

**EACH Submission**

To the Productivity Commission Position Paper

National Disability Insurance Scheme (NDIS) Costs

Health. Hope. Opportunity



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**Acknowledgements**

EACH acknowledges the traditional custodians of the land on which we work, and we pay our respect to Elders past, present and emerging. We acknowledge the sorrow of the Stolen Generation and the impacts of colonisation on Aboriginal and Torres Strait Islander people. We recognise the resilience, strength and pride of the Aboriginal community. We embrace diversity in all its forms and respect everyone’s strengths and contributions irrespective of gender, ethnicity, culture, religious beliefs, sexual orientation and political views.

EACH acknowledges the experience of our many consumers and their carers whose lived experience has contributed to our submission, in particular, those who have received services from EACH in the ACT and the North Eastern Melbourne Area (NEMA).

**Introduction**

**EACH Submission Summary**

EACH strongly supports the NDIS and the opportunity it presents to all participants with disability to gain greater choice, control and economic and social participation in their lives. We are keen to ensure that as consumers shift away from receiving a broad range of State and Federal funded community services towards the Scheme, there will be no detrimental impact to their ongoing mental health. Further, we seek to ensure through advocacy that NDIS plans and associated budgets adequately address the support requirements of those most requiring services.

Our submission draws on the following key insights:

* As a service provider in ACT and North Eastern Melbourne Area (NEMA)
* Through the experience of people living with a mental illness who we have supported to access the National Disability Insurance Agency through the Mental Health Community Support Service Intake function in North East Melbourne Area
* People who are transitioning from exiting disability services to the Scheme
* New NDIS participants.

EACH’s response to the findings, issues and questions raised in the position paper are based on our long history and experience as a provider of early childhood interventions, disability and psychosocial supports.

A summary of our response is provided in the following table and outlined in detail in section two of this paper.

*Summary of EACH response to draft recommendations, findings and information requests*

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| --- | --- | --- |
|  | Scheme Eligibility and Costs | Eligibility criteria for those with mental health concerns and the need to maintain early intervention approaches and recovery principles across cohorts. |
|  | Scheme Supports | The critical role of carers must be recognised and appropriately supported. |
|  | Boundaries and Interfaces with the NDIS | State and Federal agreements must not disadvantage participants. |
|  | Market Readiness | Current systems and processes require significant fine-tuning as they are not sufficiently developed to facilitate the seamless delivery of quality services. |
|  | Provider Readiness | Multiple impacts on provider organisations may see a reduction in providers able to sustain business in the new environment which will ultimately hurt participants with reduced choice and control. |
|  | Workforce Readiness | There is a need for a holistic workforce development strategy that addresses key issues including increasing demand and flexibility, and attracting and retaining a qualified workforce. |
|  | Participant Readiness | There is a high degree of uncertainty and confusion among participants about the process of accessing support, service planning and implementation. |
|  | Governance | Slowing down the roll-out of the NDIS will not ensure the Scheme reaches its full potential. Instead, EACH advocates for increased focus on immediate and solvable issues and a move towards greater alignment between capacity and capability across all stakeholders. |
|  | NDIS Funding Arrangements | Federal and State Government contributions require ongoing review to ensure the roll-out of the Scheme is adequately supported with emerging funding issues identified and supported in a timely manner. |

**About EACH**

EACH has delivered quality health, social support and community inclusion services to marginalised and disadvantaged members of the community for over 40 years. EACH is a large, financially viable not‐for‐profit organisation offering over 180 services and programs in Victoria, New South Wales, ACT, Queensland and Tasmania.

**Our vision** A healthy and inclusive community

**Our purpose** To create supportive environments where everyone can build on their strengths and enjoy better health, social and economic opportunity

The EACH Strategic Plan 2016-2020, EACH 2020: A national strategy, 2016-2020’ outlines five strategic pillars of focus. Pillar two – Influence & Advocacy – includes the imperative that ‘Community attitude, sector practice and government policy are shaped by the voices of people with lived experience.’ Additionally, Pillar one – Customers & Community – requires that ‘Individuals and communities experience improved health, social and economic outcomes in a fairer and more inclusive society.’

