

Strengthening the NDIS

VCOSS submission to NDIS Joint Standing Committee inquiry into market readiness for provision of services under the NDIS

March 2018



About VCOSS

The Victorian Council of Social Service (VCOSS) is the peak body of the social and community sector in Victoria. VCOSS members reflect the diversity of the sector and include large charities, peak organisations, small community services, advocacy groups, and individuals interested in social policy. In addition to supporting the sector, VCOSS represents the interests of vulnerable and disadvantaged Victorians in policy debates and advocates for the development of a sustainable, fair and equitable society.

This submission was prepared for VCOSS by Brooke McKail and Maeve Kennedy with input from VCOSS members.

Authorised by:

Emma King, Chief Executive Officer

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Victorian Council of Social Service

Level 8, 128 Exhibition Street

Melbourne, Victoria, 3000

+61 3 9235 1000

For enquiries:

Llewellyn Reynders

Email: llewellyn.reynders@vcoss.org.au

VCOSS acknowledges the traditional owners of country and pays its respects to Elders past and present.

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Introduction

The Victorian Council of Social Service (VCOSS) welcomes this opportunity to provide input to the Joint Standing Committee on the National Disability Insurance Scheme's inquiry into market readiness for provision of services under the National Disability Insurance Scheme (NDIS).

VCOSS is the peak body for social and community services in Victoria. VCOSS members reflect the diversity of the sector and include large charities, peak organisations, small community services, advocacy groups and individuals interested in social policy. In addition to supporting the sector, VCOSS represents the interests of vulnerable and disadvantaged Victorians in policy debates and advocates for the development of a sustainable, fair and equitable society.

The NDIS brings a major shift in service provision for people with disability. VCOSS strongly supports its goals – to provide eligible people with greater choice and control over their services and improve social and economic inclusion for all people with disability, their families and carers – however, as with any large social reform, there are emerging issues. While some are 'teething' issues likely to disappear over time, others are more substantial and require action to be taken.

VCOSS members are concerned that people with multiple and complex needs, or facing disadvantage, will receive poorer outcomes from the NDIS and risk losing out. Accessing and being a participant of the NDIS relies heavily on individuals being literate, including digitally literate; understanding and navigating the system; identifying their needs and goals; having the skills to exercise choice and control when managing their plan; and having the confidence to self-advocate. As it stands, many participants may not be able to successfully access and participate in the scheme. These people will require additional, and often intensive, support to understand and engage with the NDIS and receive meaningful support through their plans.

Service quality and availability is affected by NDIS pricing. VCOSS members report NDIS prices do not currently match the skills, expertise and time required to deliver effective and quality support services, including adequate administration, staff supervision, professional development and travel, and to support people with complex needs. The NDIS pricing structure will need to be amended to ensure the market can deliver high quality services and meet participants' needs. Additionally, payment processes require review as they are currently causing significant issues for providers.

The roll-out of the NDIS means a significant workforce increase. Meeting this increased demand requires strategic planning and support to build the workforce, including analysing workforce patterns, addressing gaps, building pathways to the sector and supporting training and development.

Many of these issues require active intervention in the market for the NDIS to meet its objectives and support people with disability to meet their goals. Stronger market stewardship by the NDIA will help ensure the supply of services adequately meets demand – including which services are offered, where they are delivered, and protecting their quality.

VCOSS' submission explores these issues in more detail, and makes recommendations to improve the NDIS and ensure it delivers appropriate support for eligible people. The Future Social Service Institute (FSSI), a joint partnership between VCOSS and RMIT University, has also provided a submission to this inquiry, exploring workforce readiness for the NDIS in further detail.

Recommendations

Guarantee access and provide appropriate support for eligible people

- Provide comprehensive pre-planning and pre-assessment support to help people successfully enter the scheme and prepare for their planning session.
- Ensure Local Area Coordinators (LACs) are in place in regions six months prior to roll-out.
- Finalise development and hasten piloting of tailored pathways for people with psychosocial disability, children, people from Aboriginal and Torres Strait Islander communities, those from CALD backgrounds and participants with complex needs.
- Provide dedicated funding for assertive outreach to help identify and connect people experiencing isolation or disadvantage with the NDIS.
- Provide ongoing funding for independent advocacy so every NDIS participant can access advocacy support to help them navigate the system and obtain the right support in their plans.
- Include a standard protocol in the planning process so every participant is aware of advocacy services, and staff refer participants to a service when requested.
- Provide NDIS participants with access to case management support when required, particularly when experiencing crisis, homelessness or family violence.
- Implement a system in which advocates are automatically engaged to work with some vulnerable participants.
- Review planning processes to ensure consistency for participants.
- Ensure planners are trained in working with people from different backgrounds and with varied needs.
- Include support people in planning meetings.
- Undertake carer assessments in the planning process to identify and support carers' needs.

Amend pricing systems to reflect quality service delivery

- Amend NDIS prices to match the skills and expertise required for effective support.
- Amend NDIS prices to reflect the components of quality service delivery and support a skilled and qualified workforce, including adequate supervision, professional development, administration and reporting.
- Adequately fund travel costs for high quality, equitable service delivery.
- Transfer the NDIA's pricing powers to an independent price regulator.
- Cover the costs of providing appropriate support to participants with complex needs.
- Review NDIS payment processes to ensure providers are paid on time.
- Clarify payment policies and communicate to providers.
- Monitor the impact of transition costs for service providers, particularly smaller organisations.

Support workforce readiness

- Publish detailed data and information on the disability workforce.
- Conduct a Joint Committee inquiry into workforce readiness, quality and support, covering issues such as pathways to the sector, remuneration, training and professional development, and retention.
- Ensure policies and pricing structures support the delivery of quality services and retention of a quality workforce.
- Recognise the community sector as a large and growing employer and actively promote available career options.
- Build pathways to the industry through increased partnerships with the VET and university sectors.
- Implement over time a system which requires disability support workers to hold minimum qualifications.
- Work with the sector to develop 'micro-competencies' in training.
- Urgently review Certificate III in Individual Support and Certificate IV in Disability.

