

**Joint Committee of Public Accounts and Audit**  
**Public Hearing – 1 February 2024**  
**ANSWER TO QUESTION ON NOTICE**  
**National Disability Insurance Agency**

**Topic:** PACE Licences

**Question reference number:** NDIA IQ24-000001

**Question asked by:** Julian Hill

**Type of Question:** Spoken. Hansard Page: 3

**Date set by the Committee for the return of answer:** 29 February 2024

**Question:**

Mr Julian Hill MP: On the licence issue—this is was an issue of interest to me, to Senator Reynolds and Senator Canavan, as I recall, in the last hearing—are you able on notice to give us a table that sets out at six-monthly intervals from when you started the contract, the number of licences which were procured at that point in time and the number of licences which were being used? There has been some stakeholder or media concern expressed. Salesforce addressed this at a high level quite well, I think, in the hearing: why did you have 12½ thousand licences; you don't have 12,000 staff? The answer, I think, was: 'Well, we have service partners and it's a procurement methodology about bulk-buying at a certain point in time.' Can you talk to that question and give us that table on notice?

...

Mr Hill: I am just channelling Senator Canavan and reflecting on some of the questions on notice. If you could still give us the table, that would be useful.

**Answer:**

The below table shows the number of licences procured and utilised. Data is from 21 September 2021.

Licence Allocation	23 November 2021	23 November 2022	23 November 2023	16 January 2024
<b>Total Licences held</b>	5,000	10,000	12,500	12,500
<b>NDIA Staff</b>	2,528	4,875	6,246	6,593
<b>Partner Staff</b>	5	659	4,586	4,593
<b>National Contact Centre</b>	213	703	1,045	1,121
<b>Developer and Support</b>	22	32	41	41
<b>Total unused licences</b>	2,232	3,731	582	152

## **Joint Committee of Public Accounts and Audit**

Public Hearing – 01 February 2024

ANSWER TO QUESTION ON NOTICE

National Disability Insurance Agency

**Topic:** Value for money

**Question reference number:** NDIA IQ24-000002

**Question asked by:** Linda Reynolds

**Type of Question:** Spoken. Hansard Pages: 3-4

**Date set by the Committee for the return of answer:** 29 February 2024

### **Question:**

Senator Reynolds: ...I have just one question, on value for money. I note what your answer has been to the chair, but I wonder how you view value for money more broadly in a market. For example, for your own pricing schedules for participants and the services they procure, how do you work out your pricing in the market? How do you look at value for money in the broader market, where you're not the only customer, where you've got veterans, where you've got people in the aged-care sector also looking for the services? Your pricing is incredibly competitive in relation to other government procurement for the same services. I know some of that is a board as well, but, from a management perspective, when advising the board, how do you consider that?

Ms Falkingham: Happy new year, Senator. I will take that on notice because there is quite a detailed policy that sits behind value for money when it comes to investment plans, if that's what you're asking.

### **Answer:**

The National Disability Insurance Agency (NDIA) monitors and reviews its price control framework and other market settings to determine whether they are appropriate and reflect the current market conditions.

For Disability Support Workers (DSW) supports, the NDIA has developed a Cost Model. This Cost Model is based off benchmarking data and aims to estimate the costs that a reasonably efficient provider would incur in delivering a billable hour of support. The DSW Cost Model is one of the factors considered when pricing these supports.

For other sectors, the NDIA examines scheme data such as changes in the number of providers, the number of business entrance and exits, and payments for the support to understand if the current pricing is sufficient to support the National Disability Insurance Scheme (NDIS) market.

Where applicable, the NDIA examines other government schemes and comparable funding arrangements when considering prices. The Annual Pricing Review (APR) for 2022–23 conducted a comparison of therapy price limits and arrangements across other comparable public schemes. Overall, the APR 2022–23 showed that the current NDIS price limits are broadly consistent with the average effective hourly rates paid by other schemes.

APRs are an important part of the monitoring and review process. There are a range of factors that are considered when pricing services.

Work commenced in 2023 under the Reform for Outcomes initiatives to establish Preferred Provider Panel arrangements for Assistive Technology to improve oversight of services and maximise the buying power of the NDIS, and to trial Alternative Commissioning in remote communities to improve access and supply of services.