EACH’s operations are purposefully governed and structured to effectively deliver on these strategic outcomes. Hearing, supporting and responding to the voice of people with disability is our central focus. Planning activities, service offerings, clinical governance, workforce recruitment, induction, training and ongoing development, are all geared specifically to this end. EACH services are delivered in alignment with our Customer Promise and Customer Charter which was co-designed with a diverse range of customers.

**The EACH Customer Promise**

* Health. Hope. Opportunity.

**The EACH Customer Charter**

* We put you at the centre of everything we do
* We care
* We listen
* We engage
* We deliver

EACH is highly experienced in assessing complex needs, developing service plans and coordinating diverse regional services responses across multiple agencies and stakeholders including Alcohol and Drug Services, Mental Health Services and a broad range of Disability Services, Early Childhood and Family Services.

We are currently funded to deliver the following services in scope to transition to NDIS:

* Disability Supports - Individual Support Plans (ISP);
* Mental Health Community Support Services (MHCSS);
* Early Childhood Intervention Supports (ECIS);
* Mental Health Respite: Carer Support (MHR:CS);
* Peer Helpers and Mentors (PHaMS);
* Partners in Recovery (PIR);
* Support for Day to Day Living in the Community (D2DL);
* Mental Health Community Support Services Intake
* Mental Health Community Support Services Catchment Planning

**Response to Draft Recommendations, Findings and Information Requests**

**1. Scheme Eligibility and Costs**

*Eligibility criteria for those with mental health concerns and the need to maintain early intervention approaches and recovery principles across cohorts.*

*Recovery approaches for NDIS eligible participants must not be lost*

EACH has adopted an evidence-based recovery approach to our work with those experiencing mental health concerns resulting in psychosocial disability. EACH believes that it is imperative to ensure that whilst those with psychosocial disability have equitable access to the Scheme that the NDIS maintain within its defined eligibility criteria commentary such as ‘impairments are likely to be permanent’. This would enable the Scheme to provide options for people experiencing mental ill health whilst maintaining the potential to reduce long-term Scheme costs. EACH will continue to employ a recovery approach with participants, particularly children, youth and those with an early diagnosis or those yet to receive a formal diagnosis but who are experiencing issues with their mental health.

Longer term benefits evidenced by initiation of early intervention therapies and supports and recovery-focused models include improved outcomes, improved quality of life, increased self-determination and independence, reduced social isolation, psychosocial impacts and functional deficits and may promote time-limited or minimized dependence on the Scheme.

*List D – Permanent Impairment/Early Intervention, Under 7 years – No Further Assessment Required’*

In relation to the advantages and disadvantages of maintaining ‘List D – Permanent Impairment/Early Intervention, Under 7 years – No Further Assessment Required’ and considering the experience of our current NDIS ECIS customers, EACH advocates for the following:

Removing List D and requiring children with known disability conditions to undergo further functional assessments would be unnecessary and unreasonable. The conditions on the list are automatically associated with developmental delay;

Requiring further assessment (beyond diagnosis of these conditions) before access would place unnecessary stress on families and an unrequired additional burden on assessment services. It would also extend the time required to access interventions, which would not be in the child’s interests or intention of the Scheme.

**2. Scheme Supports**

*The critical role of carers must be recognised and appropriately supported.*

EACH has significant concerns regarding the change from providing funded supports to carers of those with a disability or mental health concern.

Whilst emphasis of the NDIS is rightly on those with a disability, the ongoing needs of carers cannot be ignored and requires prioritization so that it can be addressed. Given the contribution to the sector made by carers, it is imperative that they receive the support they need to continue their caring role. Carers are experiencing high levels of stress, low sense of well-being and poor health. A key contributor is the high level of financial stress they face, as many carers leave paid employment either permanently or on a part time basis to become carers. This particularly impacts carers in rural communities.

Eligibility of carers to receive supports is no longer specific to an assessment of the carer and their needs but is now wholly dependent on the NDIS eligibility of the person with a disability. This ignores the critical need to support carers in their caring role.