Provide stronger market oversight

- Take a stronger approach to market stewardship to support delivery of a functioning and equitable market.
- Collect and publish detailed data on provision of services and service gaps at the local level, to identify thin markets.
- Ensure there is adequate and appropriate supply of services to meet demand, particularly in regional, rural and remote areas.
- Promote and maintain diversity in the market to support participants' choice.
- Include provider of last resort arrangements in bilateral agreements and operational plans as a matter of urgency.
- Release the NDIS provider of last resort policy as a matter of urgency.
- Implement a robust and fit-for-purpose Quality and Safeguarding Framework to support delivery of high quality services and prevent people with disability experiencing harm.

Guarantee access and provide appropriate support for eligible people

Provide pre-planning and pre-assessment support

Recommendations

- Provide comprehensive pre-planning and pre-assessment support to help people successfully enter the scheme and prepare for their planning session.
- Ensure Local Area Coordinators (LACs) are in place in regions six months prior to roll-out.
- Finalise development and hasten piloting of tailored pathways for people with psychosocial disability, children, people from Aboriginal and Torres Strait Islander communities, those from CALD backgrounds and participants with complex needs.

The NDIS has been described by VCOSS members as a ‘labyrinth’, being incredibly complex and bureaucratic, difficult to understand, access and navigate.¹ People in the community remain confused about NDIS eligibility, access and participation procedures, and find the application process to be time-consuming and confusing.² Our members are concerned that many people are not adequately prepared and do not have access to the information they need for a successful planning process.

People need support to understand and access the NDIS, including completing the application process. However this is largely unfunded through the scheme. For example, services report providing substantial unfunded support to people with psychosocial disability to complete paperwork and prepare for engagement with the NDIS.^{3,4} There are also documented examples of people with cognitive disability being transitioned to the scheme without receiving sufficient and accessible information about the NDIS⁵ and of participants not understanding their plans.⁶

¹ VCOSS, *Submission to NDIS Joint Standing Committee inquiry into Transitional Arrangements for the NDIS*, August 2017.

² See, for example, discussion on The Advertiser’s live blog on 12 February 2018: <http://www.adelaidenow.com.au/ndis/anglicaresa-answers-your-questions-about-the-national-disability-insurance-scheme/news-story/0e4279b8883aaec79050842181b2192a>, accessed 28 February 2018.

³ Psychiatric Disability Services of Victoria (VICSERV), *Learn and Build in Barwon: The impact of the National Disability Insurance Scheme on the provision of Mental Health Services in the Barwon Launch site*, June 2015.

⁴ Psychiatric Disability Services of Victoria (VICSERV), *Submission on Market Readiness to the Joint Standing Committee on the NDIS*, February 2018.

⁵ D Warr, H Dickinson, S Olney et. al. *Choice, Control and the NDIS*, Melbourne, University of Melbourne, 2017, p.26.

⁶ Office of the Public Advocate, *Community Visitors Annual Report 2017*.

People experiencing disadvantage, living in rural and remote areas, or with complex needs face additional barriers to accessing information about the scheme. For example, the NDIA has limited physical presence, instead relying heavily on online communication channels. This is problematic as people with disability, living in rural and regional areas or on low incomes are more likely to be 'digitally excluded', with limited access to the internet and lower digital literacy, and facing cost barriers to technology.⁷

VCOSS members also report that information is often not accessible for children and young people.⁸ Many young people remain unaware of the NDIS,⁹ and there are particular access and information issues for young people living in residential aged care. Existing information about the NDIS has also been identified as too generic and not easily accessible for Aboriginal and CALD communities.¹⁰

The NDIS is causing a profound shift in the way services are provided. Some participants, especially people who have been institutionalised, have had a lifetime with little or no say in their services. Many avoid complaining or asserting their rights due to real or perceived threats of reprisal, including having their services withdrawn.^{11,12} The NDIS intends to provide 'choice and control' in services to meet a person's goals, and not merely their immediate needs. While this is a positive change, VCOSS members are concerned that participants are not being given the tools they need to plan and benefit from this new approach.¹³

Organisations have provided participants with unfunded assistance hours to identify and articulate their goals, which requires educating participants, their families and carers in their NDIS and mainstream service entitlements. The Productivity Commission recognises the importance of this support, finding that inadequate pre-planning assistance leaves many participants unprepared for their NDIS planning session.¹⁴

Funding pre-engagement services will help people successfully apply for the scheme and be empowered to take control and exercise choice in their services. Assisting participants to undertake comprehensive meeting preparation can help people better articulate their goals and aspirations, and access the right mix of support. Additional support is needed for people with complex needs or for groups experiencing vulnerability.

VCOSS supports the Productivity Commission's recommendation for Local Area Coordinators (LACs) to be in place six months in advance, specifically to assist participants with pre-planning in

⁷ J Thomas, J Barraket, C Wilson, S Ewing, T MacDonald, J Tucker and E Rennie, *Measuring Australia's Digital Divide: The Australian Digital Inclusion Index 2017*, RMIT University for Telstra, Melbourne, 2017.

⁸ VCOSS, *Submission to NDIS Joint Standing Committee inquiry into Transitional Arrangements for the NDIS*, August 2017.

⁹ Youth Disability Advocacy Service (YDAS), *Submission to the Productivity Commission Position Paper on NDIS Costs*, 3 July 2017.

¹⁰ NCOSS, *Plan first, don't retrofit: Delivering on the promise of the National Disability Insurance Scheme (NDIS) for Aboriginal and CALD people in NSW*, 2016.

¹¹ Parliament of Victoria, Family and Community Development Committee, *Inquiry into abuse in disability services*, Final Report, 26 May 2017.

¹² Victorian Ombudsman, *Reporting and investigation of allegations of abuse in the disability sector: Phase 2 – incident reporting*, December 2015, p.18.

¹³ VCOSS, *Submission to NDIS Joint Standing Committee inquiry into Transitional Arrangements for the NDIS*, August 2017.

¹⁴ Productivity Commission, *National Disability Insurance Scheme (NDIS) Costs*, Position Paper, Canberra, 2017, pp. 2, 27.

relation to readiness to transition to the NDIS.¹⁵ Our members are currently concerned for people in the Brimbank and Melton regions, where the NDIS roll-out is scheduled for six months, and for which LACs have not yet been appointed.

Members also report substantial difficulty in contacting the NDIA to seek information. Having more highly visible, publicly accessible NDIS information centres may also help to reach people more comfortable engaging face-to-face or who cannot access information online.

