000 points of contact with residents and families as part of planning for their new accommodation since 2013. A further update was sent in June 2018 to all Hunter Residences families.

The timing of the redevelopment of the Hunter Residences has been impacted by changes associated with the introduction of the NDIS – particularly the Commonwealth Government's funding approach for the development of new houses for people with disability. The NSW Government has taken the opportunity to refine the designs of the homes to be more contemporary and be in more suitable locations.

The existing Hunter Residences will continue to operate beyond 30 June 2018, with the same FACS workforce, until all the properties to be delivered through the redevelopment program are constructed and all people have been safely moved into their new homes.

FACS will continue to deliver services to the people that live in FACS residences until transfers are complete. It is the highest priority of the transfer process to ensure that each individual makes a safe and smooth transition to community living.

Workforce transfer approach

NSW's approach to transfer has also importantly retained the skilled and dedicated FACS disability workforce, ensuring continuity of service for clients. As at 10 August 2018, NSW had transferred 9,565 direct service delivery staff to non-government organisations. This included 690 clinical staff to the Benevolent Society in July 2017.

FACS' highest priority for service delivery transfers was to ensure clients continued to receive quality services. In transferring its own disability services from FACS to the non-government sector, the NSW Government has ensured that the expertise and skills of specialist disability staff is maintained. The transfer included, but was not limited to, case managers, occupational therapists, speech pathologists, physiotherapists, behaviour support staff, dietitians, psychologists, nurses and therapy assistants, along with management and support staff.

Staff members have been supported throughout the process. The Working Together initiative, which commenced in June 2014, provided staff with practical tools and resources to support them during this significant time of reforms. This website received nearly 3,000 enquiries and hundreds more staff logged in for webinars.

Aboriginal Working Together helped support staff through holding Aboriginal gatherings to build personal resilience and coping with change, and culturally appropriate resources including fact sheets and staff videos were also well utilised.

An employment guarantee was established for transferred staff. This helped ensure that clients could transfer with their support staff. The employment guarantee specified that if staff were transferred as part of the transfer of disability services to the non-government sector, their employment terms and conditions, including salary or rate of pay, would transfer with employment.

For casual or temporary employees, their employment and employment terms and conditions are guaranteed for up to six months from the date of transfer. For staff that were ongoing FACS employees, their employment and employment terms and conditions are guaranteed for two years from the date of transfer. All transferred employees have the protection, under the *Fair Work Act 2009* (Cth), of their award terms and conditions of employment for up to five years post transfer.

For non-frontline staff in FACS who supported disability service delivery (for example policy, program, and corporate services staff), the NDIS Mobility Pathway was established to support the movement of staff within the NSW public sector. At end June 2018, the Pathway had supported the placement of 373 staff across NSW Government agencies.

Preparing the disability services workforce and providers for the NDIS

The NDIS is a new, national market for disability supports. It provides individuals, families and carers with increased choice and control in what supports they need and purchase.

This market relies on the interaction of participants' decisions about their supports and NDIS pricing arrangements to incentivise service providers to meet participants' needs. Transitioning to a market framework from government-led support provision requires ongoing market stewardship and oversight to ensure that the benefits of market-provided supports for individuals can be maintained over time.

The NDIA is responsible as market steward, and the Commonwealth Government has lead responsibility for national workforce development, including coordination and monitoring of workforce supply. NSW has played a critical role in helping the disability market prepare for the NDIS, and will continue, alongside other state and territory governments, to support the NDIA and Commonwealth Government oversee the NDIS market in full scheme.

The Commonwealth Government has established a number of sector and workforce development initiatives to support the changes required in the disability sector to implement the NDIS, including the Sector Development Fund and the Innovative Workforce Fund. It is currently developing a national market and workforce strategy which will aim to better identify market and workforce opportunities in the NDIS, including opportunities to work with state and territory governments to grow the market and workforce.

With the rollout of the NDIS the Productivity Commission¹⁶ estimates that about 1 in 5 new jobs forecast to be created in Australia until 2020 will be in disability care. It has been estimated that at national full scheme, the NDIS will require an increase in the disability workforce of 90,000 full-time equivalent employees, including up to 30,000 in NSW, considering more people with disability will be accessing more supports under the Scheme.

In NSW, since the roll-out of the NDIS commenced, more than 50,000 jobs have been created in the health care and social services sector¹⁷, with analysis suggesting that jobs growth is strongly NDIS driven¹⁸.

NSW Government disability services workforce capacity building initiatives

Since 2011, the NSW Government has invested over \$30 million in a range of disability workforce and sector capacity building initiatives and strategies delivered at local, regional and state levels. Many of these strategies commenced prior to the trial and implementation of the NDIS in NSW.

The NSW Government partnered with National Disability Services (NDS) (the Australian peak body for non-government disability services), Jobs Australia and the Australian Services Union to deliver the Industrial Relations and Workforce Development Strategy. The strategy enhanced the capacity of the disability sector workforce to meet the changing needs and choices of people with disability, assist organisations to develop robust human resource management practices and develop a flexible and responsive workforce. Under this strategy, two programs were developed by the NSW

¹⁶ Productivity Commission (2017) National Disability Insurance Scheme Costs: Study Report, Productivity Commission (2017) National Disability Insurance Scheme Costs: Study Report

¹⁷ Employment in the Health care and social assistance industry has grown from 308,000 in 2012-13 to 359,000 in 2016-17 in NSW. This is growth of 51,000 or 17%. Data source: 8155.0 - Australian Industry, 2016-17, 8155.0 - Australian Industry, 2015-16 (Australian Bureau of Statistics).

¹⁸ Creighton A and R Ferguson (2018) 'Jobs boom driven by NDIS injection of taxpayer billions'; The Australian; 30 January 2018.

Government in partnership with NDS. Since 2016, both programs were rolled out nationally and subsequently funded through the Commonwealth Government.

- Carecareers – aims to increase the attraction and retention of staff in the disability sector, whilst improving recruitment practices by using an online, central recruitment portal
- ProjectABLE – offers workshops to high school and tertiary students to encourage consideration of a career in the disability sector.

Under NSW's Smart and Skilled VET program, subsidised arrangements are available to students to undertake training in both Certificate III and Certificate IV in Disability Services.

As highlighted further in the submission, NSW continues to be committed to increasing employment opportunities for people with disability, including within the NSW public sector through the *Jobs for people with disability: A plan for the NSW public sector*.¹⁹

NSW disability provider capacity building initiatives

Provider capacity building initiatives have included the NSW Industry Development Fund, the Disability Sector Scale Up (DSSU) program, and a range of grant programs. Further information on these initiatives is provided at **Appendix A**.

The DSSU program is an initiative of the NSW Department of Industry. It is designed to assist businesses and workers with maximising the economic opportunities arising from the NDIS rollout. Specific areas of focus under DSSU include:

- Improving the maturity and commercial viability of small and medium enterprises
- Increasing the use of innovative business models, practices and technologies
- Increasing the participation of Aboriginal people and businesses
- Developing workforces and organisations that offer culturally competent and linguistically appropriate services for Culturally and Linguistically Diverse (CALD) NDIS participants
- Ensuring availability of appropriate services to NDIS Participants requiring psychosocial support in rural and remote areas

NSW also provided \$1.5 million for the Skilled to Thrive project. Under this project, implemented by the NSW Council of Social Services, disability advocacy and information services have been supported to be ready to make the most of the NDIS, and to continue to provide services under the NDIS to their clients.

FACS also undertook the Provider Transition Activity Assessment (PTAA) to assess how NSW funded disability service providers were preparing for NDIS transition, and to guide further work with providers during the transition to the NDIS. A PTAA fact sheet from September 2017 is provided at **Appendix B**.

In 2016, the Audit Office of NSW conducted a performance audit of the NSW Government's efforts to build the capacity of the non-government sector for the transition to the NDIS. The Audit Office report²⁰ found that FACS managed the risks of the transition to the NDIS in NSW effectively by increasing the overall capacity of the non-government sector and investing in provider capability. In its response to the Audit report, FACS accepted all recommendations, and committed to:

¹⁹ <https://www.facs.nsw.gov.au/inclusion/disability/jobs>

²⁰ <https://www.audit.nsw.gov.au/publications/latest-reports/building-readiness-ndis>

continuing to develop and deliver capacity building until NDIS transition concluded in 2018 and actively contributing to national sector and market policy.

NSW investments to support NDIS participants exercise choice and control

The NDIS provides a significant opportunity for people with disability, their families and carers to exercise choice and control.

During the transition to the NDIS, the NSW Government invested significantly into programs to help people with disability understand the NDIS and how to best make decisions and exercise choice and control under the Scheme. This investment included a focus on carers and families considering their important role in supporting participants.

The NSW Government funded the Getting Prepared projects from 2012 to 2018. These projects have reached over 68,600 people across NSW through almost 5,800 activities including, workshops, information sessions or individualised readiness activities. **Appendix C** outlines some of these NSW programs.

Examples of Getting Prepared projects include:

- \$12.9 million²¹ to the NSW Council of Intellectual Disability, from 2012 to 2018 to administer the flagship project NSW Consumer Development Fund *My Choice Matters*, to deliver state-wide capacity building, planning and goal setting activities to assist people with disability and their families transition to the NDIS.
- \$1.45 million to Carers NSW, from 2014 to 2018, to deliver statewide workshops focussed on building supported decision making skills for adolescents aged 14-18 with disability and their families and carers.
- \$1 million to First Peoples Disability Australia Network (Australia), from 2015 to 2018, to deliver workshops and individual capacity building sessions to prepare Aboriginal communities, people with disability, families and carers for the expansion of individualised funding and roll out of the NDIS across NSW.
- \$1.35 million to the Institute for Family Advocacy and Leadership Development, from 2012 to 2018, to deliver statewide workshops for people with disability, families and carers on self-direction and the NDIS.
- \$1.8 million to the Multicultural Disability Advocacy Association of NSW, from 2015 to 2018, to deliver:
 - The My Future, My Life project, which provides individual capacity building and information sessions on the rights of people with disability, changes taking place in the disability support system and preparing for the NDIS, and
 - The Sexual Lives and Respectful Relationships program in NSW in partnership with Deakin University and in collaboration with mainstream agencies.
- \$1 million to the NSW Ombudsman, from 2015 to 2018, for the Disability Rights Project, which aimed to build the capacity of people with disability and their supporters to better understand and exercise their rights in transition to the NDIS.