Of particular concern is the Scheme’s inability to adequately cater for the ‘respite’ needs of ageing parents of an adult child with a disability, those caring for a person with significant, multiple and/or complex support needs and for young people caring for a parent with a disability. EACH shares the Commission’s concern regarding the delicate balance and relationship required between formal and informal supports and the view that a reduced capability to provide informal supports will require an increased need for formal supports and thus additional ongoing costs to the Scheme. EACH maintains that the implicit need for informal supports and the needs of carers must be acknowledged and are fundamental to reducing full Scheme costs.

**3. Boundaries and Interfaces with the NDIS**

*State and Federal agreements must not disadvantage participants.*

State and Federal collaboration is fundamental to the Scheme’s successful rollout. Where State and Territory funding and support ceases, there must be clear transition and the NDIA will need to address the gap. Consumers cannot be negatively impacted where State-Federal bilateral agreements are not clear.

EACH strongly supports the rights of people with a disability, their families and their carers to be supported in any way practicable, through transition from the existing support arrangements to the NDIS over the period of time that is required to affect full implementation. We also acknowledge and understand that during this period there will be times where due to the transition, service gaps may appear and these may have the potential to affect transitioning participants; however we are committed to work with all stakeholders to ensure that these gaps do not have adverse effects and all risks are mitigated.

There is also an understanding that as the transition and roll out occurs there may be situations where services or supports that were intended to be covered by the NDIS need to be maintained by the relevant State or Territories (via current providers) to ensure participants continue to receive the appropriate levels of support. This potentially places providers, particularly smaller scale providers at imminent cash flow and reputational risk.

EACH will work proactively with all current customers to transition seamlessly, however will need to consider all risks associated with continuing support once State based funding has been withdrawn and NDIS plan approval is pending.

EACH supports the proposition that NDIS funding for services was established to meet the needs and levels of funding required for people with a disability and that it was not intended to meet the aggregate levels of funding for all services that were not filled at the time of inception. Where this is identified and the service need is not part of the NDIS it should be the responsibility of the State and or Territory to address this. Ultimately, consumers should be not worse off whether their supports are funded by NDIS or State/ Territory governments.

Any supporting mechanism to achieve this must firstly include the identification of the gap between existing services and/or service intention and the reason why this will not transition to NDIS funding support for new services. Where there was a service shortfall or associated funding shortfall for a service or support and this is within the scope of the NDIS, the primary responsibility should fall to the relevant State or Territory to ensure that these are addressed.

**4. Market Readiness**

*Current systems and processes require significant fine-tuning as they are not sufficiently developed to facilitate the seamless delivery of quality services.*

The readiness of the NDIS market is contingent on the readiness of all stakeholders simultaneously, including:

* Potential, transitioning and existing NDIS participants their families, informal supports and carers
* Registered Providers;
* The National Disability Insurance Agency.

EACH and our current and transitioning customers continue to advocate that the National Disability Insurance Agency, Local Area Coordinators, Providers and Participants are not adequately prepared for the full Scheme and the compressed roll-out schedule only exacerbates the inability to receive accurate information and support. Access to consistent and timely information is critical to both providers and participants and yet this is difficult to gather. Lengthy delays are commonplace when contacting the NDIA 1800 number or seeking advice via email through the NDIA support function. Inconsistencies in the information provided from one region to the next, is highly evident.

EACH continues to be concerned about issues with portal payment systems, although these have dramatically improved in the last six months and the ongoing administrative burden to rectify issues, all of which is unfunded. Time delays in receiving payment from Financial Intermediaries compromises the ability of organizations to adequately manage cash flow. EACH expect that as the Scheme continues to roll out, and organisations build their own knowledge of internal and external systems, these issues will become less apparent, however the immediate impact should not be underestimated or go unmentioned. Service providers are already experiencing significant challenges in organisational practices as a result of the Scheme. Further stress by NDIA’s ill-equipped administrative processes makes business operations and sustainability extremely difficult.