VCOSS is keen to see the outcomes and extension of the new participant pathway pilot after its scheduled completion in April 2018, and supports the NDIA's work in developing tailored pathways for priority groups including people with psychosocial disability, children, people from Aboriginal and Torres Strait Islander communities, those from culturally and linguistically diverse (CALD) backgrounds and participants with more complex needs.¹⁶ The development of these pathways should be finalised and piloting undertaken as a matter of priority.

Fund assertive outreach

Recommendation

- Provide dedicated funding for assertive outreach to help identify and connect people experiencing isolation or disadvantage with the NDIS.

VCOSS members continue to advise that many people eligible for the NDIS will not engage in the scheme without active assistance.^{17,18} These people may be isolated, not accessing existing services or have multiple or complex needs. For instance, up to a third of people experiencing severe mental health issues are unlikely to engage with services.¹⁹ People experiencing homelessness are also likely to face many difficulties accessing the NDIS.²⁰

Even people currently receiving disability services can face substantial transition difficulties. For example, some people did not receive letters about transitioning because they did not have access to a post box, had changed their address, or did not respond to transition letters due to poor literacy or limited English language skills.²¹

Undertaking assertive outreach can help identify and reach isolated people and communities who cannot otherwise engage in the NDIS, especially those not currently accessing services. This requires funding for skilled and experienced workers, and can take substantial time to effectively identify and build trusting relationships with potential participants.

¹⁵ Ibid., p. 56.

¹⁶ NDIA, *Improving the NDIS Participant and Provider Experience*, 26 February 2018.

¹⁷ VCOSS, *Submission to NDIS Joint Standing Committee inquiry into Transitional Arrangements for the NDIS*, August 2017.

¹⁸ Jesuit Social Services, *Submission to the Productivity Commission study into the NDIS costs*, March 2017.

¹⁹ T Slade, A Johnston, M Teesson, H Whiteford, P Burgess, J Pirkis and S Saw, *The Mental Health of Australians 2: Report on the 2007 National Survey of Mental Health and Wellbeing*, May 2009, p.15.

²⁰ Council to Homeless Persons, *Homelessness and the National Disability Insurance Scheme – Challenges and solutions*, 2017.

²¹ Ibid.

VCOSS members advise that some services are providing many hours of unfunded work in engaging hard-to-reach people²² and that block-funded providers are also undertaking some of this work,²³ but there is no identified funding for outreach once funding is individualised and the scheme's roll-out is complete. While LACs could provide outreach, they currently have limited capacity due to their heavy plan development role.

Expand the reach of independent advocacy

Recommendations

- Provide ongoing funding for independent advocacy so every NDIS participant can access advocacy support to help them navigate the system and obtain the right support in their plans.
- Include a standard protocol in the planning process so every participant is aware of advocacy services, and staff refer participants to a service when requested.

Independent disability advocacy protects and advances the rights and interests of people with disability, and promotes these rights to the wider community. It empowers people with disability and their families and carers to understand their human and legal rights, communicate their needs, and have their needs met. It is an important safeguard to help prevent and report abuse.²⁴

Disability advocacy services also identify and address systemic issues limiting people's access to disability and mainstream services, the built environment, public transport, housing, education, employment, justice and information and communication systems.²⁵

The importance of maintaining independent advocacy as the NDIS is implemented is acknowledged by the Productivity Commission.²⁶ Independent disability advocacy can help people access and navigate the NDIS, articulate their needs and goals, and receive meaningful plans. Disability advocacy can also help people make a complaint or request a plan or decision review. It is particularly important for people with complex needs or facing disadvantage, or those with limited informal supports or networks.²⁷ The NDIS has already had, and will continue to have, a significant impact on the workloads of disability advocates. For example, disability advocates located in the Barwon launch site reported that 90 per cent of their caseload was taken up with NDIS matters. While the organisation was receiving some Commonwealth funding through the External Merits Review Program, this did not allow them sufficient time to conduct other advocacy work.²⁸

²² Psychiatric Disability Services of Victoria (VICSERV), *Submission on Market Readiness to the Joint Standing Committee on the NDIS*, February 2018.

²³ VCOSS, *Submission to NDIS Joint Standing Committee inquiry into Transitional Arrangements for the NDIS*, August 2017.

²⁴ VCOSS, *Submission to the Victorian Parliament's Inquiry into Abuse in Disability Services: Stage 2*, November 2015.

²⁵ VCOSS and Disability Advocacy Victoria (DAV), *Submission to Review of the National Disability Advocacy Program*, June 2016.

²⁶ Productivity Commission, *Inquiry Report into Disability Care and Support*, Volume 1, 2011, p.25.

²⁷ VCOSS, *Submission to NDIS Joint Standing Committee inquiry into Transitional Arrangements for the NDIS*, August 2017.

²⁸ Disability Advocacy Resource Unity (DARU), VCOSS and Disability Advocacy Victoria (DAV), *Response to the Review of the National Disability Advocacy Framework discussion paper*, July 2015.

VCOSS warmly welcomes the Commonwealth Government's announcement that funding for the National Disability Advocacy Program (NDAP) will continue until 30 June 2020.²⁹ Governments can build on this commitment by providing ongoing funding certainty beyond the NDIS rollout, so every NDIS participant can access independent advocacy if needed. VCOSS members also suggest including a standard protocol in the planning process so every participant is aware of advocacy services, and staff refer participants to a service when requested.³⁰

More resources are needed to expand disability advocacy service coverage across Australia, particularly in rural and remote areas, and improve access for people likely to be underserved. For example, access can be increased for Aboriginal people, people from CALD backgrounds, people identifying as lesbian, gay, bisexual, transgender and intersex (LGBTI), people with complex communication needs, and people with an intellectual disability or mental health issues.

Provide appropriate support for people with complex needs

Recommendations

- Provide NDIS participants with access to case management support when required, particularly when experiencing crisis, homelessness or family violence.
- Implement a system in which advocates are automatically engaged to work with some vulnerable participants.

VCOSS members report people with disability have varying abilities to manage services, particularly across large and multiple service systems. Managing services can be particularly difficult for people with multiple and complex needs or in crisis situations, such as facing homelessness or experiencing family violence.