²¹ Includes NSW ILC Transition funding of \$3.8 million.

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- \$1.13 million to the Physical Disability Council of NSW, from 2013 to 2018, to deliver statewide workshops and individual capacity building sessions to assist people with disability, families and carers to identify person-centred goals and to prepare for the NDIS.

Supporting people with disability

The NDIS and NSW Government services have important roles to play supporting people with disability in NSW.

Funding for the NDIS is expected to more than double that previously provided for specialist disability services in NSW. Funding will increase under the NDIS from the approximately \$3 billion per year NSW spent on specialist disability services to over \$6.5 billion per year once the full Commonwealth contribution is realised.

There are a range of different support types available within the NDIS. This includes services aimed at capacity building for people with disability, early intervention services for young children and supports funded through individual participant plans. As of June 2018, 85 percent²² of NSW NDIS participants rated the NDIS process as good or very good.

Not everyone with a disability requires specialist disability supports and a number of people will not be eligible to access the NDIS either because their condition is not permanent or not a significant enough impairment to meet eligibility criteria.

The NSW Government is continuing to ensure that NSW is a place where people with disability can access mainstream services and be part of the community, regardless of whether they are eligible for the NDIS.

Reasonable and necessary supports within individual NDIS plans

Before the introduction of the NDIS, there was a mix of block funded and individualised funding arrangements for specialist disability services in NSW. Block funding arrangements constituted the majority of services. Under these block funding arrangements, funding was allocated by the NSW Government to service providers, who were then responsible for delivering specific services to clients. These arrangements had a number of limitations. Funding could only be used to provide specific activities and could not be tailored to the needs of individuals, and clients could not easily change service providers or move to a new location and take their services with them.

NDIS plans provide participants with funding for reasonable and necessary disability supports.

The NDIS recognises that people with disability have a fundamental human right to realise their life goals and aspirations, and should have the ability to exercise choice and control over the reasonable and necessary supports that will help achieve these.

NDIS plans include personalised supports related to people's disability support needs:

- Daily personal activities
- Transport to enable participation in community, social, economic and daily life activities
- Workplace help to allow a participant to successfully get or keep employment in the open or supported labour market
- Therapeutic supports including behaviour support
- Help with household tasks to allow the participant to maintain their home environment
- Help by skilled personnel in arranging aids or equipment assessment, set up and training

²² COAG Disability Reform Council Quarterly Report – New South Wales 30 June 2018, <https://www.ndis.gov.au/medias/documents/coag-report-q4-y5-full/2018-Q4-June-COAG-report-Full.pdf>

- Home modification design and construction
- Mobility equipment
- Vehicle modifications

Support coordination is also a specific support that can be funded in an individual's NDIS plan. With this support a participant can purchase services from a provider to help them to implement their NDIS plan, including linking with informal, mainstream, community and funded supports. This can be a critical support for participants with complex needs.

Within plans the NDIS can also provide funding for accommodation supports, including Supported Independent Living (SIL) and Supported Disability Accommodation (SDA).

SIL is NDIS funding for a provider to support individuals with tasks of daily life in a shared living environment, either temporary or ongoing. Those eligible for SIL funding include people with a disability who live in a private rental setting, own their own home and live with others, or who live in SDA. Each person is funded individually according to their level of need.

SDA is funding for accommodation providers for the capital costs associated with specialist housing solutions. SDA is only provided to a small proportion of NDIS participants with extreme functional impairment or very high support needs. The NDIA estimates that approximately 6 percent of all NDIS participants will be provided with SDA funding.²³

Due to the vulnerability of this particular cohort, the importance of ensuring accommodation is both available and appropriate to meet the high support needs of individuals is critical. The NSW Government will continue to support the NDIA to prioritise the availability of quality SDA and the development of more responsive and innovative models of accommodation.

Supports to exercise choice and control

Through the implementation of individualised plans, participants are provided choice and control over the types of services and service providers with which they engage.

Under previous state-run disability services, providers determined the support required for people with significant disability. The transition to the NDIS and the introduction of participant and family involvement in determining required supports represents a significant improvement in the way services and supports are delivered.

The Commonwealth Government should continue to consider the additional effort required throughout the NDIS pathway²⁴ and the sector, to ensure greater choice and control for people with disability. This includes the particular support needs of people with intellectual disability and people with psychosocial disability. Carers, family and advocates are a critical component in enabling people with disability to have their choices upheld through the supports in their plans.

There are a number of elements of the NDIS which are aimed at helping NDIS participants, and people with disability more broadly, exercise choice and control, these include Information, Linkages and Capacity Building supports and Local Area Coordination.

²³ <https://www.ndis.gov.au/medias/documents/sda-provider-investor-brief-pdf/SDA-provider-investor-brief.pdf>

²⁴ Information for participant's or applicants on the NDIS pathway is available at: <https://www.ndis.gov.au/html/sites/default/files/My-NDIS%20-Pathway.pdf>

Local Area Coordination in the NDIS

Local Area Coordinators (LACs) help individuals link to the NDIS, including helping them understand the NDIS, how to access the NDIS and understand what needs to be considered within an NDIS plan.

LACs help individuals develop and implement their NDIS plans, including by providing assistance to find and start receiving services, to self-direct or self-manage plans, and to access other mainstream and community services they may need. LACs also help individuals when their plan is being reviewed, and link participants to information and support in their community.

Local Area Coordination is funded by the NDIA and delivered through Grant Agreements with non-government organisations called Partners in the Community.²⁵

The NSW Government is aware that for some participants, including those with complex support needs, there have been challenges with the planning or plan review process. Some individuals have reported that the expertise of the planner was not sufficient.

The NDIA has acknowledged the pressure on LACs in respect of the planning process, and that improving LAC performance is a key consideration.²⁶ This includes consideration of the specialist knowledge needed within LACs to effectively perform their role.

The NDIA is working on a range of initiatives looking at improving the NDIS participant pathway, and to better support participants. The NSW Government continues to engage with the NDIA in this work, and continues to advocate for solutions to address participant concerns.

Information, Linkages and Capacity Building (ILC)

The NDIA is implementing ILC to build personal and community capacity to ensure all people with disability (both NDIS and non-NDIS participants) are able to achieve their goals and access opportunities and services. ILC grants are provided to organisations to carry out activities in the community, such as providing information about a particular disability through a website or phone line, or activities that aim to help services and communities are more inclusive.

Adequate investment in ILC is critical to ensuring that NDIS participants and other people with disability are supported to engage with the NDIS and exercise choice and control over their support options, including mainstream and community based supports. It is also a critical support for people with disability not in the NDIS to be linked to services and supports they need.

The last NSW round of ILC grants closed on 30 November 2017. Grants were announced on 30 April 2018, with over \$18 million allocated to NSW projects. There were 55 grants provided in NSW. Examples of grant recipients in NSW include:²⁷

- NSW Council for Intellectual Disability – \$1 million over two years for the *Beyond the Mailroom* project, which will develop training packages to equip Australian Disability Enterprises and businesses to support people with intellectual disability to find meaningful work in the open employment sector.
- Physical Disability Council of NSW (PDCN) – \$406,819 over two years for the *PDCN Peer Networks NSW*, which will build and maintain approximately 15 networks of 8-10 members (13 face-to-face and 2 virtual networks).

²⁵ <https://www.ndis.gov.au/communities/local-area-coordination>

²⁶ NDIA Submission to the Joint Standing Committee on the National Disability Insurance Scheme – Inquiry on transitional arrangements for the National Disability Insurance Scheme, August 2017

²⁷ <https://www.ndis.gov.au/medias/documents/ilc-nsw-rnd2/Jurisdictional-Based-Grants-NSW-Successful-grants.pdf>

- Regional Disability Advocacy Service – \$510,000 over two years for the *Community Engagement Project: Hard to Reach Locations and Communities*, which will employ Engagement Workers to work intensively in 20 communities in the Murrumbidgee District in NSW, to identify and link people with disability to services and supports.
- Down Syndrome Australia – \$1.2 million over two years to deliver the *Information for Life Program* NSW, to provide a comprehensive package of information, linkages and support for people with Down Syndrome, including statewide face-to-face, phone, email, and website information and support; state-wide peer support (informal and formal); printing and distribution of information packages; and promotion of a Capacity Building Toolkit to mainstream services.
- MacKillop Family Services – \$499,570 over two years to deliver *The NDIS in the back o’ Bourke* project, which will provide direct assistance to support people with disability, particularly people of Aboriginal and Torres Strait Islander background, in eight rural and remote Western NSW towns.
- Settlement Services International – \$600,000 over two years to deliver the *Understanding Disability by Culturally and Linguistically Diverse communities in NSW*, delivering in-language information and education sessions to CALD communities in 30 Local Government Areas with high cultural diversity across NSW.
- The Benevolent Society – \$300,000 over two years to deliver the *Complex Behaviour management for students with disabilities*, an action research program and develop capacity building resources for schools managing very complex behaviour cases for students with disability.
- Blind Sports NSW – \$223,000 over two years to deliver the *Main Stream Transition Project*, an awareness campaign, which includes a range of initiatives to build the capacity of mainstream sport organisations to provide sporting, active recreation and social group activities for people who are blind or have low vision.
- Mental Health Coordinating Council – \$517,280 over two years for the *Community engagement education package*, a community education package to assist community workers, volunteers and peers to better support people living with a mental health condition or psychosocial disability who are ineligible or do not want to have an NDIS plan.
- Central Coast Disability Network – \$1.4 million to deliver the *Community before Corrections* program, a specialised and intensive support model of mentoring and self-advocacy capacity building, targeting up to 300 people with a cognitive impairment and/or intellectual disability at risk of a custodial sentence in Wyong and Gosford.