EACH’s highest level of concern continues to be the sector’s capacity and capability to deliver exceptional quality services, particularly to those with the most complex need and significant impacts, within NDIA NDIS maximum prices. Workforce considerations which enable matching of specific skill sets to meet the diversity of multiple, complex and holistic support needs experienced across a 0-65 years cohort is an ongoing issue that EACH continues to try to manage. EACH believes that balancing this within the unit price will be a significant issue for most providers and whilst economies of scale may assist, providers operating on a larger scale will nonetheless incur higher overheads that are required as part of the scaling-up of services that need to be absorbed within reduced prices.

**5. Provider Readiness**

*Multiple impacts on provider organisations may see a reduction in providers able to sustain business in the new environment which will ultimately hurt participants with reduced choice and control.*

*Income in arrears and resultant cash flow problem*

Like many community based organisations that are used to operating in a block funded grants environment EACH shares in the challenges of operating in a quasi-market driven insurance model where organisations are expected to operate in a competitive environment yet the price is set by NDIA.

Combining this shift with a ‘thin market’ where there currently exists a relatively small number of participants across both service user and service provider groups, creating low volume initially and therefore lower competiveness, demonstrates an inexperienced market that will take time to mature.

*Focus on cost efficiencies may inadvertently reduce participant choice*

The shift sees organisations that have invested into financially viable and sustainable service systems, processes and infrastructure now trying to adapt to claiming and receiving income in arrears and managing the vastly different business processes and resulting cash flow issues. The model tests organisations whose service principles may be underpinned by a community welfare support philosophy that has been developed to cater for the diversity of service recipients without the cost efficiencies required of the quasi-market model.

The expectation of providers to undertake a reconstruction process to adapt to the NDIS funding and business process arrangements through reorganisation of all core organisational operations needs to be tackled systematically and with a high degree of technical competence - there isn’t a quick fix. The supply of services that will be required in a fundamentally different and more complex environment as service provider’s move to operating under the parameters of the full Scheme will require greater collaboration and support between governments, other registered providers and mainstream community organisations.

As previously mentioned, EACH hold concerns about the impacts the reduction in unit prices across both current State Government disability and mental health funding will have on service providers abilities to adapt to the new environment, particularly for those service types that could be deemed as a ‘thin market’ and where diversity and complexity of service recipients’ needs require several levels of integrated support structures.

*Regional and remote loading must be applied uniformly*

Ability to address service gaps is made more complex by the factors of remote or regionalised service expectations where participants require specific supports or service responses. The ability of providers to consider establishment of services in these areas may be restricted by virtue of location, distance and resource capacity and capability.

Whilst EACH is fortunate to be operating across many locations at this time, there is real concern that the viability to further our reach, or be a sustainable service option for NDIS participants in remote or regionalised locations whilst strategically intended, may not be a viable option. Localities such as Far North Queensland, Western Australia and Regional New South Wales in the short to medium terms may not be attractive and/or achievable within the visible constraints of the NDIS scheme.

Whilst there is acknowledgement of the additional loading allowance as indicated for areas in Western Australia, this has not been extended throughout other regional areas that may have similar remote area demographics. This then places a significant pressure on organisations such as EACH to assess its options to make investment into infrastructure and support services in more remote or regionalised areas with a view that this may not be able to sustain in the longer term. Pricing will ultimately underpin all decision making and may discourage investment and therefore reduce choice for participants in these localities to achieve the best service outcome for themselves due to the ‘thin market’ in their area.

Ultimately, the decision by organisations to invest and provide services in the more remote and regionalised areas will come down to assessment of financial viability. Significant increases to mitigate the price gaps or making alternative ‘case by case’ loading allowances will allow for organisations looking to expand their service offering to genuinely consider non-metropolitan areas.

*Market failure*

The supply or availability of ‘disability supports’ over the transition period is largely dependent on the service demands and the ability of the sector to meet these demands at any given time. The supply of disability supports in any one area or region will be dependent upon the needs of the service recipient and the localised service providers who can service that need.