Support coordination is currently funded through the NDIS as a 'capacity building support to implement all supports in a participant's plan'. It is intended to be used primarily at the beginning of the planning process, with participants' need for support coordination 'expected to decrease as [their] capacity is increased'. Support coordination is specifically not intended to provide 'plan administration' or 'plan management'.³¹

Our members strongly assert this is inadequate to properly support people with complex needs, and believe more intensive and ongoing support is required. They note that for people with complex needs and experiencing vulnerability the key consideration should be 'participant support', rather than 'participant readiness'. A further concern was that the concept of 'capacity building' is not well defined for the NDIS, raising questions over when it may be decided that a participant's capacity has been sufficiently 'built' and their support coordination is removed.

²⁹ Hon Christian Porter, *Media Release: Turnbull Government investing \$60 million in disability advocacy*, 9 August 2017.

³⁰ VCOSS, *Submission to NDIS Joint Standing Committee inquiry into Transitional Arrangements for the NDIS*, August 2017.

³¹ NDIS, *Support Coordination: Information for providers*, Factsheet, March 2017.

Members are also concerned that the NDIA intends to significantly reduce and/or cease funding support coordination in the future.

Providing access to case management services when required will meet a key gap in the current system, and will help to maximise the benefits delivered to participants by the NDIS, especially when they need intensive support to stay connected to services. For example, in the Home and Community Care Program (HACC), case management had 'a considerable impact' for clients and helped them to access support they would not otherwise have been able to access.³² Greater communication and certainty from the NDIA regarding ongoing funding for the support coordination function would also be well received by the sector.

Another opportunity is for an advocate to be automatically engaged to support people with particularly complex needs in the planning process. VCOSS members consider this could be similar to the Access and Support Program funded through the Commonwealth Home Support Program, where an Access and Support Worker helps address barriers for individuals who meet certain criteria³³ to enable them to access the services they need.³⁴

Ensure consistency of planning processes and decisions

Recommendations

- Review planning processes to ensure consistency for participants.
- Ensure planners are trained in working with people from different backgrounds and with varied needs.

Inconsistencies in planning processes and outcomes for participants are well-documented across jurisdictions and are an ongoing concern for the sector.^{35,36}

Many inconsistencies are reported to be due to planners' varying levels of time, knowledge, expertise and understanding.^{37,38} This can be particularly problematic for people with different needs or from diverse backgrounds, such as people with psychosocial disability³⁹ or Aboriginal and

³² Australian Institute for Primary Care & Ageing, *Evaluation of the Short-term Case Management pilot in the HACC Program*, Final report, September 2013.

³³ This includes people who are living with dementia, financially disadvantaged, from CALD backgrounds, the LGBTI community, the Aboriginal and Torres Strait Islander community, Veterans and Care Leavers who are HACC Program for Younger People (PYP) or CHSP eligible.

³⁴ Rights Information and Advocacy Centre (RIAC), *Access & Support Program*, 2017, <https://riac.org.au/services/access-and-support-program/>, accessed 1 March 2018.

³⁵ Joint Standing Committee on the NDIS, *Transitional Arrangements for the NDIS*, February 2018, p.39.

³⁶ Australian Human Rights Commission, *Implementation of the NDIS*, Consultation summary, April 2017.

³⁷ Queensland Office of the Public Guardian, *Submission to the inquiry into the provision of services under the NDIS for people with psychosocial disabilities related to a mental health condition*, March 2017.

³⁸ Joint Standing Committee on the NDIS, *Transitional Arrangements for the NDIS*, February 2018, p.39.

³⁹ Queensland Office of the Public Guardian, *Submission to the inquiry into the provision of services under the NDIS for people with psychosocial disabilities related to a mental health condition*, March 2017.

Torres Strait Islander people⁴⁰, where the planner's level of knowledge and cultural awareness is critical for developing the most appropriate plan.

VCOSS members observe a need for increased training for planners in working with priority groups, such as LGBTI people, those from CALD and Aboriginal and Torres Strait Islander backgrounds, refugees and asylum seekers, and around particular areas of health and disability, including intellectual disability and sexual health.

Some VCOSS members also report instances where 'off-the-shelf' plans are used, that do not reflect the individual needs and choices of the person with disability.

Concern about plan quality is shared across the sector. In 2017, the poor quality of plans was reported to be service providers' top concern.⁴¹ Reviewing planning processes and practices to support and embed consistency and responsiveness to each participant's needs will be critical for ensuring equal access to the NDIS and enabling participants to obtain the supports they need.

Engage with families, carers, advocates and support workers

Recommendations

- Include support people in planning meetings.
- Undertake carer assessments in the planning process to identify and support carers' needs.

Families, carers, advocates, and support workers play important roles in the lives of people with disability. They often have valuable expertise, knowledge and understanding of the participant and their disability's functional impact. Involving them in the planning process can help better identify the participant's needs and support required.

VCOSS members continue to report that the planning process does not adequately value the role of participants' family and carer supports, or engage carers and consider their needs. They report that advocates and support workers are often excluded from planning meetings, even when participants have explicitly requested their presence.⁴²

Many carers in the trial sites felt they received insufficient information about the NDIS and were unaware they could submit a carer statement describing the support they currently provided and the additional assistance needed to sustain their caring.^{43,44} This information remains very difficult

⁴⁰ National Aboriginal Community Controlled Health Organisation (NACCHO), *Network Position on the NDIS from the Aboriginal Community-Controlled Health Sector*, February 2018.

⁴¹ National Disability Services (NDS), *State of the Disability Sector Report 2017*, p.27.

⁴² VCOSS, *Submission to NDIS Joint Standing Committee inquiry into Transitional Arrangements for the NDIS*, August 2017.

⁴³ Productivity Commission, *National Disability Insurance Scheme (NDIS) Costs*, Position Paper, Canberra, 2017, p.56.

