

## **COMMUNITY SERVICES INDUSTRY ALLIANCE (CSIA) SUBMISSION – National Disability Scheme (NDIS) Costs**

The Community Services Industry Alliance (CSIA) aims to increase the capacity and viability of community service organisations and secure a prosperous future for the Industry.

CSIA will grow the business of the Community Services Industry by:

- Engaging internally and externally with organisations and stakeholders on industry development matters.
- Influencing and advocating for policy reform, representing the industry at all levels of Government and with other industries.
- Informing and educating on industry benchmarks, best practice and organisational development.
- Leading the industry in identifying challenges and acting on opportunities such as increasing productivity and innovation.

CSIA's Foundation members represent organisations that deliver human and social services across a wide range of areas including health, aged care, disability services, child protection services, housing and homelessness and more. It is from this wide breadth of experience and through the input of our Policy Working Party that we draw our insights for this submission.

Find out more about CSIA [here](#).

### **General comments**

Thank you for the opportunity to provide a submission to the Productivity Commission's Inquiry into National Disability Insurance Scheme (NDIS) Costs. The National Disability Insurance Scheme (NDIS) is the biggest human service reform implemented in Australia. In the Productivity Commission's original report on the viability of the scheme an underlying principle was the long term nature of the investment to deliver improved social and economic outcomes through a better disability support system. Any discussion about costs must be viewed within the policy objectives of the NDIS.

This scope of the NDIS combined with the expansion of competition policy to other areas of human services and marketisation arising from this has far reaching implications for governments, the community services industry and private sector. Because of the unprecedented nature of the reform there was bound to be implementation challenges. This has manifested in a lack of market readiness and system design issues. There are two key strategies that will positively impact further implementation.

- A regulator aligned with the scope and scale of reform

Investment in the National Disability Insurance Agency (NDIA) is not aligned to the scope and scale of reform. The disability services market is unique and current market based models are not readily transferrable. Policy and regulation requires a deep understanding of the disability sector and the nature of community service transactions combined with specialised business and market based skills. Successful implementation requires a greater focus on market readiness and a strong industry interface.

- A strong Industry voice

It has never been more important for the community services industry, governments and private sector to work together for the NDIS to succeed. The strong consumer and industry voice that successfully lobbied for a disability insurance scheme has not flowed through to implementation. The Community Services Industry has been relegated to the role of provider rather than experts integral

to successful implementation. A strong industry voice and interface with the market regulator is essential to successful implementation.

It will be important for the Disability Reform Council to address these issues to successfully drive implementation and achieve the long term objectives of the NDIS.

## **Learnings from Workability Qld**

The discussion paper raises the issue of workforce capacity. In Queensland a consortium of peak and industry bodies identified the urgent need for a workforce strategy to support the implementation of the NDIS and formed Workability Qld in collaboration with key government agencies. The consortium includes:

- Community Services Industry Alliance (CSIA)
- Health and Community Services Workforce Council (Workforce Council)
- National Disability Services (NDS)
- Queensland Council of Social Services (QCOSS)

The strategy aims to work collaboratively with the disability sector, employment and education sectors, governments and the National Disability Insurance Agency (NDIA) to meet the identified needs of the sector in Queensland, and to build workforce supply and capability to meet demand under the NDIS.

Through the strategy the workforce will have the opportunity to access support and training, as well as workforce data and intelligence that will help to build knowledge and skills and enable organisations to effectively plan their workforce to meet the needs and demands of the sector into the future.

NDIS Workforce Strategy strategic plan focusses on State-wide and place based supply and capability and market stewardship arrangements particularly strategic relationship building. This includes workforce planning in areas prior to the NDIS implementation as well preparedness of systems supporting workforce such as the VET sector. Workability has provided some key insights into potential workforce strategies with scalability nationally. These include:

- It is important to develop strategies to target both the traditional (women aged 45-55 years) and non-traditional workforce to grow the workforce.
- Investment in building the digital literacy of the traditional workforce is critical
- Growth of the disability services workforce requires a collaborative approach from areas requiring similar skill sets and entry level requirements such as aged care, community care, and child care.
- There are opportunities to:
  - develop and promote mobility pathways between these related sectors.
  - Promote the benefits and opportunities of work in the related sectors collaboratively.
- Non-traditional workforce includes other industries and professions and cohorts where there is high unemployment such as young people particularly in regional areas.
- It is important to challenge the stereotypes that caring is a woman's role and promote the caring roles to a broader range of potential workers. This is a long term objective as it is impacted by culture and attitudes.
- Employers also need support to leverage technology and strategic, business, marketing and planning.