As outlined in the position paper there is some data inefficiencies that do not allow for a full and complete understanding of the actual supply of disability supports generally, however what is clear is that there is a high percentage of smaller Registered Providers that operate in the space and of these may or may not have the ability and/or capability to respond to the service needs that are required due to their restrictive scope of operations.

*Collaboration in a competitive environment*

EACH believes that although we now operate in a competitive marketplace the success of the Scheme is contingent on greater collaboration and co-design with participants, service providers and the NDIA. Collaborative arrangements must be put in place to ensure the integrity of the Scheme can be delivered whilst maintaining a diverse pool of quality service providers with commitment and capacity to meet localised need. If the bandwidth of disability supports is narrow or thin in specific areas and the ability of providers to establish services offerings and adequate responses is restricted by viability, further consideration needs to be given to providing alternative options to stimulate incentives for growth in these areas.

The need of NDIS participants will ultimately drive a service response or conversely the lack of service response, which one way or another the NDIA will need to address in their market analysis. EACH doesn’t believe that an adequate solution to driving the market will be the Scheme seeking to introduce competition and/or an alternative range of service providers into a specific area or location. Whether the service provider is a profit or not-for-profit service entity, it will still ultimately rely on the unit price to determine viability and sustainability to drive decision making.

EACH believes that in order to consider the service needs and requirements of a particular area, region or community there needs to be a greater understanding by the NDIA that service providers, irrespective of size or service offering cannot generally be ‘all things to all people’, particularly those who require a holistic approach to a very diverse range of disability and other support services. Ideally, the principle of maximum choice and control for the participant will be able to be applied in all areas and in all cases, however this will not be the case and other drivers will need to be considered to encourage responses from existing providers or entice new provider entrants to the market.

Again, the key issues for service providers will be the effect price controls for supports have on their ability to provide a complete range of disability supports and whether these prices will ultimately allow for service providers to maintain adequate service offerings that respond to the changing needs and requirements of participants and local communities.

**6. Workforce Readiness**

*There is a need for a holistic workforce development strategy that addresses key issues including increasing demand and flexibility, and attracting and retaining a qualified workforce.*

*Increasing demand and flexibility*

A holistic workforce strategy to meet the ongoing and emerging workforce needs of the NDIS is an ideal state to work towards collaboratively across all impacted sectors. There are many competing demands for organisations as they work a build workforce that can meet the complexity of demands required.

As with any business or service there is a fundamental requirement for growth to support development, diversity and the meeting of service need and demand through innovation. There is collective understanding that through the National Disability Insurance Scheme there will be an anticipated growth of service requirement to meet the needs of 460,000 individuals. Responding to this growth and service demand with a suitably skilled, qualified and experienced workforce will challenge the industry and the relevant individual sectors as demand is expected to exceed supply of workforce. Competition across the aged care and child care sectors will also add to the impact.

The issue of increasing the disability workforce sufficiently to meet the demands of the sector at full Scheme will be challenging for each and every organisation, irrespective of size and scope of services. The modern workplace for the disability workforce demographic is moving from a traditional, location based service with support structures in place on site to a dispersed and isolated, community based team with limited formal structure and peer or supervisory support mechanisms.

*Attracting and retaining a qualified workforce, in particularly support workers with mental health skills and experience.*

EACH is intensely aware of the demands that this places on our current structures and operational arrangements and with the full roll out of the Scheme. EACH will be one of many service providers to contend with the challenge of attracting and retaining a suitably skilled workforce within the parameters and constraints of operating in a market driven environment with restrictive return.

There is a need to pursue innovative, new workforce design and supply arrangements; however building a combined and comprehensive workforce that is required to meet the needs of individuals across disability, mental health, aged care and other community services will require the development of a substantial pool of available talent across the community. Of particular concern is the impact of NDIS on the existing community mental health workforce. It is essential that disability support workers who have experience and skills in working with people with psychiatric disabilities are retained or attracted to continue to work within the NDIS model. As people with psychiatric disabilities have not traditionally been a part of the ‘disability sector’ but are now eligible for NDIS funding, what is emerging is a skills gap in the disability workforce as a result of the lower unit costs of disability support, relative to the cost of wages within the community mental health workforce.. That is, the current disability workforce tends not to have extensive experience in the mental health area and hence are struggling to fully address the needs of people with severe mental illness /psychiatric disabilities – particularly when their condition begins to deteriorate.