ILC is fundamental to the success of the NDIS and critical to supporting people with a disability more broadly. The NDIA is considering the delivery of a more strategic approach to ILC commissioning across Australia. NSW will continue to advocate for the Commonwealth Government to increase ILC investment in full scheme and provide clarity to the ILC approach as soon as possible.

Early Childhood Early Intervention (ECEI) in the NDIS

Early intervention supports for children with disability are delivered through a range of different systems, depending on their age, their level of disability, and whether their impairment is permanent.

Any child 0-6 years who has been identified as having development delay or a disability can seek assistance via the NDIS ECEI gateway.

During transition to the NDIS, transitional arrangements for early intervention supports were implemented in NSW, whereby existing NSW early intervention arrangements were connected with the NDIS. This approach was undertaken to maintain established referral pathways, assist families to access reasonable and necessary support plans with minimal disruption, and ensure that children with developmental delay or disability could be supported in their local communities and mainstream services.

Funding for direct services to children and young people has progressively transitioned from NSW to the NDIS. All early childhood intervention providers were encouraged to register as NDIS providers, so that they could provide services to those children who do go on to receive an individually funded plan from the NDIS.

Full scheme ECEI commenced in NSW on 1 July 2018, which includes the engagement of Early Childhood Partners to deliver the ECEI approach. The Early Childhood Partners in the Community were announced on 31 May 2018. In NSW, the new Partners delivering this \$136 million investment in ECEI services are Lifestart, Northcott, Mission Australia, EACH, Intereach and Cerebral Palsy Alliance.²⁸

The ECEI Partners support families and carers to help children develop the skills they need to take part in daily activities and achieve the best possible outcomes throughout their life. This includes connecting the child and family with appropriate mainstream and/or community supports such as the local community health centre, educational setting and playgroup, or through the provision of short-term early intervention support. Children are referred to access the NDIS if their disability significantly impacts their ability to engage in daily activities and is likely to be permanent.

As part of the gateway model, ECEI Partners work in partnership with community services and NSW mainstream agencies. This is critical in ensuring appropriate referrals and supports are in place for children and families.

NSW is supporting this by investing \$1.7 million to extend the Early Links program for 3 months to September 2018. Early Linkers support the parents of children with disability from birth to 8 years.

NSW is working with the NDIA to ensure that children being assessed through the ECEI gateway have immediate access to early intervention supports while they wait for an NDIS plan or referral back to mainstream services. Given the critical importance of early intervention to minimising or preventing longer term developmental issues, NSW considers this issue a priority and is committed to continuing to engage with the NDIA and Commonwealth Government through NSW operational as well as national forums to ensure it is meeting the needs of children and families.

This includes addressing the risks of waitlists or delays in accessing services, which can result in families seeking support from health services, ensuring children are drawing on NDIS plan funding as soon as a plan is in place, children with significant disability being fast tracked to NDIS assessments and eligibility determinations, and ensuring appropriate levels of supports being provided for families with infants with disability.

NSW disability initiatives during early years of full scheme NDIS

The NSW Government is implementing a number of transitional arrangements to manage risks of service gaps and issues during the early years of full scheme NDIS, whilst roles and responsibilities are clarified as implementation of the Scheme is further embedded.

While the Commonwealth Government and the NDIA are funding a number of capacity-building, information and advocacy-related services, the NSW Government will continue to help support individuals access advocacy support during the early years of full scheme NDIS. In April 2018, the NSW Government announced the Transitional Advocacy Funding Supplement of up to \$26 million over two years for advocacy services until 2020. This funding focuses on activities that support inclusion of people with disability in their communities. The Supplement aims to address short term practical gaps around advocacy and inclusion activities in the early stages of full scheme.

²⁸ <https://ministers.dss.gov.au/media-releases/3161>

In 2018/19 NSW is also providing over \$40 million in funding for Ability Links. Ability Linkers help people with disability connect to a number of opportunities, including employment, volunteering and education. This program is being funded for a further year in recognition that additional support may be needed in the early stages of the NDIS, considering the scale and maturity of the Scheme.

Ability Links is delivered by 295 Linkers across NSW, 74 of whom are Aboriginal identified. Since the beginning of the program, Ability Links has supported thousands of people with disability, their families and carers with over 150,000 occasions of service and an estimated 1,220,000 community connections. Contact with a Linker can range from a brief telephone conversation to provide information, through to face-to-face engagement to help people access informal and formal support services. Linkers do not themselves provide support, but link to the support via their networks. An independent Cost Benefit Analysis reported that the Ability Links program returned approximately \$3 for every \$1 invested by the NSW Government, and where Ability Links supported Aboriginal people, the benefits were \$3.90 for every dollar invested.²⁹

The NSW Department of Education is implementing a mechanism to enable schools to access specialist allied health supports as needed for students with disability. The mechanism will be available while governments continue discussions to clarify the respective funding responsibilities of the NDIS and school sector. Supports include speech pathology, occupational therapy, physiotherapy, and behavioural intervention. Before the NDIS, schools accessed these types of supports through FACS to help them meet their legislative obligations to students with disability. Data will be collected to determine demand from schools, inform clarifying NDIS roles and responsibilities, and inform future decisions about the best way to support schools to access these services.

The NSW Government is implementing a service to provide specialist coordination expertise to assist people with co-morbid psychosocial and intellectual disability (including NDIS participants and non-participants). This service, funded for three years, will be located in each Local Health District and will aim to reduce barriers and improve access for individuals to mainstream supports. A further \$4.7 million each year was also provided in the 2018/19 Budget to enhance and expand specialised intellectual disability health services.

The NSW Government is also investing funding over two years to continue the Dysphagia Clinic at Westmead Hospital (providing expert assessment services for children and adults with swallowing impairment), and the Regional Assessment Services (providing assessments for children with suspected autism spectrum disorder who live in regional and rural districts where there are limited other services).

NSW has established the SASH program, to be delivered by NSW Health. This program, funded for two years, provides clinical and non-clinical supports to people with functional impairments who are not eligible for funding through the NDIS but who require support to stay at home and out of hospital or residential aged care.

NSW is also increasing support for people with disability in contact with the criminal justice system. Currently, a person with an intellectual disability who is in contact with the criminal justice system can receive support from a trained volunteer or staff member from the disability advocacy sector. Increased funding over two years will expand the scope of the program to be state-wide and include people with a cognitive impairment. A tender process is currently underway for the expanded program, to be implemented next financial year with the new service to be operational on 1 July 2019.

²⁹ https://www.facs.nsw.gov.au/_data/assets/pdf_file/0007/591424/146-Ability-Links-accessible.pdf

A high level agreement was made between the NSW and Commonwealth Governments in March 2018 with regard to how support will be provided to children with disability in voluntary out of home care (VOOHC) arrangements from 1 July 2018. These arrangements occur when a child or young person is unable to live at home due to their disability.

Under the VOOHC agreement, children and their families will be supported to live together. Where this is not possible, the NDIA, FACS and the family will work together to determine the best option for the care of the child. NSW is responsible for providing support to try to keep families together, for the cost of rent and board for children and young people under 16 years of age who are unable to live at home. Supervision of VOOHC accommodation and care providers by the NSW Office of the Children’s Guardian will remain in place as per the current standards, and will continue until the young person turns 18 years of age. The NDIS will fund reasonable and necessary disability supports to enable children to remain living at home with their families, or to support them outside of the family home.

During the implementation of the above transitional initiatives, NSW agencies will consider use and demand closely to help determine any ongoing need. This includes considering where the Scheme has matured and clarity provided to roles and responsibilities.

NSW Government inclusion responsibilities and activities for people with disability

The NSW Government has a commitment to and ongoing responsibility for continued investment in community inclusion for all people with disability. The *Disability Inclusion Act 2014* (NSW) supports the inclusion of people with disability in the NSW community, with Disability Inclusion Action Planning (DIAP) occurring across all NSW Government Departments, some other government agencies, and all 128 Local Councils³⁰. People with disability are involved in the development and review of DIAPs. Some examples of inclusion activities undertaken by Local Councils include communication boards at inclusive playgrounds, beach wheelchair access projects, disability employment programs, and community and business inclusion awareness activities.

FACS is currently coordinating a review of the implementation of the NSW Disability Inclusion Plan. The review is overseen by the NSW Disability Inclusion Plan Implementation Committee and will report by January 2019. The review will capture the progress of implementation of Disability Inclusion Action Plans and state wide strategies to support inclusion.

The *Disability Inclusion Act 2014* (NSW) also establishes the role of the NSW Disability Council³¹ and its supporting groups in representing people with disability, supporting the DIAP process, and providing advice to government on emerging issues impacting on community access and inclusion.

NSW continues to undertake actions to support the National Disability Strategy, a commitment by all levels of government to a unified national approach to disability policy and program development.

NSW Government agencies also undertake a range of activities to support people with disability, and ensure mainstream services are inclusive and accessible.

FACS is implementing the *See the Possibilities* campaign³², which aims to engage with employers to help them understand the value that people with disability bring to business. The campaign demonstrates positive examples of inclusive employment practice to promote positive perceptions

³⁰ <https://www.facs.nsw.gov.au/inclusion/disability/DIAP-resources>

³¹ <https://www.facs.nsw.gov.au/disability-council>

³² <https://seethepossibilities.nsw.gov.au/>

and build an environment that encourages inclusion. It equips employers with information about hiring people with disability and supports them to take the next steps to building a more inclusive workforce.