- To attract workers, employers need support to develop and implement “Employer of Choice” strategies.

These opportunities are further expanded in the commentary that follows.

## Workforce Readiness

**Is increasing the NDIS workforce by 60-70,000 FTE feasible by 2019/20 under present policy settings? If not, what policy settings would be necessary to achieve this goal, and what ramifications would that have for scheme costs?**

### *Feasibility*

This level of growth will require considerable investment in attraction and training programs, supporting group selection and upskilling programs. Traditional application and interview methods will not be feasible and initial training needs to focus on critical skill sets, with full qualification to follow if required. Greater effort is required to align existing employment services and training programs to the needs of the NDIS workforce in order to insure this mainstream investment is leveraged to support the NDIS jobs growth.

NDIS will create significant new demand for Allied Health therapies, and experience in the NDIS transition sites shows that the Allied Health workforce will struggle to meet this increased demand. People in regional and remote locations already struggle to access Allied Health therapies in their local communities, and the NDIS may create further skills shortages among therapists.

Allied Health Assistant roles were successfully piloted in Queensland in the mid-2000s and have since become a common role in some aged care and hospital settings across Australia. These paraprofessional roles work under direct or indirect supervision of an Allied Health Therapist to support the treatment plan, thereby relieving the workload of the Therapist and allowing them to focus on higher level clinical diagnostic and treatment roles. There is not currently a price on the NDIS schedule for therapies provided by an assistant under the supervision of an Allied Health Therapist, and this is a barrier to the use of Assistants in the Disability sector. Providing a price for supports provided by an Assistant would not adversely impact on scheme costs because Assistant would be less expensive than Therapists. To ensure quality and safety, it would be important to ensure all assessment and treatment plans were conducted by the professional therapist and all Assistants are under the supervision of a therapist

Many of the employer subsidies related to employment and training are restricted to permanent positions (full-time or part-time) or have minimum hours per week thresholds. These subsidies provided through Commonwealth and State/Territory Education and Employment departments, as well as Job Active providers and training providers, are intended to support sustainable jobs growth in key industries and employment outcomes for priority populations. Unfortunately, the policy settings for many of these programs do not support the current growth in NDIS jobs for various reasons. The nature of NDIS work is that it is highly episodic and the natural pattern for growing the workforce is to employ new recruits as casuals, often on short shifts, and then gradually increase hours as the volume of work grows – often transition workers onto permanent part-time and full-time positions as the business grows. By the time the worker is on sufficient hours for the subsidy, they are no longer eligible due to the period of casual employment. If employment and training subsidies (which are outside the NDIS funding envelope) were adjusted to account for the gradual growth in hours for new NDIS workers, it is likely that employers could recruit more quickly and offer greater hours sooner because the subsidy would complement the NDIS billable hours.

### *National, state-wide, place based strategies and system wide strategies*

Successful workforce growth requires a four pronged strategy comprising national, state-wide, system-wide and place based strategies. This includes national and system wide issues such as aligning the VET system to the future of individual support work; and addressing industrial issues. Place based

strategies require engagement with local industries, local governments and VET providers to understand the employment market and target strategies effectively.

#### *Target the non-traditional workforce*

Importantly workforce growth strategies need to diversify from the traditional disability services workforce. This has primarily been women aged between 45-55 years. Disability support work is predominantly relationship based and may be amenable to a range of recruitment strategies including supporting people to return to the workforce, job readiness programs for job seekers, and values based recruitment. Retail and hospitality workers who have good customer service skills are a suitable target group for recruiting into individual support work. Areas where there is reducing demand such as mining are also a potential source for recruitment of workers into disability services. There are also opportunities to target young people particularly in regional areas where there is high youth unemployment. Targeting new groups would require groundwork to promote understanding of personal care and support roles and the benefits of working in the sector.

#### *Build capacity of the existing and traditional workforce*

Building the capacity of the existing and traditional target workforce is also important to reduce barriers to entry and increase retention. From the experience of Workability in Queensland, investment in digital literacy programs is particularly important. Investment in skills development is also critical to ensure the workforce can effectively transition to client centred models, as well as training and support to ensure workers understand and implement key NDIS principles such as choice and control, empowerment and social and economic participation.