Uniformity across the relevant industry sectors needs to be clearly understood and adopted as minimum standards for the new NDIS market. For example, within the current Disability sector, setting a minimum benchmark qualification for disability support workers is an ideal that has been considered for many years and in some areas adopted, however this has not been enshrined in policy, the same way it has been in the Aged Care Sector. These Standards also need to be reflected in wage price levels

A holistic workforce management strategy should be a key and fundamental approach taken by government, the NDIA and the sector to address the emerging workforce capacity and capability issue. This should be a consideration that interfaces with government, industry, education and skills training to ensure all stakeholders are represented. Notwithstanding the challenges that will be faced with attracting and retaining a robust workforce with a broad competency across multiple service delivery options, other key issues for consideration include:

* Industrial instruments that protect employees entitlements but ensure business and operational needs can be met within a fixed pricing structure;
* A pricing structure that adequately addresses the range of skills, experience and qualifications required to meet the full range of customer needs, including recognition of the unique requirements of customers with a severe and enduring mental illness;
* Reaching remote and regional locations with essential expertise;
* Ensuring ongoing supply of new workforce which is typically transient by nature;
* Addressing all casualization considerations.

This is an area that governments, the NDIA and the sector all need to collaborate on to gain common ground and set minimum expectations in order to develop a comprehensive workforce strategy for the future. A uniform, well-rounded collaborative approach will need deep consideration and agreement to ensure that the quality of service provision is benchmarked not only from an organisational quality perspective, but from a minimum community expectation.

**7. Participant Readiness**

*There is a high degree of uncertainty and confusion among participants about the process of accessing support, service planning and implementation.*

*The critical role of Support Coordinator*

Under the Scheme there has been a deliberate separation of roles and responsibilities in relation to the delivery to Support Coordination and Service Provision and this separation should be maintained to ensure potential or perceived ‘conflict of interest’ is not encountered by NDIS participants. EACH delivers both Support Coordination and Service Provision activities and have structures, policies and procedures in place to ensure we mitigate risk of any conflict. Support Coordination is managed, delivered and accounted for within a separate Division to that of Service Provision.

EACH views the role of the Support Coordinator as a critical function in supporting new NDIS participants to access and choose appropriate service providers. EACH’s experience to date supports the need for Support Coordination to continue in participant’s plans, particularly for those with psychosocial disability, multiple and complex needs and those who are accessing the service sector for the first time. Most individuals who have support coordination identified within their plan have the levels of complexity and needs we would expect to warrant this activity in their plan. As intended, Coordination of Support unit pricing and the levels of funding seen in participant’s plans does not provide real opportunity for Support Coordinators to work closely with an individual. Some of EACH’s customers with Coordination of Supports allocated in their plan (approx. $500) question the need for the allocation but more often question the limited level of support this actually provides.

*Phone assessments are inadequate in gaining full understanding of participant needs*

Feedback from EACH’s existing customers with regard to their experience of the initial planning process has been one of negativity due to the high prevalence of phone interviews where many customers were not aware that this was their planning meeting. Many have found the experience distressing once it has been identified at a later date, that they will not have an opportunity to meet face to face to discuss their goals.

The experience of many customers that EACH is working with to access independently or transition to the Scheme is one of overwhelming confusion. Contact and conversations are being sought from a range of individuals new to participants and the appropriate link back to “Where the person works”, “What their job is”, “How do they have my details” is not being made. Consequently, many of the participants EACH support are either reluctant to provide information or do not understand which individual is representing which organisation. EACH continues to provide pre-planning activity to our existing customers to ensure they are as well-equipped as possible to access the Scheme.

The interface between Disability Support Organisations, Local Area Coordinators, Support Coordinators and other private intermediaries is a fundamental feature of the NDIS service framework that allows for both the appropriate separation of activities and concentration of effort on each particular aspect of a participant’s NDIS journey. However EACH is aware of a high degree of confusion that exists amongst participants in relation to which organisation or agency is responsible for which aspect of NDIS implementation.