The NSW Government's *Jobs for people with disability: A plan for the NSW public sector*³³ aims to increase the number of people with disability employed across the NSW public sector from an estimated 2.7 per cent to 5.6 per cent by 2027. To achieve this goal, the NSW Government is improving how people with disability are encouraged and supported to apply for jobs in the NSW public sector, and making sure workplaces are accessible and inclusive.

NSW has also recently announced the Createability Internship Program³⁴, a partnership between Create NSW, FACS and Accessible Arts. Under the program, up to eight people with disability will be helped to secure arts industry placements and customised training opportunities in a host organisation.

In July 2018, NSW announced funding through the icare foundation for Remarkable, a disability-tech accelerator which supports technology start-ups for people with disability³⁵. \$1.5 million will be provided to the Remarkable Accelerator Program over the next three years under a new partnership between NSW Government's icare insurance and care arm and the Cerebral Palsy Alliance.

NSW has invested \$133 million in 2018/19 into Transport for NSW's Transport Access Program. Transport for NSW continues to deliver the Taxi Transport Subsidy Scheme with an annual investment of \$31 million, providing fare subsidy for eligible NSW residents who are unable to use public transport because of a qualifying severe and permanent disability. Transport for NSW also administers \$87 million for Community Transport and Home Community Care services to help people across NSW who have difficulties accessing transport.

In relation to the provision of accommodation for people with disability, social housing options are available for eligible individuals and families. For a person with disability to be allocated a social housing home, the person must be able to live independently without support or with appropriate support in place. Under the Communities Plus program, ageing social housing dwellings are being replaced with properties that meet the silver level of the national liveable design principles. This includes street level access, wider internal doors and corridors, accessible bathroom facilities and adaptability for grab rails and other hand rails. FACS also continues to support community housing providers to meet and manage their responsibilities to make reasonable adjustments to properties. A small pool of funding is available to support a community housing provider to meet some or all of the costs of more expensive modifications.

Under the *Disability Discrimination Act 1992* and *Disability Standards for Education 2005*, schools are obliged to ensure students with disability can access and participate in learning on the same basis as their peers. Recently, the NSW Government supported all 39 recommendations of the Legislative Council's *Inquiry into the education of students with a disability or special needs in NSW*³⁶, the majority in full. Work is now underway to implement these.

FACS continues to undertake its legislated responsibility under the *Children and Young Persons (Care and Protection) Act 1998* (NSW) and Regulations to work with families and children,

³³ <https://www.facs.nsw.gov.au/inclusion/disability/jobs>

³⁴ <https://www.create.nsw.gov.au/funding-and-support/createability-internship-program/createability-internship-program/>

³⁵ <https://www.icare.nsw.gov.au/news-and-stories/start-up-funding-aims-for-a-remarkable-outcome/>

³⁶ <https://www.parliament.nsw.gov.au/committees/inquiries/Pages/inquiry-details.aspx?pk=2416>

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including those with disability, to ensure that children are safe and that risk of significant harm is assessed and managed.

People with disability are able to access health services through NSW Health, which undertakes a range of initiatives to reasonably adjust their services to ensure that those with disability can access the same services as someone without a disability.

The NSW Government has retained funding for its community based psychosocial mental health support services. This has not occurred in some other jurisdictions. NSW will continue to fund a range of community based psychosocial support programs, including the Housing and Accommodation Support Initiative (HASI) and its extension, Community Living Supports. These services provide wrap-around supports to people with severe mental illness. In the 2018/19 Budget, NSW invested \$2.1 billion in mental health funding. This includes \$100 million per year for specialist community mental health support, and \$82.5 million for increased admitted and community-based services across NSW.

Ensuring safe and quality services for people with disability

The NSW Government recognises the importance of ensuring people with disability, their families and carers continue to access safe and high quality services while the NDIS is being implemented. As NSW specialist disability services have traditionally been delivered and funded by the NSW Government, the quality and safeguarding arrangements for those services have similarly been the responsibility of NSW.

On 1 July 2018, new national arrangements for quality and safeguarding of NDIS funded services came into effect. Under the NDIS Quality and Safeguarding Framework³⁷ (the Framework), agreed by all jurisdictions at COAG in December 2016, the Commonwealth has assumed responsibility for most quality and safeguarding functions of NDIS funded services. This responsibility sits with the NDIS Quality and Safeguards Commission (the Commission), which recently commenced operations in NSW and South Australia. The Commission has taken on responsibility for registration and compliance monitoring of NDIS service providers, responding to complaints about providers and overseeing reportable incidents.

Elements of the NDIS safeguarding framework have been modelled on the previous NSW system of safeguarding people with disability, including the NSW Ombudsman's reportable incidents functions.

From 1 July 2018 NDIS registered providers have been required to meet the new Quality and Safeguards registration requirements. This includes the Code of Conduct. Depending on the type of NDIS supports a provider will offer, they will either undertake verification against the NDIS practice standards or certification against NDIS practice standards and/or specialist modules.

For NDIS services, NSW has agreed to retain three functions under the Framework:

- Administration of the NDIS Worker Check in NSW (comes into effect 1 July 2019)
- Authorisation requirements for restrictive practices by NDIS providers (from 1 July 2018, the authorisation approach in NSW will be based on the previous FACS policy, whereby providers are required to have authorisation panels for restrictive practices, a behaviour support plan, and consent. Compliance with this policy will continue to be overseen by a central behaviour support team within FACS)
- Contribution to a multilateral view of the role of the Official Community Visitors programs in the NDIS

NSW remains responsible for safeguarding people with disability outside of NDIS funded services, (for example, in home or community settings) and for ensuring services funded by or under the control of NSW are safe and of sufficient quality.

Figure 1 sets out responsibilities for quality and safeguarding for people with disability in NSW, including how responsibilities have changed with the commencement of the Framework. Further information is available at:

http://ndis.nsw.gov.au/wp-content/uploads/2018/07/Item-07.-FactSheet_QandSGeneral1.pdf

³⁷ <https://www.dss.gov.au/disability-and-carers/programs-services/for-people-with-disability/ndis-quality-and-safeguarding-framework>

Figure 1: How roles and responsibilities are changing under the NDIS Quality and Safeguards Framework

Areas of quality and safeguards	Before 1 July 2018	After 1 July 2018
Complaints about the NDIA	NDIA or Commonwealth Ombudsman	NDIA or Commonwealth Ombudsman
Complaints about a product or service, including those provided by an NDIS provider	NSW Fair Trading	NSW Fair Trading
Complaints about an NDIS service provider, service or support	NSW Ombudsman	NDIS Quality and Safeguards Commission
Reportable incidents		NSW Ombudsman
Official Community Visitors Scheme		NSW Ombudsman
Policy design and compliance for worker screening	NSW Department of Family and Community Services	NDIS Quality and Safeguards Commission
Policy design and compliance for restrictive practices		NDIS Quality and Safeguards Commission
Authorisation mechanism for restrictive practices		NSW Department of Family and Community
Undertake worker screening	<i>Providers were required to screen workers in line with the Disability Inclusion Act 2014 (NSW)</i>	The NSW Worker Screening Unit will undertake the screening of NDIS workers from 1 July 2019. Until then, transitional arrangements apply.
Quality and safeguards responsibilities for people with disability accessing NSW Government services	NSW Quality and Safeguarding systems	NSW Quality and Safeguarding systems
Abuse and neglect in community settings	NSW Ombudsman	NSW Ombudsman

NSW is supporting the Commission to ensure the quality and safety of services during this transition period. For example, the NSW and the Commonwealth Governments have reached an agreement for an interim extension of some of the NSW Ombudsman's disability functions for one year to support the transition to the new NDIS Quality and Safeguarding Framework. This will help manage legacy issues, maintain some current arrangements where there is a lag in determining longer-term arrangements, and support NSW to keep a watching brief as the Commission becomes operationally effective. The functions which have been extended are as follows:

- Complaints, reportable incidents and reviewable deaths that were reported prior to 1 July 2018
- Quality and safeguarding arrangements for residual NSW funded and/or delivered specialist disability services and NDIS in-kind services
- Section 11(1) (e) standing inquiry into the abuse and neglect of people with disability
- The Official Community Visitors Scheme

This interim extension will also allow time to determine the longer-term role of NSW safeguarding agencies, such as the Ombudsman, as the NDIS environment settles.

The Commonwealth has also recently announced the NDIS Fraud Taskforce to address potential and alleged reform against the Scheme. This taskforce will help ensure NDIS funds are used to support people with disability.

The NSW Law Reform Commission (LRC) has also recently completed a review of NSW Guardianship legislation and made a number of recommendations related to improving the protection of vulnerable people (including people with disability) in NSW through addressing two key gaps:

- The availability of supported decision making to enable individuals to exercise choice and control when they have impaired decision making ability
- Investigating allegations of abuse and neglect of vulnerable people outside of government service settings.

The NSW Government is currently considering the recommendations made by the LRC, and how these gaps might be best addressed in the context of the NSW safeguarding system.

NSW also recognises the need to ensure people with disability living in long-term supported accommodation are afforded suitable tenancy rights and protections. The NSW Government is currently considering the best way to ensure these rights and protections can be provided.

NSW is committed to ensuring that the delivery of disability support services remains safe and of high quality during transition to the full operation of the Commission and the maturing of the provider marketplace.

Continuing to build Scheme maturity

The scale of NDIS reform means that it will take time for the Scheme to be fully implemented and to mature.

Particular areas of focus are identified below where work is underway to continue to improve the Scheme as it matures, and ensure the Scheme improves outcomes for people with disability.

Strengthening disability and NDIS governance in NSW

There are a range of policy and operational governance arrangements in place to manage the implementation of the NDIS.

The Council of Australian Governments (COAG) Disability Reform Council (DRC) oversees the implementation of the NDIS and makes recommendations to COAG on the NDIS. The DRC aims to ensure a broad range of reforms are implemented through the National Disability Agreement and the National Disability Strategy. The NSW Minister for Disability Services represents NSW at DRC.