⁴⁴ B Kemp, S King, Z Paleologos, J Bellamy and J Mollenhauer, *Carers: Doing it Tough, Doing it Well*, Anglicare Diocese of Sydney, Social Policy and Research Unit, December 2016, p.40.

to find on the NDIS website, including on the 'Information for families and carers' page.⁴⁵ The NDIS evaluation also found that carer needs were not addressed during planning.⁴⁶

Active engagement requires informing carers of their option to submit a carer statement, and providing information about carer support available through the NDIS.⁴⁷ Identifying the nature and extent of carer support can be difficult if participants do not fully understand the support provided by families and carers. Ideally, carers would receive their own assessment during planning to identify supports required, as occurs in the United Kingdom.⁴⁸

⁴⁵ See, for example, the *Information for families and carers* webpage on the NDIS website (<https://www.ndis.gov.au/families-carers/information-families-and-carers.html>) and results from a search on the NDIS website for "carer statement" (<https://www.ndis.gov.au/search/?text=%22carer+statement%22>), accessed 28 February 2018.

⁴⁶ K Mavromaras, M Moskos, S Mahuteau, *Evaluation of the NDIS, Intermediate Report*, National Institute of Labour Studies, Flinders University, Adelaide, September 2016, p.xiv.

⁴⁷ Carers Australia and Mental Health Australia, *Mental Health Carers and the National Disability Insurance Scheme*, Issues Paper, January 2016.

⁴⁸ National Health Services, Carers' assessments, <http://www.nhs.uk/Conditions/social-care-and-support-guide/Pages/carers-assessment.aspx>, accessed 26 February 2018.

Amend pricing systems to reflect quality service delivery

Reflect service quality in pricing

Recommendations

- Amend NDIS prices to match the skills and expertise required for effective support.
- Amend NDIS prices to reflect the components of quality service delivery and support a skilled and qualified workforce, including adequate supervision, professional development, administration and reporting.
- Adequately fund travel costs for high quality, equitable service delivery.

NDIS price limits and pricing policies directly affect service quality. Having an accurate and flexible NDIS pricing structure helps sustain a qualified and experienced disability workforce. If pricing structures do not reflect the true costs of service delivery, such as supervision, professional development, administration and travel, then service quality and outcomes are likely to be compromised.⁴⁹

VCOSS members report NDIA pricing structures make it challenging to retain and recruit qualified workers who can deliver effective support and therapeutic services, particularly for people with complex needs and people with psychosocial disability.⁵⁰ This is supported by recent survey data from the sector, which indicates half of disability service providers are considering reducing service quality because of NDIS pricing.⁵¹ VCOSS members also report the NDIS pricing model does not adequately cover the costs of ongoing staff professional development, adequate supervision, rent, and administration required to deliver services under the NDIS.⁵²

Pricing is also a concern for the provision of services to clients in rural and remote areas, as travel costs are significant and are not sufficiently covered through the NDIS pricing structure. This can act as a disincentive for organisations to provide services in these areas. VCOSS welcomes the NDIA's acceptance of the Independent Pricing Review's recommendation to increase the travel

⁴⁹ N Cortis, F Macdonald, B Davidson, and E Bentham, *Reasonable, necessary and valued: Pricing disability services for quality support and decent jobs*, June 2017, prepared for Health Services Union, Australian Services Union and United Voice.

⁵⁰ VCOSS, *VCOSS submission to the NDIS 2017 Price Controls Review*, April 2017.

⁵¹ National Disability Services (NDS), *State of the Disability Sector Report 2017*.

⁵² VCOSS, *Submission to the NDIS 2017 Price Controls Review*, April 2017.

allowance from 20 minutes up to 45 minutes in rural areas⁵³ as a good start, however notes that since providing services in rural areas often requires travelling more than 45 minutes, organisations should be able to claim their total travel costs.

Amending NDIS pricing so it is commensurate with the skills and expertise required to deliver effective support for clients and so that the costs of service delivery are covered – including supervision, professional development, travel, administration and reporting – will help to provide a high quality, safe service system.

Move to independent price regulation

Recommendation

- Transfer the NDIA's pricing powers to an independent price regulator.

In principle, VCOSS supports the Productivity Commission's recommendation to transfer the NDIA's pricing powers to an independent price regulator.⁵⁴ We believe this will provide a more fair and transparent process for price setting⁵⁵ and will help address the potential conflict of interest for the NDIA in both delivering the scheme and setting the prices of services.

Resource the NDIS to support participants with complex needs

Recommendation

- Cover the costs of providing appropriate support to participants with complex needs.

VCOSS members report pricing limitations are particularly inadequate to meet the costs of delivering services to participants with complex and high support needs. For instance, in some cases two workers are required for staff safety or to adequately manage a participant's behaviour. Staff also require more specialised skills when supporting participants with complex needs, such as people with dual diagnosis, those who have experienced trauma and have challenging behaviours. Staff may also require higher levels of supervision and support from management.

People with psychosocial disability and complex needs may require more assistance to engage in services and more contact outside of scheduled meetings, and they are less likely to attend scheduled appointments. Currently under the NDIS Price Guide, cancellation fees can only be

⁵³ NDIA, *Independent Pricing Review: NDIA Response*, 2 March 2018.

⁵⁴ Productivity Commission, *National Disability Insurance Scheme (NDIS) Costs*, October 2017.

⁵⁵ VCOSS, *Submission to the Productivity Commission's Position Paper on NDIS Costs*, 12 July 2017.

charged eight times each year for personal care and community access supports and for a maximum of two hours for therapy services,⁵⁶ which means organisations must absorb additional costs.

Some people, particularly those with complex needs or psychosocial disability, will require ongoing assistance to help them manage their care and support by appropriately trained or experienced practitioners. As discussed above, funded support coordination is available through NDIS plans but it is time-limited and intended to be for capacity-building rather than ongoing plan management and support. Introducing case management support where needed would better assist these participants.

Without adequate resourcing, the NDIS risks creating disincentives for providers to assist participants with complex needs. This could mean services 'cherry pick' participants and leave some people with disability without services.

Review payment processes

Recommendations

- Review NDIS payment processes to ensure providers are paid on time.
- Clarify payment policies and communicate to providers.

Late NDIS payments are currently a significant problem in the sector⁵⁷ and can lead to cash flow issues for many providers,⁵⁸ including VCOSS members. Our members share broader concerns across the sector about plans expiring without being renewed,⁵⁹ which can lead to organisations facing arrears if they continue to provide services, or withdrawing services completely.⁶⁰ This has a significant impact on organisations operating within an already resource-constrained environment, and it can restrict their ability to undertake effective forward and business planning.