## **Joint Committee of Public Accounts and Audit**

Public Hearing – 01 February 2024

ANSWER TO QUESTION ON NOTICE

National Disability Insurance Agency

**Topic:** Provider Rates

**Question reference number:** NDIA IQ24-000003

**Question asked by:** Linda Reynolds

**Type of Question:** Spoken. Hansard Page: 4

**Date set by the Committee for the return of answer:** 29 February 2024

### **Question:**

Senator Reynolds: ...In terms of what providers can charge, in terms of value for money and in terms of the scales and the rates they can charge, it's not just to default to the highest rate. It's not just value for money for the taxpayer but also for participants' plans so that they're not being gouged out of the highest rates when really it's more appropriate for some of the lower rates to apply to particular practitioners. Is that something you're turning your mind to as well?

Ms Falkingham: ... But, again, I'm really happy to get you some more material on that.

### **Answer:**

On 17 December 2023 the Hon Bill Shorten MP and the Hon Dr Andrew Leigh MP announced that the Australian Government will invest \$6.7 million over 4 years to prohibit participants being over-charged when purchasing their supports. This includes the establishment of a multi-agency Taskforce comprising of the Australian Competition and Consumer Commission, the National Disability Insurance Scheme (NDIS) Quality and Safeguards Commission (NQSC) and the National Disability Insurance Agency (NDIA) as a key part of the Government's efforts to reduce waste and combat fraud.

Cooperation between these agencies is assisting in the development of tools and resources designed to target problems of market manipulation, highlight to providers their obligations in the NDIS market, and outline responsibilities under Australian Consumer Law and the NDIS Code of Conduct.

The NQSC has now strengthened the NDIS Code of Conduct with new rules on price differentiation and has released additional resources to further empower participants and providers with information about their rights and responsibilities regarding price transparency.

## **Joint Committee of Public Accounts and Audit**

Public Hearing – 01 February 2024

ANSWER TO QUESTION ON NOTICE

National Disability Insurance Agency

**Topic:** Customer Relationship Management cost efficiencies

**Question reference number:** NDIA IQ24-000004

**Question asked by:** Aaron Violi

**Type of Question:** Spoken. Hansard Page: 5

**Date set by the Committee for the return of answer:** 29 February 2024

### **Question:**

Mr Aaron Violi: ...I want to talk about the benefits of the contract. Obviously using a CRM is there to provide efficiency. Were there cost efficiencies that were going to be realised through this investment? If there was, have the efficiencies and benefits that we've seen been tracked and measured and, if they have, where does that money go? Are clients therefore seeing a better price and what happens with those cost savings, if they're there?

Mr Satyan: I can firstly talk to the benefits of the new PACE CRM, as we call it internally, which is the new Salesforce solution. The reason we moved away from the previous SAP solution, which we were contracted with through Services Australia, is the new solution is tailored to our unique needs within the agency and it has an inherent rules based engine, which means we can rapidly implement government policies and changes without significant downtime. We are currently transitioning from the old system to the new, so as the new system is increasingly used by our front-line planners, access managers and staff then eventually we will shut down or stop using the previous SAP system and there will be some cost savings realised through that. In terms of the actual dollar value, it's one for us to think through. We'll take that on notice.

### **Answer:**

The National Disability Insurance Agency's (NDIA) investment in the PACE system is primarily intended to achieve an improved level of service for National Disability Insurance Scheme (NDIS) participants by delivering a fit-for-purpose Customer Relationship Management System (CRM). In addition, the highly configurable platform and implementing an in-house development workforce will result in more cost-effective enhancements to the CRM in the future.

The business case for PACE estimated a 10% reduction in cost-to-serve, or a reduction of 1.8M hours from the time it takes staff to interact with the former CRM. These savings are being reinvested in increased participant contact. That is, PACE reduces the amount of time that staff and partners spend interacting with the CRM, meaning they have more time to spend working directly with NDIS participants.

While PACE is expected to make it easier for NDIS participants and their providers to interact digitally with the NDIA, the Agency have not projected any reduction to the fees that providers charge for the services they provide.

## **Joint Committee of Public Accounts and Audit**

Public Hearing – 1 February 2024

ANSWER TO QUESTION ON NOTICE

National Disability Insurance Agency

**Topic:** Customer Relationship Management cost efficiencies

**Question reference number:** NDIA IQ24-000005

**Question asked by:** Aaron Violi

**Type of Question:** Spoken. Hansard Page: 5

**Date set by the Committee for the return of answer:** 29 February 2024

### **Question:**

Mr Aaron Violi: So there's not a system at the moment where—we've invested, as taxpayers, \$136 million in this project to increase efficiencies and ultimately save money, and you're saying there should be some. So am I right in understanding that, as an organisation, you're not able to say to us today: 'We're anticipating that we will save X amount. We're 60 per cent of the way into it. We've already saved Y and we'll end up with Z.' It sounds like you don't have that data, but it also, concerningly, sounds like you actually don't have an idea of how much the savings should be?