The DRC is supported by the Senior Officers Working Group (SOWG), and SOWG sub-groups focusing on particular priority areas, which include officials from the Commonwealth Government, state and territory governments and the NDIA. NSW is driving a number of national policy considerations through these forums, given its advanced position in implementing the NDIS.

There are a number of forums and processes in place in NSW to consider operational issues as the NDIS is implemented, and drive effectiveness of the Scheme in NSW. NSW mainstream agencies, the NDIA and the Commonwealth Government participate in these.

The NSW Government has a number of structures in place to oversee NSW's role in supporting the Commonwealth Government in implementing and administering the NDIS, and oversee the NSW Government's disability inclusion policy and reform activities.

The Department of Premier and Cabinet's NDIS Reform Group was established in 2016 to support the successful implementation of the NDIS in NSW. It focusses on strategic, policy, and cross-agency matters. The Reform Group is supported by the Inclusion & Early Intervention Directorate in FACS, which supports the Minister for Disability Services and drives the Government's inclusion agenda.

Addressing disability service workforce and provider challenges

The increased access to supports under the NDIS means there will need to be a significant increase in the disability service workforce.

The NDIS is a fundamentally new way of providing specialist disability services. It is a significant change for disability service providers used to operating in the previous government-contracted system.

The NDIA is responsible as market steward, and the Commonwealth Government has lead responsibility for national workforce development, including coordination and monitoring of workforce supply.

There are particular areas of the disability services workforce requiring focus – including certain occupations of high demand, and rural and regional areas where it has historically been difficult to recruit and retain staff.

Further detailed work is required to identify the type of workforce required under the NDIS, including skill sets and locations. More specific workforce data and demand analysis is required to inform workforce strategies. The Commonwealth Government is undertaking work on market and workforce strategies, and NSW will support the Commonwealth Government to build greater understanding and focus on these issues.

The NDIA's pathways redesign (explained further below) and other initiatives includes consideration of ensuring the NDIS workforce has the appropriate capabilities to work with applicants and participants with complex needs, psychosocial disability, and Aboriginal and CALD backgrounds.

NSW Health received a grant under the NDIS ILC Framework to implement a project to help build the capacity of NDIA staff and the broader disability and mainstream services to understand and more effectively engage with people with psychosocial disability, their families and carers.

A key component of ensuring Scheme and provider sustainability is the NDIS pricing structure. Some service providers advise that particular service elements, such as case conferencing, research and design of treatments, and service provision to people with complex needs, is not fully captured within the NDIS price structure. An Independent Pricing Review of the NDIS was recently undertaken, and recognised that the pricing structure should better recognise different components of service delivery. Some of the key recommendations of the pricing review include³⁸:

- Adding a third tier to the complexity loading to account for higher level skills or experience of workers and additional training required.
- Allowing providers to charge up to 45 minutes of travel time in rural areas.
- Allowing providers to quote on the delivery of services in isolated regions.
- Changing therapy prices to better reflect different therapy types, and introducing a second tier of pricing for therapy assistants.
- Introducing temporary overhead assistance equivalent to a 2 percent to 3 percent loading on the price for providers delivering attendant care for the next 12 months.

Other recommendations relate to changes to the cancellation policy, price limits, interventions to address specific market challenges, and improvements in market monitoring and engagement.

The NDIA has committed to all recommendations of the review, and is working to implement a number of the recommendations as a priority. Further consultation is being undertaken on particular issues prior to the NDIA progressing to implementation.

Considering the different operating structure of the NDIS, the cost of administration may also be impacting some providers. For example, providers need to seek payment for each individual NDIS participant. Some providers have also experienced issues in relation to delays in payments from the NDIA.

The NDIA will be introducing a new provider pathway to help address some of these challenges. As part of the new pathway, the NDIA will provide better information to support providers make business decisions, and help them interact with the Scheme and connect with participants. Improvements to the provider pathway include:³⁹

- Improved quality, consistency, availability and usability of information for providers learning about opportunities under the NDIS.
- More information and features for connecting to participants being made available through online tools.

³⁸ McKinsey & Company, Independent Pricing Review – National Disability Insurance Agency, February 2018 – available at <https://www.ndis.gov.au/medias/documents/ipr-final-report-mckinsey/20180213-IPR-FinalReport.pdf>

³⁹ <https://www.ndis.gov.au/participants/pathway-experience/provider>

- Reducing the time required for administration and making it easier to manage supports and receive payments through the myplace portal.
- Better processes for more efficient and effective resolution of issues impacting providers.

Continuing to assist people to link with the NDIS

NSW is committed to continuing to help people with disability to link with the NDIS.

The NSW Government NDIS website includes clear and accessible information for people with disability and their families and carers. The website has been developed to ensure content is available to the widest possible audience, including readers using assistive technology or accessibility features. The NSW NDIS website is regarded as one of the most accessible government websites. It contains information in a variety of community languages, as well as Auslan, Easy English, and specific information for Aboriginal audiences. Information is provided through multiple methods including factsheets, videos, infographics, and case studies.

NSW has delivered a range of information across communities in partnership with local community groups and organisations to support the NDIS transition in NSW. This includes the 'Take Charge of Your Future' campaign. This campaign began in November 2016 to encourage people with disability who were receiving supports from the NSW Government and their families and carers to take action in relation to the NDIS. The campaign was informed by case studies of people with disability, their experiences accessing the NDIS, and benefits that they experienced through the Scheme. It increased awareness of the NDIS and understanding of how and when to access the Scheme. The campaign activity drove 30,000 visitors to the NSW NDIS website, a 150 percent increase on normal traffic.

The NSW Government is considering a new campaign in late 2018 to support more individuals to link to the Scheme and help ensure they have the right supports as quickly as possible.

NSW Government mainstream services, such as health and justice services, are well placed to help individuals link with the NDIS, including assisting with initial referrals and undertaking assessments as part of NDIS applications. NSW continues to work to provide the tools and resources necessary to help frontline staff best support people access the NDIS, and engage collaboratively with the NDIA and NDIS providers.

Improving supports for NDIS participants with complex support needs

Improving the support provided to NDIS participants with complex needs is recognised across governments as a key priority.

The Productivity Commission's Study Report into NDIS costs⁴⁰ recommended improving planner capability, the need for specialist planners, and use of specialised staff for people with psychosocial disability. The recent Independent Pricing Review also recognised the need to improve the pricing framework's consideration of complex need.⁴¹

The NDIA has committed to the Pricing Review's recommendations, and is consulting further prior to implementation in late 2018. NSW will closely consider the effectiveness of the approaches as these are implemented.

⁴⁰ Productivity Commission Study Report, NDIS Costs, October 2017 – available at <https://www.pc.gov.au/inquiries/completed/ndis-costs/report/ndis-costs-overview.pdf>

⁴¹ McKinsey & Company, Independent Pricing Review – National Disability Insurance Agency, February 2018 – available at <https://www.ndis.gov.au/medias/documents/ipr-final-report-mckinsey/20180213-IPR-FinalReport.pdf>

Improving pricing considerations will help prevent individuals with complex needs facing challenges in securing a provider, and help to prevent crises occurring for participants with complex needs. The level of funding for support within plans should adequately reflect the higher service delivery cost and include flexibility to respond to changes in circumstances and needs.

The Commonwealth's Joint Standing Committee on the NDIS inquiry report *The provision of services under the NDIS for people with psychosocial disabilities related to a mental health condition*, released in August 2017, recommended improving planners' knowledge and understanding of psychosocial disability, and increased flexibility in plans to respond to people's fluctuating support needs.⁴²

NSW is aware that workforce capabilities and improvements to the planning process are being considered as part of the NDIA's work on pathway redesign, market development and other initiatives. Specialised planners and support coordinators with appropriate experience and skills to work with people with complex needs, including people with psychosocial disability, are needed as soon as possible. NSW supports the deployment of training and support for the NDIA and NDIS workforce to work with people with complex needs.

The NDIA is also working to implement a range of initiatives to better address concerns regarding support for participants, including improvements to the NDIA's crisis responses for NDIS participants, streamlining the approvals of supports for assistive technology and, in collaboration with NSW Government agencies, establishing clearer and more transparent issues escalation processes to resolve issues as quickly as possible.

It is recognised that further consideration is needed regarding longer term responses when an NDIS participant is unable to access specialist disability supports. This could occur, for example, due to provider failure, thin market issues or funding concerns. NSW supports the NDIA considering options to address this, including specific approaches to ensure access to suitably capable support coordinators and service providers to support people with complex needs, and how individual plans can be used more flexibly as a participant's needs fluctuate or change.

A number of pilot initiatives have been established in NSW during the early years of the NDIS to help improve supports for people with complex support needs, including the Integrated Service Response, a partnership between the NDIA and the NSW Government, and the Cognitive Impairment Diversion Program, a partnership between NSW Health and NSW Department of Justice.

NDIA Participant Pathway review and redesign

The NDIS participant pathway is the experience that participants have from their first interaction to their ongoing engagement with the NDIS. The NDIA is developing new features for the participant pathway, including:⁴³

- Face-to-face engagement for all NDIS plan development, if this is the participant's preference.
- A consistent point of contact, to help participants to achieve their identified outcomes.
- A stronger focus on the broader system of supports for people with disability including improved links with other services.

⁴² Report available at:

https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/National_Disability_Insurance_Scheme/MentalHealth/Report

⁴³ <https://www.ndis.gov.au/medias/documents/pathway-review-report/Report-NDIS-Pathway-Review.pdf>

- Communication emphasising the objectives of the NDIS, with a clear focus on outcomes and goals during planning discussions.
- Information that is clear, consistent and available in accessible formats, such as Easy English, braille, and languages other than English.

The NDIA is undertaking further work to tailor the participant pathway to meet the additional needs of people with disability with specific needs. This includes young children, people with more complex needs, people with psychosocial disability, people from Aboriginal and Torres Strait Islander communities, people living in remote and very remote communities and people from CALD communities.