Members also report that the policies around support line items and submitting payment requests are not clear, including whether particular activities (such as travel) are eligible for funding. They are unsure whether they are submitting requests appropriately or whether they are not requesting payment for certain supports when they would be eligible. Some organisations also report that it can be very difficult to obtain information about the NDIA's processes or reasoning when requests are denied. Adjusting participant plans to account for travel and track travel as a separate line

⁵⁶ NDIA, *NDIS Price Guide VIC/NSW/QLD/TAS: Valid from: 1 July 2017, 30 October 2017*.

⁵⁷ K Calderwood, 'NDIS could owe service providers in Australia up to \$300 million, industry leader says', *ABC News*, 28 February 2018, <http://www.abc.net.au/news/2018-02-28/ndis-owes-millions-to-service-providers-says-industry-expert/9490712>, accessed 1 March 2018.

⁵⁸ National Disability Services (NDS), *State of the Disability Sector Report 2017*, p.47.

⁵⁹ *Ibid.*

⁶⁰ K Calderwood, 'NDIS could owe service providers in Australia up to \$300 million, industry leader says', *ABC News*, 28 February 2018, <http://www.abc.net.au/news/2018-02-28/ndis-owes-millions-to-service-providers-says-industry-expert/9490712>, accessed 1 March 2018.

item⁶¹ is a good start for providing greater clarity, however further clarification and simplification of the guidelines around ‘what’s in and what’s out’ would assist and streamline processes for providers in submitting requests and the NDIA in assessing them.

Monitor the impact of transition costs

Recommendation

- Monitor the impact of transition costs for service providers, particularly smaller organisations.

VCOSS members report that transitioning to the NDIS is a significant ongoing cost to providers, particularly smaller organisations. They note that as well as the business costs – such as implementing new client management or time and attendance systems – there are costs associated with the cultural change required in shifting to a market-based system, including hiring new business analysts or managers. The changing landscape of the transition and implementation process causes added stress for organisations, reducing their ability to plan and prepare in advance. Our members have described the process as a ‘moveable feast’.

Administration costs are also a concern for members. One medium-sized organisation with around 1,800 clients provided the example of holding 12 service agreements prior to NDIS implementation, and now holding 1,800 agreements.

Monitoring the impact of transition costs, and ensuring that appropriate support is provided to organisations to assist with their transition will be essential for ensuring the sector’s successful transition to a market-based system.

⁶¹ NDIA, *Independent Pricing Review: NDIA Response*, 2 March 2018.

Support workforce readiness

Investigate and support workforce readiness and retention

Recommendations

- Publish detailed data and information on the disability workforce.
- Conduct a Joint Committee inquiry into workforce readiness, quality and support, covering issues such as pathways to the sector, remuneration, training and professional development, and retention.
- Ensure policies and pricing structures support the delivery of quality services and retention of a quality workforce.

The NDIS is the largest social reform since Medicare was introduced,⁶² and with this comes largescale change for the disability and social services sectors and workforce. The Joint Committee has recognised the ‘significant challenge’ facing the sector in meeting workforce demand under the NDIS⁶³ – it is estimated that the workforce will need to double from 2014-15 levels to meet this demand.⁶⁴ The Committee notes that it will consider the issues around ‘workforce remuneration, training and professional development’ as part of this inquiry. However, VCOSS considers that the scale and depth of issues requiring analysis warrant a separate inquiry.

VCOSS supports the Productivity Commission’s recommendation that:

The National Disability Insurance Agency should publish more detailed market position statements on an annual basis. These should include information on the number of participants, committed supports (disaggregated at a level of detail consistent with the guides used to set price caps), existing providers and previous actual expenditure by local government area.

The Australian Government should provide funding to the Australian Bureau of Statistics to regularly collect and publish information on the qualifications, age, hours of work and incomes of those working in disability care roles, including allied health professionals.⁶⁵

This data can help identify patterns and skills gaps to support the sector now and into the future.

⁶² Productivity Commission 2017, *National Disability Insurance Scheme (NDIS) Costs*, Study Report, p.8.

⁶³ Joint Standing Committee on the NDIS, *Transitional Arrangements for the NDIS*, February 2018, p.56.

⁶⁴ Productivity Commission 2017, *National Disability Insurance Scheme (NDIS) Costs*, Study Report, p.319.

⁶⁵ Productivity Commission 2017, *National Disability Insurance Scheme (NDIS) Costs*, Study Report, Recommendation 9.2, p.57.

VCOSS members are very concerned about the challenges facing the disability services workforce, including training and opportunities for development, remuneration, casualisation of the workforce, and the opportunities for peer workers and people with disability to participate. A separate inquiry would allow these issues and other considerations to be explored with the sector and other stakeholders. The inquiry should also focus on exploring ways to support workforce quality and retention.

As discussed above, the NDIS pricing scheme should be amended to support the delivery of quality services and attract a quality workforce.⁶⁶ VCOSS members are concerned that the current pricing structure does not support the delivery of high quality care and the retention of a quality workforce. Despite the improvements in pay as a result of the Equal Remuneration Order, pay is still less than similar services run by public services and members report that this competition adds to retention difficulties.

Many people employed in the disability services sector are in insecure employment, either on short-term contracts or on a casual basis. Casual, part-time work is the fastest growing employment area in the sector, increasing by 3 per cent in the final quarter of 2017⁶⁷ and this pattern is likely to continue under the low NDIS unit costs.⁶⁸

Often coupled with under-employment, insecure work leads to irregular and uncertain incomes for employees. This has significant impacts on their health and wellbeing, as employment vulnerability can lead to housing insecurity and can restrict people's ability to make life plans. It can also act as a disincentive for employers to invest in training.

The casualisation of the workforce also has concerning implications for clients and participants in the NDIS.⁶⁹ For example, Community Visitors in Victoria report that:

...the lack of stable, ongoing support staff is unsettling for residents [of disability services facilities] and can lead to an increase in behaviours of concern and incidents. Additionally, it appears to be linked to poorer record-keeping and inconsistent practices within and between houses, which has a detrimental impact on continuity of care.⁷⁰

⁶⁶ VCOSS, *Submission to the Productivity Commission's Position Paper on NDIS Costs*, 12 July 2017, p.7.

