This submission has been developed by organisations that were funded in NSW to develop peer support networks in preparation for the NDIS as part of the NDIS Disability Support Organisation (DSO) capacity building initiative. For further discussion contact Ann Penhallurick at annp@pwd.org.au
This submission is on behalf of NSW Disability Support Organisations funded by the NDIA to deliver peer networks for people with disability.

We seek to address the issue of cost drivers that impact on the sustainability of the NDIS. The cost drivers identified in the discussion paper focus on the costs associated with access, eligibility and reasonable and necessary support. We believe that the insufficient investment in the Information, Linkages and Capacity Building (or tier 2) of the NDIS will have very significant impacts of the costs and sustainability of the Scheme. Experience to date suggests that, in particular, without an active, effective ILC it is likely that there will be a greater number of people seeking to enter the NDIS as individually funded participants than there would otherwise be, and a greater number of people requesting reviews.

**Background**

This submission has been prepared by the

- First People’s Disability Network,
- Intellectual Disability Rights Service,
- NSW Council for Intellectual Disability
- People with Disability Australia
- Physical Disability Council of NSW
- JFA Purple Orange

The first five organisations listed above are NSW advocacy organisations that were funded as part of the DSO capacity building initiative to develop peer support networks in preparation for the NDIS. JFA Purple Orange is a South Australian organisation that has provided support to the funded organisations in their work nationally.

The Disability Support Organisation (DSO) Capacity Building Initiative was initiated in recognition of the need to build the capacity of people with disability and their families to engage with the emerging NDIS and the shift to individualisation of supports. The need for capacity building on the demand side of the new ‘market’ can easily be regarded as a priority of the transition to the NDIS, and is a key sentiment underpinning the Information, Linkages and Capacity Building segment of the scheme.

The goals of the DSO project were to develop a network of support groups that build the capacity of people living with disability and their families to:

- **Exercise choice and control**
- **Effectively engage with the NDIS**
Productivity Commission Inquiry into NDIS costs

• Effectively engage with mainstream programs, services and activities

• Increase opportunities for independence, self-management and community inclusion

Following a competitive tender limited to membership-based agencies who weren’t involved in service provision, 18 organisations nationally were each funded for 2 years to develop up to 20 peer networks to deliver on these goals.

The DSO project was originally funded until December 2016, and has now been extended until June 2017, in recognition of both the need for, and the efficacy of, peer support capacity building. Lessons taken from these peer groups, the feedback from people with disability, their families and advocates, inform this submission. The national evaluation of the DSO project is appended.

The thesis of our submission is that the resources currently allocated to the ILC (outside LAC) are totally inadequate to respond to its broad mandate and to the needs of people with disability and of communities. The impact of such seriously depleted resources will be significant. The ILC will not be able to deliver early intervention, prevention and capacity building supports to people that can prevent, reduce or delay their need for the more intensive supports provided through an IFP. This will detract from the efficient implementation of the NDIS and will increase people’s need for funded supports over time.

ILC mandate

The ILC policy framework describes a broad mandate and responsibility for the ILC.

The ILC is described

as a key component of the NDIS insurance model and will contribute to the sustainability of the NDIS by building the capacity of the community, people with disability, their families and carers which in turn will reduce the need for funding of supports for people with disability through IFPs. (p2)

Its functions include

• Strengthening mainstream services and supports and community capacity to be inclusive of people with disability

• Fostering continual improvement and innovation in disability support delivery

• Minimising the need for escalation of support

• Supporting carers

• Building and promoting individual capacity and peer support
The importance of the ILC has been universally acknowledged - from the Productivity Commission in its 2011 report, to the NDIA Board and its multiple stakeholders. All recognise that the NDIS will rely on the ILC for personal and community capacity building to sustain its individualised funding packages and, above all, to make the NDIS an inclusive, whole of community, scheme.

**ILC resources**

It is understood that in the original planning, $680m was allocated to tier 2 (now called the ILC). To the surprise of the community, the NDIA used $550m of these resources to fund the Local Area Co-ordination (LAC) program, at the same time as shifting NDIA planning functions to LAC, leaving a mere $132 M for the all of the mainstream capacity building, community linkages and other essential work originally envisaged as falling under ILC (including LAC).

In its original formulation, the LACs had 3 main roles:

- connecting people who had plans into mainstream services and community activities
- assistance to people who did not have a plan to connect to mainstream services and community activities
- make communities more accessible and inclusive for people with disability.

These were roles that were consistent with the functions of the ILC and developed the capacity of both people with disability and of communities. As noted however, the focus of the LAC program has changed and been taken up almost entirely with the NDIS planning function. This does not contribute to meeting the goals of the ILC and leaves a significant gap in opportunities for individual and community capacity building.

**Impact**

The lack of resources in the ILC will mean that:

- NDIS participants will require more capacity building resources as part of their reasonable and necessary support because it will not be available through the general community infrastructure of the ILC.
- People with disability who are not NDIS participants will not get the support they need. For some this will lead to a premature deterioration of their situation to the point of them becoming NDIS participants.
- People with disability:
  - will not receive the help they need to use mainstream services and negotiate for appropriate adjustments. As result they will miss out on vital services, ultimately costing government more in increased costs
in the areas of health, criminal justice, child protection, employment, etc.
  o will have fewer opportunities to participate in community life leading to greater isolation and dependence on reasonable and necessary support and specialist disability services.
• Families and carers will have less opportunity to hear about and understand more contemporary approaches to support and so will encourage their family member with disability into traditional, risk averse, grouped services that increase dependence rather than independence.
• Mainstream services and community activities will continue to lack responsiveness to people with disability.

All these impacts will cost significantly more than at least the level of funding initially planned for the IAC.

Recommendations:

1. That ILC funding and functions immediately be brought in line with the original mandate/objects of ILC.
2. That First Plans be developed directly by the NDIA.
3. That, if LACs are to continue to undertake the NDIA planning functions, significant additional resources must be allocated to the ILC to enable it to fulfil its mandate.
4. That ILC be funded with an ongoing acknowledgement that the need for capacity building will continue and not be a one off. The NDIS is a life-long scheme; as individuals grow, develop, age, needs will change; as communities respond to the NDIS, community and mainstream supports will change. ILC is integral to the success of the NDIS.