Integrated Service Response (ISR) in NSW

There are a number of pilot initiatives underway in NSW to improve outcomes for people with disability with complex needs.

This includes the ISR, a whole-of-government initiative aiming to improve the capacity and capability of NSW mainstream services to deliver sustainable, integrated, multi-agency service responses for people with disability who have complex support needs. The ISR is an innovative model, which is currently being considered by other states and territories to support the implementation of the NDIS. The NSW ISR will be evaluated to understand the effectiveness of the approach and inform consideration of the long term need.

The ISR was established in September 2017 for a two-year period, until December 2019, funded by the NSW Government and delivered in partnership with the NDIA. The NSW Ministry of Health is hosting the ISR team until December 2019. ISR accepts referrals of cases when NDIS participants have additional complex needs, more than one NSW mainstream agency (for example, Department of Justice, NSW Health, FACS, Department of Education) is involved, and issues cannot be resolved at the local level. The ISR works with NSW Government agencies, the NDIA and the disability sector to identify solutions and support the development, enactment and review of NDIS plans.

ISR is able to advise on factors impacting on outcomes for people with complex needs, and help inform improvements to better support these individuals. For example, key issues raised to date through ISR, which NSW is working with the NDIA to further consider and address, include access to appropriate accommodation, determining the impact of disability on functional impairment versus offending behaviour, improving collaboration across service systems to rapidly and flexibly respond to changes in an individual's circumstance, and consideration of the impact on carers and families in supporting an individual with complex needs.

Cognitive Impairment Diversion Program (CIDP)

The CIDP pilot was launched by the NSW Government at the end of 2017. It is a pilot diversion program aiming to help defendants with a cognitive impairment charged with low-level offences to access services that address their needs, including the underlying causes of their offending behaviour.

CIDP is currently being piloted at Penrith and Gosford Local Courts. A psychologist or psychiatrist screens defendants to identify those with a cognitive impairment. Support workers then identify their needs and goals and help them access the services of the NDIS. The program will provide a report to help magistrates decide whether to direct defendants into treatment or support as an alternative to criminal sanctions.

CIDP is a joint initiative between the Department of Justice and NSW Health, who have been working collaboratively with the NDIA at a local level. An evaluation of CIDP is commencing this year and will be completed early 2019.

Strengthening choice and control for NDIS participants

To support choice and control, NDIS participants and their families must have easily available information about the options for supports and the providers they may wish to select, as well as clear guidance about pricing and service standards.

The NDIA reports that, during Quarter 4 of 2017/18, the majority of participants aged 15 to 24 and 25 years and over in NSW indicated that the NDIS gave them more choice and control in their lives.⁴⁴ However, fewer reported that it helped them choose the right home (24 percent for those aged 14 to 24 years and 31 per cent for those aged over 25 years) or helped them find the right job (23 percent for those aged 14 to 24 years and 22 percent for those aged over 25 years).⁴⁵

Further development of online and mobile applications that allow access to reviews, service quality assessments, and pricing is required for participants. In response to a recommendation of the NDIA's Independent Pricing Review, the NDIA is currently enhancing a Provider Finder to allow participants to search and compare providers. This is occurring following a pilot in the ACT. NSW welcomes this development, and supports its implementation in NSW as soon as possible.

It is recognised that there are often challenges with exercising choice and control for an individual with limited capacity to engage with the Scheme, limited supports to assist them engage, or if limited service providers are available within particular markets or regions. For example, participants may have limited decision making capabilities, may not feel informed enough to make decisions regarding what support provider to choose, or may be unable to access particular specialised therapies due to there being no registered NDIS providers currently in their region.

The NDIA and Commonwealth Government will continue to be supported by NSW as they consider approaches to improve the support provided to participants to exercise choice and control, including through LACs and support coordinators. NSW will be monitoring this progress closely. As previously highlighted, ILC under the NDIS is also critical to supporting people with disability, NDIS participants and non-participants. NSW is funding a range of services to help address potential risks and gaps during the early years of the Scheme, including funding for support for individuals with cognitive impairment interacting with the criminal justice system, Ability Links and transitional advocacy funding.

Responding to impacts on services due to increased access to supports

Under the NDIS, individuals and families are accessing more services than in the past. This means the NDIS is increasing demand for some mainstream services, due to the increased number of supports being provided, and greater connections being made into other services.

For example, there have been an increased number of requests from families and NDIS providers for NDIS funded services to be delivered in schools. The NSW Government fully supports children and young people accessing the services they need and their families choose. Practically, there have been some challenges in managing these increased requests. School staff must ensure that these services are compatible with school operational requirements and align with the student's educational goals. Schools need to ensure that NDIS-funded services support school responsibilities under the *Education Act 1900* to deliver the curriculum to all students. To support school staff, the NSW Department of Education has developed an External Provider Information

⁴⁴ COAG Disability Reform Council Quarterly Report 30 June 2018, <https://www.ndis.gov.au/medias/documents/coag-report-q4-y5-full/2018-Q4-June-COAG-report-Full.pdf>

⁴⁵ COAG Disability Reform Council Quarterly Report 30 June 2018, <https://www.ndis.gov.au/medias/documents/coag-report-q4-y5-full/2018-Q4-June-COAG-report-Full.pdf>

Package, providing information to schools, families and external providers (including NDIS-funded providers) about the Department’s policies, processes and minimum requirements that apply to external provider services in schools.

Due to the principle of choice and control, and the level of decision-making required to implement individual NDIS plans, there has also been an increase in guardianship applications to the NSW Civil and Administrative Tribunals, and a rise in Public Guardianship appointments and financial management orders. It is estimated that the NSW Public Guardian’s workload will have increased 70 percent by 2019 due to the NDIS from 2016 workload levels. The NSW Government recently provided additional funding to these services to help manage this, whilst further data and evidence is captured to fully understand increasing demand.

Addressing early implementation issues

Implementation challenges were going to be experienced with a reform of the scale of the NDIS. The NSW Government recognises it will take time to address implementation issues. There is a strong commitment to continuously analyse and improve the Scheme. Ongoing work is underway between the Commonwealth Government, NDIA and NSW Government to address issues as they arise.

The NDIS is expected to deliver positive impacts on mainstream government services as peoples’ access to supports increases. For example, early evidence suggests a possible emerging trend of a decrease in the use of health services following an individual receiving an NDIS plan. Although this trend is largely consistent with pre-NDIS arrangements, this data continues to be monitored to identify any significant changes as the NDIS matures and more data becomes available.

Some issues have arisen in regard to the transition of NDIS participants from NSW services, including health, justice and mental health services, due to difficulties finding available specialist disability supports, accommodation, and NDIS access and planning timeframes and decisions. For example, a person may need to remain in hospital until appropriate specialist disability supports can be put in place. Particular issues can also arise when an NDIS participant has complex needs, such as co-morbid intellectual disability and psychosocial disability. It is acknowledged that some of these challenges may have been experienced prior to the introduction of the NDIS. The NSW Government is working with the NDIA to address these issues.

NSW is currently working on collecting further data and evidence to measure the impact of the NDIS on other services, including the impact of implementation issues and the benefits of the Scheme.

NSW services continue to raise individual case issues with the NDIA, such as where plan reviews may be required to increase funding for particular supports, and is engaging the NDIA and Commonwealth Government on issues to support resolving these as soon as possible. NSW is also funding a range of services to help address potential risks and gaps during the early years of the Scheme, including funding for intellectual disability and mental health specialist services, Ability Links and transitional advocacy funding.

The NDIA has introduced an interim crisis response for NDIS participants in NSW, and, in collaboration with NSW Government agencies, established clear and transparent issues escalation processes to resolve issues as quickly as possible. The NDIA is also undertaking work to improve the experience of people with complex needs in the NDIS, including through improvements to the participant pathway. Improvements to the participant pathway will be essential in improving the experience of people with complex needs.

Clarifying roles and responsibilities across service systems

The COAG-agreed *NDIS Applied Principles and Tables of Support* (APTOS) provide high-level positions on responsibilities between the NDIS and other service systems, across the service areas of: health, mental health, early childhood development, child protection and family support,

school education, higher education and vocational education and training, employment, housing and community infrastructure, transport, justice and aged care.

There are some instances where the responsibilities between the Commonwealth Government and the states and territories require further clarification. For example, some challenges are currently being experienced where responsibilities may be difficult to determine, due to the high level nature of the APTOS, as well as inconsistent application of the principles. This includes where there is close alignment of disability and health services, which can lead to complexities and inconsistencies in regard to the health interface (for example, supports regarding rehabilitation and maintenance care). These interface issues are being experienced nationally and national agreement is required for resolution. Agreement continues to be sought with the Commonwealth Government and each State and Territory Government on the appropriate approaches and solutions to address these challenges.

NSW has taken a strong lead in seeking resolution for these issues. In particular, NSW is playing a key role leading work on clarifying issues regarding responsibilities across the health system and NDIS, including the provision of NDIS supports for people in hospital, and NDIS funding supports delivered by health professionals. The NSW Government chairs the Health Sub-group of the Disability Reform Council's Senior Officials Working Group. The Health Sub-group has carriage of the discussions to resolve the interpretation and application of the APTOS to ensure consistency and confidence in the decisions being made about funding of participant supports. NSW Health has also led the interjurisdictional working group on NDIS implementation issues in relation to the health interface.

Work is also underway to ensure further clarity of roles and responsibilities in regard to the mental health, child protection and justice service areas.

A key component of this work is ensuring service systems coordinate and collaborate on service delivery to individuals. Work has been undertaken to put in place clear and transparent issues escalation processes across NSW services and the NDIA, and discussions are underway to consider what further approaches are needed to improve service collaboration and coordination to ensure there are no gaps for people with disability. As highlighted above, NSW is also funding a range of services to help address potential risks and gaps during these early years of the Scheme.