⁶⁷ National Disability Services (NDS), *State of the Disability Sector Report 2017*, p.50.

⁶⁸ Office of the Public Advocate, *Community Visitors Annual Report 2017*, p.65.

⁶⁹ Office of the Public Advocate, *Community Visitors Annual Report 2017*.

⁷⁰ *Ibid*, p. 64.

Promote and build pathways to the sector

Recommendations

- Recognise the community sector as a large and growing employer and actively promote available career options.
- Build pathways to the industry through increased partnerships with the VET and university sectors.

Working with people with disability in a resource-constrained environment can be demanding and stressful. VCOSS members report workers, particularly new entrants to the industry, often ‘burn out’ and do not stay in the industry.

Attracting people into the social services sector is also difficult because little is known about the industry amongst the general public. In particular, attracting school leavers is challenging because few parents, teachers and school career advisors know much about the work of the industry, its growth and opportunities. In regional and rural areas it can be especially difficult to attract experienced, qualified workers. Services located in these areas often recruit less experienced and qualified employees, which can lower the quality of service in some cases.⁷¹

The lack of career paths in social services has also led to a loss of workers to the public sector and other industries. While some frontline workers may be promoted to leadership positions, there are few opportunities for promotion and development in the industry. In some parts of the social services sector there are opportunities for workers to develop specialist skills and take up specialist roles but these not widespread across the industry.

Peer workers, people with lived experience of using community services, are often attracted to work in the industry, bringing passion, optimism, their experience of the service system and an ability to connect with clients. Lived experience and cultural and community knowledge should be appropriately valued by employers and education providers. Employing people with lived experience offers a significant opportunity to increase the community services workforce. This opportunity could be enhanced by allowing people to combine employment with training in entry-level jobs. This requires flexibility by employers and vocational education and training (VET) providers.⁷²

⁷¹ VCOSS, *Submission to Senate Select Committee on the Future of Work and Workers*, February 2018.

⁷² *Ibid.*

Support education and training

Recommendations

- Implement over time a system which requires disability support workers to hold minimum qualifications.
- Work with the sector to develop 'micro-competencies' in training.
- Urgently review Certificate III in Individual Support and Certificate IV in Disability.

Introducing minimum qualifications for disability support workers will help lift service quality across the sector, and provide greater protection for both people with disability and workers. Disability support workers have varying levels of skills, qualification and experience in working with people with disability. Currently, anyone can call themselves a disability support worker. A person with disability or member of the public has no easy way to determine whether a particular worker has the right skills or knowledge to provide certain supports.

Despite recent reforms in the VET system, the quality of disability qualifications also varies substantially and there is a lack of trust in the quality of courses. This means that even when workers hold a disability worker certificate there is no assurance they will have obtained requisite knowledge or skills. There remains a need for substantial improvements in the VET system, improving both pre-service and in-service training for community service workers.⁷³

Additionally, there is currently no coordinated approach to professional development and in-service training across the community services industry. Many organisations are training staff in isolation. As a result, duplication of training programs occurs. Economies of scale could be achieved by better sharing of training resources.

Even when training is available and relevant, the cost of professional development and in-service training can be prohibitive. Our members also report the comparatively low pay within the disability sector makes it difficult for workers to justify the time and cost to gain formal qualifications. For example, full-time non-managerial workers in social assistance services, which includes disability work, receive on average \$9.30 less per hour than workers in other industries.⁷⁴ It remains one of the lowest paid industries along with manufacturing, hospitality and retail.⁷⁵ Government funding of services needs to include on-the-job training and professional development of staff.

At present, registered training organisations provide qualifications (e.g. certificates, diplomas) but often staff require short, focused training on particular aspects of community services, for example, trauma-informed practice. One way to achieve this is to develop 'micro-competencies' in training where enrolment in a qualification is not necessary.

⁷³ VCOSS, *Submission to Senate Select Committee on the Future of Work and Workers*, February 2018.

⁷⁴ Australian Bureau of Statistics, *Employee Earnings and Hours, Australia*, May 2016, 63060DO015_201605, January 2017.

⁷⁵ Ibid.

In addition, the national training system is slow to develop and accredit new courses that are increasingly needed in the new person-centred service environment. For example, the Certificate III in Individual Support and Certificate IV in Disability are widely viewed by VCOSS members as not being fit for purpose to support the aspirations of people with disability. However these courses can take years to review, potentially undermining the aspirations of the NDIS. These courses are not set for review until 2018-2019.⁷⁶

Improving the quality of qualifications and requiring all disability support workers to hold minimum qualifications will help provide assurance to people with disability, their families and carers, and service providers that disability workers have a certain level of competence and understanding and are able to appropriately and effectively support people with disability to achieve their goals.

⁷⁶ VCOSS, *Submission to Senate Select Committee on the Future of Work and Workers*, February 2018.

Provide stronger market oversight

Deliver stronger market stewardship

Recommendation

- Take a stronger approach to market stewardship to support delivery of a functioning and equitable market.

Market stewardship involves ‘oversight actions of government that fully support the functioning of public service markets’; in contrast to market regulation, which ‘entails a ‘light’ touch approach’ including setting minimum standards for providers.⁷⁷ VCOSS considers the NDIA is currently focused more on market regulation and that it should play a stronger role in market oversight and stewardship to support a functioning and equitable disability services market. Several areas in which further intervention would be beneficial are outlined below.

Ensure supply of services meets demand

Recommendations

- Collect and publish detailed data on provision of services and service gaps at the local level, to identify thin markets.
- Ensure there is adequate and appropriate supply of services to meet demand, particularly in regional, rural and remote areas.
- Maintain diversity in the market to support participants’ choice.
- Include provider of last resort arrangements in bilateral agreements and operational plans as a matter of urgency.
- Release the NDIS provider of last resort policy as a matter of urgency.

Without effective intervention, the NDIS is likely to create or perpetuate inequitable service coverage for some NDIS participants, particularly those facing multiple disadvantage. VCOSS believes alternative funding arrangements may be required to intervene in thin markets. Depending on the circumstances, different approaches may be required, such as block funding core services, retaining a ‘provider of last resort’, and leveraging or building the capacity of established community organisations, such as health service providers.