#### *A collaborative approach*

It is important to grow the total workforce for caring professions rather than attracting workforce from related areas such as aged care, community care and child care. In this respect a collaborative strategy to promote care and support roles is important. This includes developing and promoting pathways between these related sectors and shared training strategies.

#### *Build employer capacity*

In some NDIS transition sites it is becoming clear that employers need to be innovative to attract and retain the right staff. Employers need to understand what it means to be an employer of choice and implement appropriate strategies. Some of these learnings will come from the transition sites. However there is a need to connect with, and learn from other industries and tap into national and global innovation. This will require a partnership between the NDIA, transition site participants, governments and relevant industry and peak bodies aimed at building organisational leadership and management skills including change management.

#### *Address industrial issues*

There are a range of industrial issues impacting on recruitment and retention of workforce. The *Social, Communities, Home Care and Disability Services Industry Award 2010* is not flexible enough to respond to the highly episodic nature of disability support with short shifts across the day. Employers are not able to pay for time between shifts or non-billable hours. This results in split shifts that are difficult to manage for employees and employers.

#### *Understand the workforce*

It is important to note the NDIS workforce is not homogenous and workers have different needs and preferences. Some workers relish the flexibility of self-employment and others require more structured and secure working conditions and arrangements. This is particularly the case if workers need to work for multiple providers and are seeking full time working hours.

#### *Understand the drivers*

Some workforce trends are driven by global forces rather than local issues – strategies need to identify the causal factors and target strategies effectively.

**To what extent is the supply of disability care and support services lessened by the perception that caring jobs are poorly valued? How might this be overcome?**

Providers indicate that disability support work is not well understood. In addition new entrants are often offered casual work and pay is low. Additionally, caring has traditionally been seen as a female role and targeting new entrants will need to address ingrained attitudes.

Strategies to promote care and support roles need to be developed collaboratively with related areas such as aged care, community care and child care. Place based strategies are effective in attracting potential workforce. For example, a recent Workability forum in Townsville attracted almost 700 attendees. More than 15 employers participated in the expo and 83 positions vacant were open on the day. All employers completing the feedback forms after the expo indicated they expected to fill vacancies in the next few weeks or months. A key promotional strategy is to develop and deliver a broad-based advertising campaign such as Defence careers or construction careers in Queensland and nationally.

**What role might technological improvements play in making care provision by the workforce more efficient**

Investors, regulators, and consumers are increasingly demanding evidence that organisations are accountable, productive and efficient and produces results. Together with increasing demand for disability services; people accessing community services with increasingly complex and multiple needs; cost and funding pressures; and a more competitive and consumer directed human services environment; the uptake of technology is a priority for our industry. The benefits of technology are multiple and must be accompanied by a clear understanding and focus on the needs and preference of clients.

*Greater efficiency and more streamlined services*

Technology represents an opportunity to improve work flow and support more efficient and work and business practices. The right technology can automate routine functions such as invoicing and reporting, rostering and transport scheduling, support more effective engagement with staff and clients, and assist in costing and pricing of services. Collaboration between industry members can lead to shared platforms that create economies of scale.

*Integration by a more effective flow of information*

More effective flow of information among and between various programs and service providers can improve service delivery by providing a fuller picture of client information to assist decision making. Technology can enable case workers to coordinate service delivery and reduces the burden of redundant or replicated information gathering for clients. Mobile technology can also assist staff to access information needed to assist clients in the field.

*Greater client choice and control*

Technology can directly empower individuals to manage their lives and access services that are right for them. Personal budgets and direct payments, backed by clear, comparable information and advice, will empower individuals to make the choices that are right for them. Technology platforms to connect people with the care and support of their choice such as peer to peer marketplace models are growing and make accessing services easier and more accessible. Online profiles of staff can be a simple strategy to start connecting service users with potential support workers.

Increased availability of assistive technology, consumer applications and cloud based technologies provide consumers, particularly people with disabilities access to affordable technology that can improve quality of life.

*More effective service planning and better targeted services*

To align services to client needs, there is a need for data that allows organisations to better understand the market at both the individual and population level. The right technology better target resources, track outcomes, and develop more effective approaches to improve well-being for clients. Such tools can tailor benefits and services to better meet the needs of individual families and clients.

