



Commissioner MacRae and  
Commissioner Spencer  
The Productivity Commission  
Australian Government  
Level 12/530 Collins Street  
Melbourne  
3000  
Australia

Dear Commissioners,

Please find attached a submission from annecto, the people network, to contribute to the Productivity Commission's review of National Disability Insurance Scheme costs.

We wish make the submission in two parts. Firstly, the initial paper, attached, which outlines the matters we wish to discuss during a meeting we have requested. Mr Mark Bryant from the Commission is attempting to arrange the meeting between annecto and the Productivity Commission.

The attached paper offers an insight into several of the key issues we believe require further consideration in order for the NDIS to achieve the purpose for which it is designed.

annecto believes that unless changes are implemented, the scheme is destined to experience cost over-run.

I thank you for the opportunity to contribute to this review.

Regards,

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annecto – the people network

**annecto - the people network**

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Connecting individuals and communities to realise an inclusive society.

annecto is pleased to contribute to the Productivity Commission's Review of NDIS costs.

annecto is a not for profit social purpose member based association working for an inclusive society, providing advocacy and practical assistance for children and adults with a range of cognitive, physical and social abilities and their families to realise their full potential. We assist people to connect with their personal strengths and abilities with others who will help them achieve what is important to them.

annecto has emerged through a series of amalgamations over the past 20 years. Our history, told through the stories of our members and other people who have been assisted, provides a valuable insight that can shape future service design.

annecto recognises the benefits when all citizens contribute to the economic and civic and cultural aspects of society and works with local authorities to establish connected communities. annecto works successfully with CALD, Indigenous and rural/remote communities. We value and respect the contributions of all people, providing support to ensure all fulfil respected roles integrated into their family, neighbourhood and society.

annecto's work aims to ensure people with a disability access and fulfil roles that are generally valued and perceived as contributing in our society. Examples of such roles would be citizen, neighbour, worker, sportsperson, artist, volunteer, parent, colleague or friend. Such roles in themselves create expectations that contribute to building capacity – and hence can lead to reduced scheme costs. However, accessing such roles and the associated capabilities and natural connections does not generally happen or be maintained without skilled intervention. Our work ensures that natural connections can be developed over a life time and remain intact as people age.

annecto is committed to the objectives established by the 2011 Productivity Commission Disability Care and Support Review (Review) as we believe it the best option to ensure all people have the rights conferred through the United Nations Convention of the Rights of People with Disability, to which Australia is a signatory.

It is annecto's view that in order to achieve the objectives established by the Commission, it is timely to reprioritise some of the cost drivers, increasing investment in some strategies, whilst reducing investment in others.

We have requested a meeting with the Commission to discuss the above hypothesis and provide supporting evidence.

annecto's submission will focus on Service Cost pressures as outlined in Figure 2, Page 9 of the Issues Paper.

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### **Service Cost Pressures:**

The scheme can reduce cost pressures by:

1. Investing up front in capability building (see 'Scope of Supports 1a.)
2. Investing in Informed Choice - it is not possible to have informed demanding consumers unless people know what is possible. Investment is required to enhance the capacity of clients, planners and other parties to ensure all have a greater understanding of what is possible. (see 'Scope of Supports 1a)
3. Investing in programs to enhance:
  - family carer support
  - informal support networks
  - volunteer programs
  - products and services that build individual, family and community capability and informed choice. (See Scope of Supports 1b)

4. Recognising a range of planning and review methods:

The term and practice of 'planning' as currently applied in the NDIS contest can be misleading. Currently there appears an expectation, that the process of developing a funding plan with selections from a menu of designated goods and services, will in itself enable a person to live a better life and simultaneously reduce life time care costs. Somewhat paradoxically, this largely transactional approach is likely to put pressures on longer term service costs.

We strongly recommend that recognising and utilising a range of planning and simplified review methods including, but not restricted to, futures, inclusion and behaviour support planning and review processes will increase outcomes and cost effectiveness. Some such processes would be most cost effective if funded by, but not conducted by, the NDIS.