VCOSS members are concerned that there are key gaps in services and that in many cases supply is not adequately matching demand. This includes cases where service provision is contracting,⁷⁸ which can be a particular problem in regional and rural areas and is likely to

⁷⁷ G Carey, H Dickinson, E Malbon and D Reeders, ‘The Vexed Question of Market Stewardship in the Public Sector: Examining Equity and the Social Contract through the Australian National Disability Insurance Scheme’, *Social Policy & Administration*, January 2018, vol.52, no.1.

⁷⁸ Office of the Public Advocate, *Community Visitors Annual Report 2017*.

increase. In 2017, more than one fifth of providers (21 per cent) reported they have discussed ceasing their disability services but continuing other services, a 5 per cent increase from 2016.⁷⁹

Our members are also very concerned about the risk that market failures – in this case, the low uptake of certain services in participants’ plans – will be read as market signals and taken to mean participants’ have less need for services in general. For example, organisations report that certain activities such as group sessions may be included in participants’ plans regardless of their desire to engage in these activities (often due to the relative cost of group versus one-on-one support). When the participant does not attend the session (as it is not their preferred service), there is concern this will be read as an indication that the participant requires fewer services, and that their plan’s funding is reduced in future years.

This also has implications for participants’ choice and control, key principles underpinning the NDIS. Maintaining the diversity of the disability services market is essential for offering participants choice and enabling them to take control of their care. There should be a mix of providers in the market, including small organisations, which often offer niche services or bring specialised local understanding. The NDIA has a role in supporting choice and control through ensuring the sustainability of a diverse and quality market, via appropriate pricing and other interventions as needed.

Service providers fear that, without appropriate provider of last resort arrangements in place, vulnerable people are falling through the cracks in the system. There are many documented examples of this already occurring,^{80,81} as provider of last resort arrangements are unclear under the NDIS. VCOSS supports the Joint Committee’s recommendations for governments to include provider of last resort arrangements in bilateral agreements and operational plans⁸² and for the NDIA to publicly release its provider of last resort policy as matters of urgency.⁸³ Provider of last resort arrangements should ensure that appropriate, high quality care is provided to the people who need it in a timely way. As discussed above, additional resourcing should also be provided for the delivery of support to people with complex needs.

Protect quality and accountability

Recommendation

- Implement a robust and fit-for-purpose Quality and Safeguarding Framework to support delivery of high quality services and prevent people with disability experiencing harm.

⁷⁹ National Disability Services (NDS), *State of the Disability Sector Report 2017*, p.15.

⁸⁰ Victoria Legal Aid, *Explainer – the NDIS and the need for a provider of last resort*, 9 November 2017, <https://www.legalaid.vic.gov.au/about-us/news/explainer-ndis-and-need-for-provider-of-last-resort>, accessed 2 March 2018.

⁸¹ ABC, *Emergency intervention to remove disabled man left in prison after NDIS providers refused to care for him*, 7:30 Report, 10 November 2017, <http://www.abc.net.au/news/2017-11-09/emergency-intervention-to-remove-disabled-man-stuck-in-prison/9133634>, accessed 2 March 2017.

⁸² Joint Standing Committee on the NDIS, *Transitional Arrangements for the NDIS*, February 2018, Recommendation 9.

⁸³ *Ibid*, Recommendation 18.

A robust quality and safeguarding system provides strong protections to help prevent people with disability experiencing harm and promotes high quality service delivery. It should reflect the lived experience of people with disability at every level.

VCOSS members are concerned that systems for maintaining quality and accountability, including auditing systems, have not evolved in line with changes under the NDIS, and they warn that large workforce growth, combined with substantial injection of government funds and the market driven nature of the NDIS, risks exposing the scheme to unscrupulous providers.⁸⁴ We do not want the NDIS to make the same mistakes that have occurred in other sectors such as Vocational Education and Training (VET)⁸⁵ and Aged Care.⁸⁶

The Quality and Safeguarding Framework and Commission must help drive systemic cultural change in how services are delivered so they are genuinely person-centred, evidence-based and uphold the rights of people with disability. Merely avoiding poor practice is a low bar. The NDIS must go beyond basic regulatory compliance to assess and build providers' capacity to deliver high quality services.

To be effective, the Commission and Commissioner must instil trust and be well regarded by the disability community. Specifically, the Commissioner needs to be fully independent, have 'own motion' powers to investigate systemic issues or areas where there is cause for concern, and use their powers to enforce meaningful corrective action for registered and unregistered providers.

The Commission requires adequate resourcing to perform all of its functions, be visible and easily accessible, and have appropriately skilled staff able to communicate with all NDIS participants. The Commission also needs to be able to identify early warning signs of abuse and neglect and breaches of the Code of Conduct.

VCOSS members warn some disability providers may not be aware of their obligations and responsibilities under the Framework.⁸⁷ We believe the Commission has a role in educating all providers, including unregistered providers, about their responsibilities. Everyone within an organisation, including management and board members, must be held accountable for their actions. Having an accurate and flexible NDIS pricing structure will also help sustain a qualified, informed and experienced disability workforce to provide high quality service delivery.

⁸⁴ VCOSS, *Submission on the National Disability Insurance Scheme Amendment (Quality and Safeguards Commission and Other Measures) Bill 2017*, July 2017.

⁸⁵ For example: F Tomazin, 'Stop the rorts: \$30 million crackdown looms for vocational sector's dodgy training providers', *The Age*, 20 September 2015, <http://www.theage.com.au/victoria/stop-the-rorts-30-million-crackdown-looms-for-vocational-sectors-dodgy-training-providers-20150919-gjgbuk.html>, accessed 24 July 2017.

⁸⁶ For example: D O'Keefe, 'Poor quality aged care can still 'fly below the radar'', *Australian Ageing Agenda*, 3 May 2017, <http://www.australianageingagenda.com.au/2017/05/03/poor-quality-aged-care-can-fly-below-the-radar/>, accessed 24 July 2017.

⁸⁷ VCOSS, *Submission on the National Disability Insurance Scheme Amendment (Quality and Safeguards Commission and Other Measures) Bill 2017*, July 2017.

Victorian Council of Social Service

Level 8, 128 Exhibition Street,
Melbourne, Victoria, 3000

e vcoss@vcoss.org.au

t 03 9235 1000

www.vcoss.org.au