*Measuring service impacts and outcomes*

Technology can support more informed decision making through data aggregation and analytics. It can also assess performance, uncover long term trends and contribute to service improvements. At a macro level outcome data will be particularly important to understand if the long term policy objectives of the NDIS are being met through improved social and economic participation of people with disabilities.

*Better connections with clients, communities and staff*

The right communication tools are critical for a productive, efficient and empowered workforce. This includes Intranets with functionality matched to organisations' needs and technology to connect staff remotely or through mobile platforms eg mobile case notes, rosters, and timesheets. Client communication platforms can effectively engage, support and inform clients as well as seek feedback and reach potential clients. Effective communication with clients requires comprehensive understanding of their preferences and needs eg mobile messaging, smartphone apps and social media may be most effective for many young people. Online community engagement tools and techniques can strengthen and complement face to face engagement.

*Accountability and improved performance*

More consumer directed approaches will drive organisations to provide high-quality, integrated services built around the needs of individuals. A more competitive environment will advantage organisations that can effectively communicate information to clients about performance and outcomes.

*A planned approach*

The community services industry will need to take a planned approach to implementing information and communication technology reforms. To make the most of new technology Industry can:

- Develop collaborative and industry-wide approaches to technology platforms and infrastructure;
- Develop new partnerships with investors, technology firms, entrepreneurs and research institutes; and
- Build a skills base in information and communication technology and data analytics.
- Understand and take early action to address regulatory and legal implications associated with increased use of digital technologies.

## **Provider Readiness**

### **Are prices set by the NDIA at an efficient level? How ready is the disability sector for market prices?**

NDIA developed prices based on limited data and without reference to current cost drivers. Benchmarking is only now being undertaken to better understand cost drivers. Current pricing does not include core tasks linked to quality outcomes such as performance monitoring, quality assurance, continuous improvement and workforce training, development and planning. In its original work on the NDIS the Productivity Commission noted that driving down prices will not achieve the social and economic objectives of the NDIS. If NDIS policy objectives are met costs will be driven down over time.

Importantly decisions about pricing cannot be taken into consideration without understanding broader implications particularly the impact on recruitment and retention of staff. Other industries (such as the mining industry) seeking to significantly and quickly grow the workforce have invested in attracting workforce and pay significantly higher wages. This scale of investment is not possible in implementing the NDIS. Instead investment in technology adoption, change management and marketing is required to build organisational and industry capacity to attract and retain workers. Concurrently it is important to fully understand and analyse the cost benefit and negative consequences of any pricing decisions.

As a growth industry, it is important to target investment where it is required. Current investment in organisational capacity includes a focus on HR, finance functions not growth. Experience in Townsville suggest some providers are shutting their books as they are unable to meet demand. This suggests, for some organisations, the capacity to manage growth is not there. Most organisations have limited capital to leverage for expansion and there is a level of sophistication required to develop sustainable growth strategies. Hence growth strategies need to be carefully planned with sufficient knowledge, expertise and strategic capability. Investment to assist organisations to develop and implement growth strategies will assist in meeting increasing demand for disability services.

## **Participant Readiness**

### **How well equipped are NDIS eligible individuals (and their families and carers) to understand and interact with the scheme, negotiate plans and find and negotiate supports with providers?**

The change to the NDIS is as great for service users as it is for providers. Consumer information training and support is required to assist people to realise the potential for a better quality of life and transition to business relationships and structures if this is their preferred choice. Pricing needs to adequately reflect the cost of planning to ensure people are able to understand the potential for a better quality of life and what it can mean for them. Some people will have a clear idea and others, particularly vulnerable clients who have not been exposed to choice before may not. In this respect providing support to people in the planning phase is critical to identifying the outcomes for each client.

Quality consumer focussed information, support and training is required to support users seeking to transition to managing their own care. This may require a phased approach incorporating a hybrid of self-management and service provision to effectively transition to full self-management. There is also a need for information and support to build the capacity of service users to understand the legal implications of self-management and to build the desired relationship with workers and services.

## **Governance and administration**

### **How appropriate effective and efficient are market stewardship initiatives?**

A core premise of this submission is that successful implementation requires a greater focus on market readiness and a strong industry interface. An industry regulator should have the capacity to allow the market to grow and flourish. The NDIA needs to have greater capacity to deliver such wide scale reform on a national basis and invest in wider workforce education and training initiatives. Importantly, the momentum for disability reform came from a strong industry voice and this needs to be continued in policy development and implementation of further reforms.

### **Contact for this submission**

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