5. Enabling packaging, or bundling of a number of services from one provider, subject to appropriate standards and checks:

Such packaging can greatly contribute to cost effectiveness and containment. This can also provide the opportunity for the NDIS to provide incentives for service providers to bundle transactional, facilitative services and informal supports to value - add and increase cost effectiveness.

6. Investing in a work force that has appropriate competencies and operates within appropriate standards:

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The NDIS currently appears to favour or even inadvertently encourage business models whereby the NDIS price for direct support staff is based on rates for staff operating at a low level of skill or even paid below national modern award rates, with no allowance for ongoing development or supervision. While paying below award rates may appear to reduce costs such arrangements are likely to be contested and attract penalties unless Australia intends to move away from provisions for modern awards and a Fair Work Commission, and to do this very soon, payments below award rates are likely to be contested and lead to compensation payments, whether the employer is an organisation, or a person who is self-managing services.

Much abuse and neglect in the disability field results either from staff or others not having sufficient knowledge, skill or supervision, and/ or through exploitation of vulnerable people. Quality standards and assurance can only be successful if there is sufficient investment in the skills and supervision necessary to reach and maintain these standards.

Of note, annecto wishes to discuss the following;

### **1. Scope of Supports:**

- a. Investment in building functional capacity needs to be made at scheme entry through Inclusion and Support Facilitation and Evidenced Based Behaviour and Communications Programs. This is not a current focus of the scheme.
  - Inclusion facilitation - best described as a form of personalised life coaching based on good understanding of the person's immediate and longer term goals, the impacts of the disability on their current and future circumstances and of what is possible, for example in employment, education and where the person might live. The Inclusion Facilitator also works with the individual, their support network and the local community to build inclusion capability. This is not the same as 'Local Area Co-ordination' or 'Support Co-ordination.'
  - Support facilitation - facilitation and co-ordination of formal and informal supports in partnership with the person with a disability (and/ or their representative) in a manner that assists the person to build their own capability to make **informed choices** and manage support services. This requires increased investment in support co-ordination, and requires that the support co-ordination is delivered in a manner that builds capability.
- b. Evidence based behaviour and communication programs. These can and should be delivered by direct support workers, family members and the person themselves provided the programs are designed and supervised by appropriately qualified allied health and education professionals. This option

may be currently available through the NDIS however requires greater emphasis.

Clearly the above are different approaches to Local Area Co-ordination, Support Co-ordination and Self – Management. annecto believes Best Practice Service Delivery is the place to deliver on the strategies. annecto will provide evidence based examples of the impact of the above ‘supports and products’ on changing lives and decreasing life time care costs. These best practice Service Delivery Strategies ought be considered to form the basis of the Compact between the NDIA and Service Providers as outlined in Recommendation 4.1 of the 2011 Review.

## **2. *New assessment tools;***

We strongly recommend that assessment tools are updated to make reference to inclusion indicators and outcomes which have been well established in relevant literature. We also recommend that assessment tools are referenced from the considerable evidence available on the varying nature and impact of different disabilities. Adopting these reference points would strengthen informed choice and an evidence based framework for outcomes. annecto uses a range of indicators including the schedule of Community Indicators developed by the McCaughey Centre, at Melbourne University’s School of Population Health.

## **3. *Functional Capacity:***

Increasing or maintaining functional capacity is crucial to the cost of the scheme. Functional capacity is not fixed, and a person’s functional capacity is influenced by their environment. In other words, informal/unpaid support and the environment in which a person lives, influence functional capacity as does the nature of the disability. The NDIS design is missing a key opportunity if interventions are only directed to the person with the disability and not informal/unpaid supports and their environment.

We can provide practical, evidence based and costed examples of how the above can be done without reducing choice and control.

Commissioners, we trust you will be able to make time to meet with a delegation from annecto.