During transition to the NDIS, states and territories are continuing to deliver some services as in-kind supports, either by delivering services, or directly pay providers to deliver these supports. These include school transport and personal care in schools for children with disability. In-kind service issues are complex, and consideration of whether these services should continue to be included within the NDIS is occurring across governments.

Improving data and information sharing

NSW believes that increased, appropriate information sharing between NSW Government agencies and the NDIA will improve the ability for service systems to collaborate and integrate to better support people with disability.

Access to relevant data and evidence will enable the NSW Government to continue to monitor the effectiveness of the NDIS, the impact of the NDIS on NSW services, and the ongoing responsibilities for NSW Government services to support people with disability.

NSW agencies are currently undertaking data collection and monitoring to closely track the implementation of the NDIS in NSW, including how the NDIS is benefitting people in NSW, and any impacts of the NDIS on individuals and services.

The NSW Government appreciates the opportunity to input into this Inquiry, and to highlight:

- The reasons all governments committed to the NDIS and the benefits the Scheme will achieve for people with disability
- The significant investments and achievements that have been made in implementing the NDIS in NSW
- The ongoing efforts to continue to embed and further improve the Scheme as it matures

The NSW Government is committed to ensuring all people with disability, both NDIS participants and non-participants, are able to access the right services, supports and opportunities they need. NSW will continue to support the Commonwealth Government to ensure the NDIS delivers for people in NSW, and will continue to deliver on its responsibilities to establish inclusive and accessible communities for people with disability across the state.

Appendix A: NSW initiatives to support the disability services sector

NSW Industry Development Fund (IDF)

The \$24 million IDF was established in 2009 as a joint initiative of the NSW Government and National Disability Services.

\$17 million was allocated to plan and deliver capacity building programs and initiatives that supported the transition of the NSW disability sector towards an integrated, efficient, innovative, robust and responsive service system which would achieve quality outcomes for people with disability and their families in NSW. A further \$5 million was allocated in 2011/12 to the IDF to ensure the fund could meet changing priorities of the disability sector in transition to the NDIS.

The fund was further enhanced through investment income of around \$5 million which has been generated through the term deposit arrangements put in place by the IDF Governance Board.

Key projects under the IDF include:

- **NDIS Provider Toolkit** – provided the structure for identifying activities, initiatives and projects within the IDF. Previously known as the NSW Sector Roadmap and Toolkit, the NDIS Provider Toolkit assisted organisations transition to a market based system by focussing on key business domains including strategy, corporate governance, client and market focus, financial sustainability, people and capability, information and knowledge and quality improvement.
- **Sector Support Consultants (SSC)** – provided tailored organisational advice to Senior Management, chief executive officers and Boards of all FACS funded disability providers. They assist organisations to gauge their organisational readiness for the NDIS, assess areas of developmental need and make recommendations for organisational development.
- **Quality Support Project** – supported FACS funded organisations to have a Quality Management System in place and to achieve Third Party Verification (TPV) against the NSW Disability Service Standards.

Grant programs and workforce initiatives

The IDF was just one part of a series of investments that have supported transition to the NDIS. Grant programs have supported organisations' business readiness for the NDIS and targeted sectors including: small to medium service providers, rural and remote service providers, Aboriginal service providers and CALD providers. Grants provided include:

- Organisation Transition Fund (\$2.5m, 2013-2016)
- FutureAbility (\$2m, 2015-2016)
- Transition Assistance Program rounds 1 and 2 (\$5m, 2016-2018)
- Transition Assistance for Local Councils (\$0.7m, 2017-2018)
- Building Capacity for Aboriginal People (\$0.5m, 2017-2018)
- Aboriginal Disability Provider Grants program (\$1m, 2017-2018)

Disability Sector Scale Up (DSSU)

The DSSU program is an initiative of the NSW Department of Industry. The program was formally announced by the Deputy Premier in September 2017. The DSSU program is designed to assist businesses and workers with maximising the economic opportunities arising from the NDIS rollout.

The program has specific areas of focus, based on consultations from around the State. The focus areas include:

- Improving the maturity and commercial viability of small and medium enterprises
- Increasing the use of innovative business models, practices and technologies

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- Increasing the participation of Aboriginal people and businesses
- Developing workforces and organisations that offer culturally competent and linguistically appropriate services for CALD NDIS Participants
- To ensure availability of appropriate services to NDIS Participants requiring psychosocial support
- In rural and remote areas

There are three parts of the DSSU program:

- **Business Acceleration Grants** – provide funding for up to \$2 million per grant, for organisations to accelerate their new or innovative approaches. The grants closed on the 30th October 2017. The Department received over 250 applications.
- **Business Advisory Services** - this stream is providing a suite of local business advisory services through the Department's existing Business Connect structure. Services available include; one-on-one business advisory sessions, targeted workshops and flagship business seminars relevant to the disability sector.
- **Making It Our Business** – a targeted program for Aboriginal business and controlled organisations to assist with moving into or expanding in the disability sector. Briefing sessions were held around the state, the week commencing Monday 28th May 2018. Grant applications closed on 30th July 2018.

Further information on this grants program can be found at:

<https://www.industry.nsw.gov.au/business-and-industry-in-nsw/assistance-and-support/dssur>

Appendix B: Provider Transition Activity Assessment – Fact Sheet (September 2017)

Background

Supporting the capacity of the NGO sector to successfully transition to the National Disability Insurance Scheme (NDIS) is a major priority for the NSW Government. Since the commencement of *Stronger Together 2* in 2011, the NSW Government has invested over \$30 million in a range of initiatives to expand the capacity of the industry and workforce.

FACS has completed a second round of desktop assessments to further assess the maturity level of provider transition to the NDIS.

Provider Transition Activity Assessment (PTAA)

The Provider Transition Activity (PTAA) assessment was conducted by FACS to guide further work with providers for the remainder of the transition period. The assessment was conducted in the first half of 2017, largely based on data from 30 June 2016.

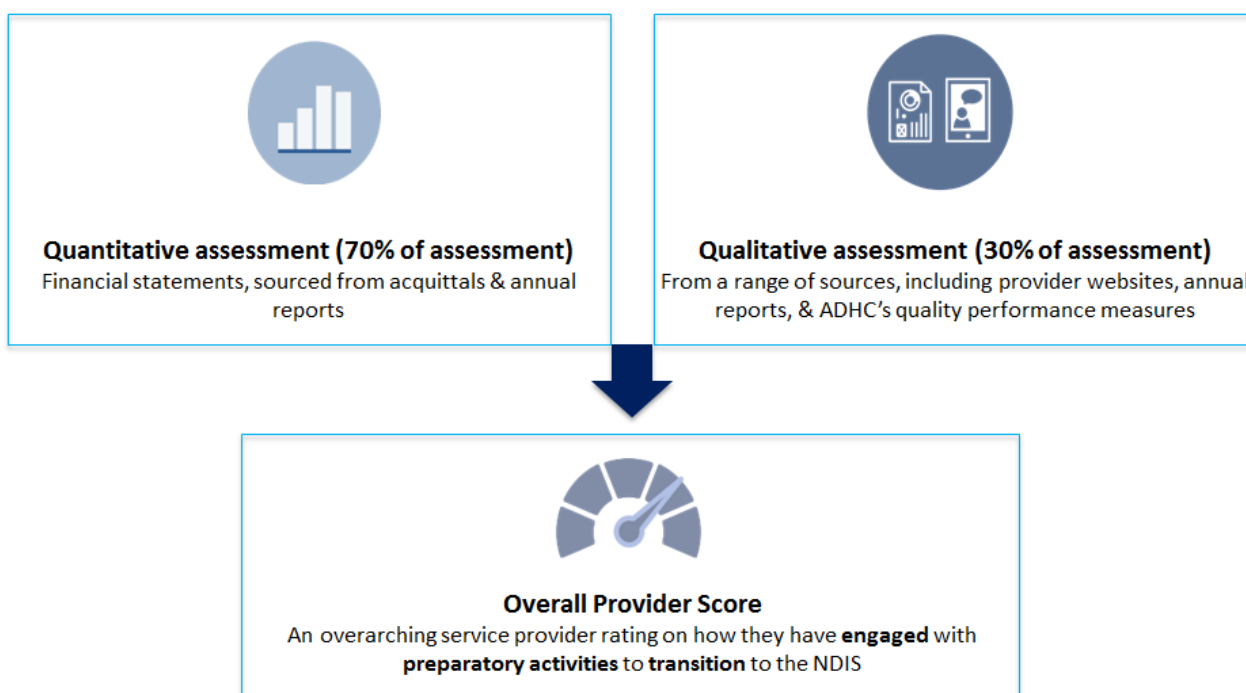
The overall assessment consisted of 334 non-government organisations (NGOs) only, councils, local health districts and state government bodies were not included. Providers were assessed on qualitative and quantitative components for comparison with phase one results.

It should be noted the purpose of the assessment was to capture overall trends. There are limitations in the data on which the assessments are based, and the results are likely to underestimate the actual maturity of the sector.

Provider Transition Activity Assessment – methodology and results

A matrix and assessment process was developed to capture the state of the sector in transitioning to the NDIS and to determine the need for further support.

A limited desktop assessment considered quantitative financial measures and qualitative aspects by analysing financial reports and information from websites and annual reports.



