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'Special adviser' paid more than NDIA boss

EXCLUSIVE

RICK MORTON
SOCIAL AFFAIRS WRITER

An individual was paid more than \$800,000 in one year to act as a "special adviser" to the chief operating officer of the \$22 billion National Disability Insurance Scheme, \$300,000 more than the boss of the agency earns.

The money was paid to Can-

berra-based Aquasora Pty Ltd in 2016-17 for consultancy services for what the National Disability Insurance Agency describes as work "primarily undertaken by an individual consultant".

The NDIA declined to say precisely what work the person did but the contract was authorised by then chief executive David Bowen.

The NDIA chief, now Rob De Luca, earns \$523,000 a year while the Prime Minister earns about the same, \$527,852.

There is no "chief operating officer" listed on the agency's website, despite its contract stating the advisory services of its hired consultant were for the "COO".

Aquasora, which specialises in providing personnel management and computer systems advice, is consistently awarded contracts by other government departments. Among them especially is the Department of Human Services, which was largely responsible for a calamitous IT-system meltdown

when the NDIS began the transition to full rollout from July 2016.

Despite this, the agency paid the Department of Human Services almost \$85 million in one year for "provision of shared services".

The Australian last year revealed the agency spent more than \$180m on consultancy and contractor services in the 15 months to October and plans to spend another \$155m before June.

The NDIS now has 120,000 people with disabilities on its

books and must reach 460,000 by the middle of 2020. The cost of the NDIS in 2016-17 was about \$5bn.

At a Senate estimates hearing in September, agency executives said the NDIA employed 2127 staff, 1012 contractors and 2203 local-area co-ordinators, and was "about 500-ish" full-time-equivalent positions below a public service cap of 2460 places.

Internal emails obtained by *The Australian* revealed legal advice sought by the agency in June.

Australian Government Solicitor senior general counsel Mark Molloy provided that advice, warning the agency it could be in breach of the Fair Work Act.

"If the agency purports to engage an individual as an independent contractor who is, as a matter of law, properly characterised as an employee who should be engaged under the Public Service Act, this may constitute a breach of ... the Fair Work Act," he wrote.

"Furthermore, in our view, if

the agency head (or delegate) purports to engage independent contractors who are not 'consultants', this may constitute a breach of the APS code of conduct which, among other things, requires compliance with Australian laws, including the NDIS Act."

The agency also paid \$1.3m to Boston Consulting Group for advice on developing specialist disability accommodation and a market for assistive technology. Crucially, however, consultants in

this space have been paid about half the total \$2.7m in actual support to people with disability under NDIS housing provisions.

Specialist disability accommodation providers have experienced long waits for payment for services from the NDIA.

"NDIA expenditure on specialist services is a matter of public record; however, details of the arrangements are subject to commercial-in-confidence," an NDIA spokeswoman said yesterday.

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ESTIMATES

NDIS

Specialist paid to help NDIS 'do stuff'

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An "expert" in the controversial field of behavioural economics was paid \$88,000 for four months' work by the agency running the National Disability Insurance Scheme because its regular employees needed help with communication.

Bri Williams and her company People Patterns was awarded a \$132,000 contract with the National Disability Insurance Agency, two-thirds of which was paid out between March and June last year, with the promise she could "get people to do stuff".

Ms Williams bills herself as "Australia's first and only specialist" in the application of behavioural economics to business.

'Getting people to do stuff is hard. It doesn't have to be'

BRI WILLIAMS
PEOPLE PATTERNS WEBSITE

"It was really just helping with staff skills and how they (NDIA employees) communicate with the constituents," Ms Williams told *The Australian*.

But she said she could not go into anymore detail.

"With me you become behavioural designers, confidently introducing tweaks to how you engage your market to get maximum conversion," Ms Williams says on her LinkedIn profile. "Learn how to get people to take action each time, every time."

The NDIA has more than 2000 full-time equivalent staff, including a large internal communications team, and another 1037 contractors working inside the agency.

The agency spent more than \$180 million on consultancies and contractors in the 2016-17 financial year and plans to spend another \$150m in the coming year, according to leaked documents previously obtained by *The Australian*.

It also emerged that the agen-

cy paid one person more than \$800,000 in a single year to act as a "special adviser" to the chief operating officer of the scheme, and legal advice obtained by *The Australian* shows managers were warned they could be in breach of the Fair Work Act.

The key problem is where the agency hires contractors who perform work that might "properly characterise" them as a public servant.

"People Patterns Pty Ltd were commissioned to provide specific behavioural economics expertise to the NDIA in developing enhanced communications for NDIS participants, their families and carers," an agency spokeswoman said.

"The NDIA is growing at a large scale and a fast pace during the transition period. During this period of growth, the agency has engaged a mix of ongoing and contracted agency staff, community partners as local area coordinators, as well as a small number of contracted specialist advisers and consultants.

"This has provided the agency with both the flexibility and skills required to deliver the NDIS, which is a significant national reform, the first of its kind."

Critics of behavioural economics have labelled it "pseudoscience" and "homoeopathy" but the field has crept into mainstream policymaking and awareness after psychologist Daniel Kahneman won the 2002 Nobel Memorial Prize in economics.

"Getting people to do stuff is hard. It doesn't have to be," Ms Williams says on her website.

"Whether you want to master your own habits or better influence customers, staff and decision-makers, I'll show you how science makes it easy."

The consultant, who has a degree in applied psychology and accounting, charges about \$150 a session for "coaching" — minimum three sessions — and sells books, recordings and other notes through her website.

She spells out the categories of embedding "behavioural techniques in your business" from "unconscious incompetence" to "conscious incompetence" and eventually "unconscious competence".