



## **COMMUNITY SERVICES INDUSTRY ALLIANCE (CSIA) SUBMISSION – Productivity Commission’s National Disability Scheme (NDIS) Costs Inquiry**

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](#).

### **Submission**

Thank you for the opportunity to provide comment on the NDIS Costs Inquiry Position paper. CSIA in collaboration with NDS Queensland has undertaken consultation with disability providers about the NDIS Costs Inquiry position paper and this submission summarises some of the issues raised.

### Independent Price Monitoring

Disability providers indicated support for independent price monitoring. Prices should be transparent; informed by a comprehensive understanding of the nature of human service transactions; and be driven by a focus on quality.

### Slow Down

Providers saw risk and benefits in a slow down. The position paper is not clear on what constitutes a slow down. In the first instance the objectives of a slow down would need to be clear. For example, a slow down could be full or partial; or a transitional approach that is different to full roll out.

The overriding impetus for any change to the timetable must be to achieve a better quality and safer implementation of the NDIS. A slow down has major implications for providers. The role of providers in any anticipated slow down would need to be considered and Industry fully engaged in strategy development.

### Vulnerable Clients

Evidence suggests poorer outcomes for the most vulnerable. There needs to be investment in data to quickly identify those missing out and timely strategies implemented.



### Planning and Co-ordination

There is inconsistency and lack of role clarity particularly in regard to Local Area Co-ordination. There also needs to be greater investment in effective planning for clients including specialised skills, understanding of client needs, adequate time to effectively plan and build relationships with clients. Providers stressed that investment in planning excellence up front reduces costs in the long term.

### Workforce Readiness

There is a need for better workforce data; better use of the existing workforce; collaboration between State, Territory and Federal Governments; improved evidence about what works; intersection between the aged care and disability workforce; and better understanding of the impact of pricing on workforce quality.

The design of current job outcomes programs will miss the mark and needs rule relaxation. One quick win would be to relax the rules on current employment programs. These programs are tied to immediate job outcomes. The reality is if we wait until the jobs growth occurs there will be too few workers ready.

Government and the NDIA need to partner with employment and training providers, employees and NDIS participants to develop collaborative strategies at a local level to address the jobs growth and workforce development needs. This Skills Ecosystems approach has been used by many industries nationally and internationally to overcome challenges from the global economy or major reform. It brings together communities of interrelated and interacting organisations working as a coherent entity to increase opportunities for sustainability, innovation and growth. It is particularly critical that employers are engaged in NDIS workforce planning.

In Queensland Workability provides a collaborative model to address NDIS workforce issues. Through Workability, the disability sector, employment and education sectors, governments and the National Disability Insurance Agency (NDIA) aim to meet the identified needs of the sector in Queensland, and to build workforce supply and capability to meet demand under the NDIS. Using Workability as an exemplar, similar approaches could be implemented in other states and territories.

### Industry Interface

A strong theme throughout consultation was the lack on Industry engagement and interface with Governments and the Market Regulator to the detriment of NDIS implementation. In its previous submission CSIA stressed the need for a strong Industry voice and interface with the Market Regulator in its previous submission and wishes to expand on this issue. CSIA considers Industry engagement and interface to be a threshold issue for NDIS implementation that must be urgently addressed. CSIA recommends that the issue be raised to the level of a key recommendation in the NDIS Costs Inquiry.

In this respect, CSIA proposes the following additional recommendation in the Productivity Commission's final report:

**It is recommended the Australian Government works with disability providers and peak bodies to urgently develop a model for provider interface with Governments and the Market Regulator in the roll out and ongoing implementation of the NDIS.**

CSIA notes the Productivity Commission’s comments in regard to the extraordinary commitment to the success and sustainability of the NDIS. “This is important because ‘making it work’ is not only the responsibility of the National Disability Insurance Agency (NDIA), but also that of governments, participants, families and carers, providers, and the community.”

In transitioning to a new market based system there has been a deliberate and complete loss of Industry (provider and peak bodies) expertise. This has been based on a misfounded belief by governments and the Market Regulator that conflict of interest in a competitive market negates industry participation in system design and implementation.

The benefits of Industry participation and engagement in the roll out of the NDIS are compelling and informed by experience of major reform implementation in human services and other industries such as the finance and banking, energy, water, dairy, aged care, employment, VET sector, and construction. Many Industries grapple with balancing Industry engagement in large scale market reform and managing potential conflicts. Contact and communication between governments, market regulators and providers is necessary and can occur within clear parameters and in circumstances where risks for conflict and corruption are managed. Strategies include: Conflict of Interest policies and enforcement, public disclosures of financial interest, and undue commercial marketing influence.

The following outlines key benefits of Industry engagement, the results of consultation with disability service providers and suggested approaches.

Benefit	Results of consultation
<b>System, program and service design is informed by expertise</b>	<p><u>Current status</u></p> <ul style="list-style-type: none"> <li>Disability service providers have concerns about planning and co-ordination approaches.</li> <li>Specifically there is inconsistency and lack of role clarity in regard to Local Area Co-ordination and planning is inadequate for some clients.</li> </ul> <p><u>Opportunities</u></p> <ul style="list-style-type: none"> <li>Experience and knowledge in regard to disability service recipients needs can be translated into an improved planning and co-ordination process with Industry input.</li> <li>Through engagement with Industry there is an opportunity to create a better match between Government needs to deliver an effective and efficient NDIS and industry capabilities to deliver.</li> <li>By engaging Industry the benefits of competition (particularly competition between smaller and larger businesses) can realised.</li> </ul>
<b>System design is aligned with current and emerging activity in the disability service market</b>	<p><u>Current status</u></p> <ul style="list-style-type: none"> <li>There is limited disability service market information available to Government or Industry resulting in reduced market capabilities.</li> </ul> <p><u>Opportunities</u></p>



**Participant needs are understood and not obscured by provider needs**

Industry engagement will:

- Provide a core source of market intelligence
- Inform Governments of Industry capability
- Support better market planning and sustainability

Current status

- There has been a loss of knowledge and experience in regard to disability assessment and planning.
- Recent crises in banking and finance, employment, VET and early childhood education and care sectors have demonstrated how social purpose can be relegated below self serving organisational approaches.
- There is a risk this will infiltrate NDIS implementation and client needs will be secondary to organisational interests.

Opportunities

- Industry engagement will utilise the vast and currently untapped needs and expertise in the disability sector.
- Industry engagement can detect trends early and prevent escalation of self serving organisational practices.

**Government agencies and Market Regulator are Informed about Industry trends, knowledge and expertise**

Current status

- There is no collaborative planning or intelligence gathering between Governments, Market Regulator and Industry.

Opportunities

- Greater engagement between Governments, Market Regulator and Industry can provide a common understanding of policy imperatives, market trends and current and anticipated client needs to drive innovation.

## **A Strategy for Industry Engagement**

The current bilateral agreements are understandably and appropriately focussed on governance arrangements involving Governments. There is no strategy supporting NDIS implementation that analyses and documents the role of Industry (providers and peak bodies). NDIA should urgently develop a strategy that identifies the objectives of Industry engagement; the key points of intersection between Governments, NDIA and providers; and engagement strategies and mechanisms. This should be complementary to a clear and explicit Market Stewardship approach by Governments and the NDIA. As described above the objectives of Industry engagement should be centred around the role of Industry in informing:

- System, program and service design (effectiveness and efficiency)
- Market Intelligence (current and emerging activity, trends, forecasts etc)
- Market sustainability (organisational trends etc)
- Participant needs (assessment and planning, person centred practices)
- Innovation (new ideas, new ways of doing things)