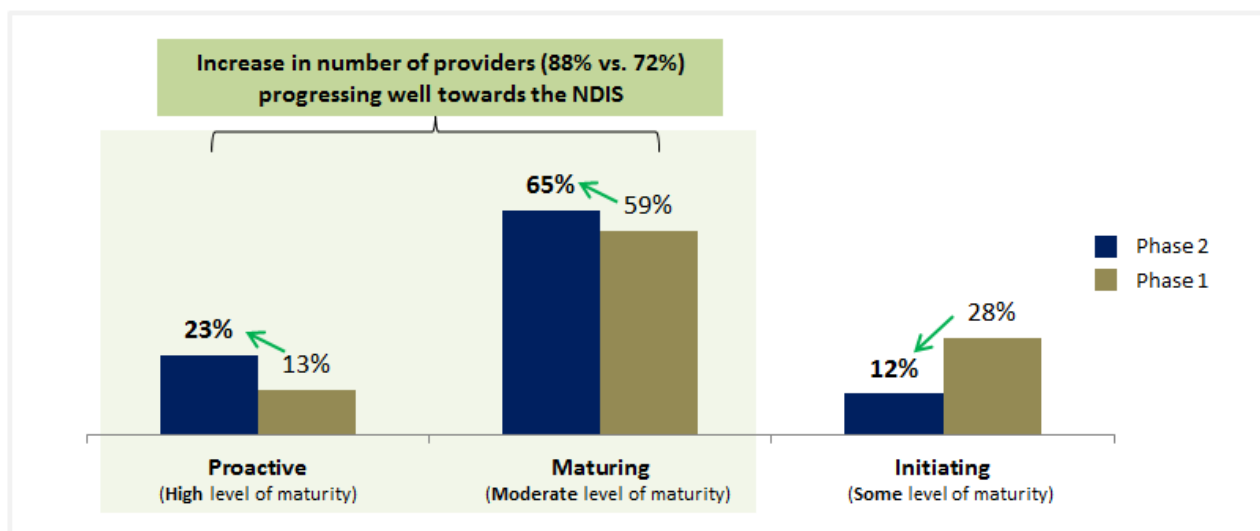
The assessment is a snapshot in time based on available data sources at the time of assessment. Components of the assessment were based on publicly available information. This is likely to

underestimate the level of maturity of the sector by not taking into account some activities, such as strategic planning, which is not always publicly available.

In consideration of both the limitations and confidentiality of the data, individual results will not be released or shared with external parties.

Overall results

- Overall, the assessment showed that provider level of maturity has increased from 72% to 88% (16% increase) rating as 'proactive' or 'maturing'.



- When comparing results between small organisations (less than \$1 million ADHC funding) and large organisations (more than \$1 million ADHC funding), smaller organisations overall had a slightly higher level of maturity; similar to phase one results.
 - **Smaller organisations** were more ready according to quantitative measures, such as the availability of cash to cover expenditure (relative to their size).
 - **Larger organisations** were more ready according to qualitative measures, such as strategic planning, marketing, risk management, and governance and service delivery.
- Many providers have updated their websites to include information about the NDIS, with some offering personalised assistance with planning for the transition. There has also been more evidence of strategic plans in preparation for the transition to the NDIS.

Continuing transition activities

FACS is continuing to fund transition initiatives to support providers, these include:

- Transition Assistance Program (TAP) a \$5 million program to support service providers in regional and remote areas.
- Building Capacity of Aboriginal People (BCAP) and Aboriginal Disability Provider Grants (ADPG) – funding for projects that increase the capacity of the Aboriginal disability service market.
- Continuation of key initiatives under the Industry Development Fund, in partnership with National Disability Services, including the extension of NDS Sector Support Consultants.

Appendix C: Consumer development programs

The NSW Government has implemented a number of projects aimed at improving the capacity of people with disability.

Getting Prepared projects - \$22 million from 2012 to 2018

Getting Prepared projects funded since 2012 have reached a total of over 61,000 people across NSW through over 4000 activities including, workshops, information sessions or individualised readiness activities.

Carers NSW, \$1.45m from 2014 to 2018	Delivery of statewide workshops focussed on building supported decision making skills for adolescents aged 14-18 with disability and their families/carers. Aimed at building the capacity of both to support decision making and self-direct.
Connections Australia, \$250,000 from 2015 to 2018	Delivery of the Capacity Building through Technology project, which provided training to develop skills and confidence in using technology for communication and personal safety.
Department of Finance, Services and Information, \$1 million from 2016 to 2018	Delivery of the NSW Fair Trading Consumer Awareness and Protection Initiative to build capacity of people with disability and the disability sector to make informed decisions when entering the NSW marketplace. The project seeks to empower consumers with knowledge about their right under Australia Consumer Law and the protective action they can take.
Diversity and Disability Alliance (hosted by NSW Council for Intellectual Disability), \$250,000 from 2015 to 2018	Delivery of the Peer Engagement in CALD Communities Project. This provided a peer-mentoring program for people from culturally and linguistically diverse communities, includes development of a support network of facilitators and peer-mentors to share leadership skills and promote individual and community capacity.
Ethnic Community Services Co-operative Ltd, \$1m from 2015 to 2018	Culturally appropriate engagement with CALD communities across NSW including information sessions and workshops for people with disability, families and carers from CALD backgrounds that promote awareness of the rights of people with a disability, capacity building and preparing for the NDIS.
First Peoples Disability Network (Australia) Limited, \$1m from 2015 to 2018	Workshops and individual capacity building sessions to prepare Aboriginal communities, people with disability, families and carers for the expansion of individualised funding and roll out of the NDIS across NSW.
IDEAS – Information on Disability Education and	Tailoring and updating of current information, processes and systems. Increasing capacity of information line and development of

Awareness Services, \$2.2m from 2014 to 2018	additional resources.
Illawarra Aboriginal Corporation, \$325,901 from 2015 to 2018	A partnership approach between Illawarra Aboriginal Corporation, South Coast Medical Service Aboriginal Corporation and Uniting Jaanimili to build on existing work undertaken through the advancing supported decision making project and explore best practices approaches.
Institute for Family Advocacy & Leadership Development, \$1.35m from 2012 to 2018	Statewide workshops for people with disability, families and carers on self-direction and the NDIS with particular focus on planning and preparing to create a good life as well as workshops on developing right relationships between services and families that focuses on achieving the optimal arrangement for the person.
Multicultural Disability Advocacy Association of NSW, \$1.8m from 2015 to 2018	<p>My Future, My Life Project. Individual capacity building and information sessions on the rights of people with disability, changes taking place in the disability support system and preparing for the NDIS. Priority for persons from CALD communities.</p> <p>Sexual Lives and Respectful Relationships program in NSW in partnership with Deakin University and in collaboration with mainstream agencies.</p>
National Disability Services Limited, \$257,500 from 2015 to 2018	Builds the capacity of people to make decision and exercise choice and control.
Neami Limited, \$400,000 from 2014 to 2015	Helping Assisted Boarding House residents, licensees, and managers understand and exercise choice and control, supported decision making, and the development of support networks.
New England HACC Development, \$1m from 2015 to 2018	Aboriginal community preparedness: The Literacy for Life Foundation roll out Aboriginal Adult Literacy Campaigns that focus on helping to build a community culture that values and supports learning, working towards a common goal of enhancing literacy levels for all adults in the community.
NSW Ombudsman, \$1m from 2015 to 2018	Disability Rights Project - capacity building for people with disability and their supporters to better understand and exercise their rights in transition to NDIS.
NSW Trustee & Guardian, \$1.9m from 2014 to 2018	NSW Trustee and Guardian Supported Decision Making Phase 2 - NSW Public Guardian in partnership with NSW Trustee and Guardian have been delivering a Supported Decision Making (SDM) Project as a follow up to ADHC's SDM Pilot. The project has two parts, the training component and a financial decision making

component.

Ready Together Capacity Building Project - Risk Enablement. The risk enablement training package which is being developed by La Trobe University will be delivered by the NSW Public Guardian.

Office of the Childrens Guardian, \$1m from 2015 to 2018

Child Safe Organisations Project- training and resources to increase parents/carers and disability sector's understanding of child safe policies and what is a child safe organisation.

PATH, \$540,000 from 2015 to 2018

Pathways to a Good Life Project. Workshops and planning sessions for people with disability, families and carers to help develop a vision for an inclusive future, goal setting and identification of reasonable and necessary supports. Selected locations across NSW.

Physical Disability Council of NSW, \$1.13m from 2013 to 2018

Statewide workshops and individual capacity building sessions to assist people with disability, families and carers to identify person-centred goals and to prepare for the NDIS.

South Coast Medical Service Aboriginal Corporation, \$133,000 from 2015 to 2016

Strengthening Decision Making of Aboriginal People and Their Communities project was a partnership between Illawarra Aboriginal Corporation, South Coast Medical Service Aboriginal Corporation and Uniting Jaanimili to explore best practice approaches to strengthen the decision making capacity of Aboriginal people with disability, and their supporters.

Spinal Talk Incorporated, \$400,000 from 2012 to 2015

Deliver of the Consumer Capacity Building project for people with physical disability, and 'My Voice - Support and training on the Direct Payment Agreement'.

St Vincent de Paul Society NSW, \$923,245 from 2015 to 2016

Delivery of the St Vincent de Paul Support for Decision Making Project, which is an extension of the support for decision making pilot project for people who live in large residential centres and Specialist Supported Living.

The Northcott Society, \$230,000 from 2014 to 2015

Development and implementation of ACT NOW 3 resources.

Uniting Church in Australia Property Trust (NSW), \$1.3m from 2013 to 2017

Delivery of the Joining the Community Project, to support people transitioning from metro residences to community living, funding to recruit a number of community inclusion officers, and Ready Together Growth Decision Support Funding.

Delivery of the UnitingCare Jaanimili Ability Links NSW (Aboriginal) Metro South - Strengthening Decision Making of Aboriginal People and Their Communities project. This project applied a partnership approach to explore best practice approaches to strengthen the

decision making capacity of Aboriginal people with disability and their supporters.

**University of New South
Wales, \$1m from 2013 to
2018**

Safeguarding conversations in planning project, developed resources that support people with disability and complex support needs and their supporters to lead a conversation about implementing a safe and sustainable plan that takes into account risks, decision making supports and potential safeguards. Includes a companion guide for practitioners. Culturally informed planning builds on the resources from the safeguarding conversations in planning project for Aboriginal people and their communities.