EACH has serious concerns regarding the initial ‘information gathering’ planning process for people with serious mental illness and cognitive impairment. EACH advocates that a blanket approach to phone interviews does not align with an individualised planning approach and undermines the intentions of the Scheme. Face to face meetings for first plans, although more time consuming enable more accurate assessment to take place, enable participant self-determination and mitigate the need for follow up meetings and reviews. Many customers have not answered calls as they do not recognise the incoming number and for those that have answered, have often reported being unprepared, not understood who they were talking to or have been unclear that the call represented their planning meeting.

**8. Governance**

*Slowing down the roll-out of the NDIS will not ensure the Scheme reaches its full potential. Instead, EACH advocates for increased focus on immediate and solvable issues and a move towards greater alignment between capacity and capability across all stakeholders.*

The consideration of slowing the rollout of the NDIS due to both government and non-government conformance or adaptability to the Scheme should not be seen as a viable option to address these areas of concern. The rollout is based on a progressive schedule across the country, which was informed by evaluation of need and the individual requirements of potential participants. It would be unreasonable to expect potential participants to continue to wait for services purely because ‘scheme design’ and ‘scheme roll out’ has not been effectively managed or achieved.

EACH accepts that the NDIS must be delivered effectively and sustainably to realise its full potential and long term benefits for every person who requires it, however EACH believes delaying roll-out should only be seen as a last resort. This approach must be tempered with an understanding that maintaining the roll-out schedule requires significant monitoring and adjustment to remain on track.

The context of ‘operationally slowing down the rollout’ would need to be given significant thought and consideration from a planning perspective as the effect on future participants who wait anxiously in anticipation, not being able to access the Scheme for a delayed period, may have more detrimental effects than rolling out the Scheme in a less than perfect operating environment. Slowing down the roll out and not concisely addressing the immediate issues will not in itself rectify the issues but will draw out the process further, adding to Scheme costs, disenfranchising the community and will lead to greater hardship for those who require the support.

Transparent stewardship, increased accountability mechanisms, effective regular monitoring, independent oversight and community consultation will enable the NDIA to continue to realise the potential of the Scheme. However EACH strongly advocates that critical focus must be geared toward ensuring particular emphasis is placed on immediate and solvable issues and a move towards greater alignment between capacity and capability across all stakeholders. This with further enable information and support to be provided to participants to access the Scheme and their essential supports but will also support service providers to maintain seamless and uninterrupted delivery of services to all NDIS participants.

Success of the Scheme will rely heavily on all elements of the market operating in sync and playing their part to ensure participants are not disadvantaged through the transition phase. Strengthening alignment between capacity and capability across all stakeholders – NDIA, States and Territories, participants, Carers, community and providers is fundamental.

EACH suggests that further opportunities such as the Sector Development Fund, which is operated by the NDIS and sets aside a significant amount of funding over the period 2012 to 2018 to support organisations seeking funding for specific project concepts are considered with a remit supporting industry reconstruction to ensure Scheme implementation is not compromised.

**9. NDIS Funding Arrangements**

*Federal and State Government contributions require ongoing review to ensure the roll-out of the Scheme is adequately supported with emerging funding issues identified and supported in a timely manner.*

The Bilateral Agreements that have been established between the Australian Government and the State and Territory Governments have been agreed to in order to ensure both ‘buy into the Scheme’ and to build in equitable mechanisms for appropriate funding, management and long term commitment to the Scheme. Appropriate mechanisms must be put in place including the necessary escalation parameters to ensure that each party universally supports the Scheme at any given time. The National Disability Insurance Agency should be required, in its annual report, to provide explanation as to why it has not met any target in any given year.

EACH believe that communication regarding ongoing commitment to the Scheme is essential from all parties. It is imperative that a united and cohesive message regarding Scheme certainty and continuity is relayed to the community and current and future NDIS participants.

EACH

12 July 2017