### **Answer:**

The National Disability insurance Agency's (NDIA) investment in the PACE system is primarily intended to achieve an improved level of service for National Disability Insurance Scheme (NDIS) participants by delivering a fit-for-purpose Customer Relationship Management (CRM). Additional benefits include future cost avoidances when enhancing the CRM and longer-term operational efficiencies.

The independently reviewed business case for the 3P program, delivering the PACE system, identified the following benefits, which are being measured as expansion continues:

- Release 1.8M hours through more efficient end-to-end processes, enabling a workforce realignment to bringing planning in-house, and allowing Local Area Coordinator and Early Childhood partners to undertake partner supported connections, ongoing implementation and monitoring, and check-ins.
- Increase participant understanding in 'what happens next' to >80%
- Achievement of Participant Service Guarantee measures in >95% of cases
- Reduce participant complaints to <5%
- A more flexible Information Communications Technology system, able to inexpensively respond to the evolving NDIS policy environment.

National expansion of PACE only commenced a gradual rollout on 30 October 2023. As such, there has been no reporting on savings as yet. Once the roll out of PACE has progressed further and the old system is used less, the Agency will be able to see some cost savings being realised.

NDIA trialled the PACE system in Tasmania for 12 months from November 2022.

As part of the trial, staff and participant experience interacting with the new system was evaluated. In line with the expected benefits of PACE, the results of the evaluation indicate that 72% of participants said their planning experience in the Tasmania test was good or very good, with 55% of participants saying it was better, or a lot better than their last planning experience.



## **Joint Committee of Public Accounts and Audit**

Public Hearing – 01 February 2024

ANSWER TO QUESTION ON NOTICE

National Disability Insurance Agency

**Topic:** Contract Management - start dates

**Question reference number:** NDIA IQ24-000007

**Question asked by:** Julian Hill

**Type of Question:** Spoken. Hansard Page: 6

**Date set by the Committee for the return of answer:** 29 February 2024

### **Question:**

Mr Hill: Let's come back to contract management. Can you either give us now or take on notice what the relevant start dates were for each of the two procurements, when it moved from being a twinkle in the eye of the then CFO in the shower to someone signing an internal, secret piece of paper or telling the CEO or the minister—I don't know; whatever happens with that kind of procurement—'Actually, we've decided that; better start planning for a procurement.' What were the actual dates that that policy limitation would apply from for each procurement?

Ms Thompson: Given the number of them, I think we might take that on notice, but we can get that.

### **Answer:**

To the best of the National Disability Insurance Agency's (NDIA) knowledge, noting that a number of personnel involved in the 2 procurements have since left the Agency and an external investigation is underway into the procurements, the 2 main procurement activities concerning the NDIA CRM system started:

- In or around July 2019 - for an Expression of Interest process for the provision of a cloud platform. This process was subsequently terminated.
- In or around October 2019 - to undertake a procurement process for the provision of a cloud platform solution for 'non-core' services. This procurement process resulted in an open market approach being published in November 2019 by the Department of Human Services (now Services Australia) on behalf of the NDIA.

**Joint Committee of Public Accounts and Audit**  
**Public Hearing – 01 February 2024**  
**ANSWER TO QUESTION ON NOTICE**  
**National Disability Insurance Agency**

**Topic:** Gifts and Hospitality

**Question reference number:** NDIA IQ24-000008

**Question asked by:** Julian Hill

**Type of Question:** Spoken. Hansard Page: 7

**Date set by the Committee for the return of answer:** 29 February 2024

**Question:**

Mr Hill: ...For 2019-20, 2020-21, 2021-22 and 2022-23, could you give us a full list of all hospitality, or any kinds of gifts or benefits, from Salesforce that people had accepted that was disclosed to the organisation. If you'd prefer to give it to us on notice but say we shouldn't publish it, given your investigations, that's great—because I'll be asking a similar supplementary question to Salesforce. ...

Ms Falkingham: Chair, we're very happy to talk to the secretary about what we can provide, based on what we know.

**Answer:**

National Disability Insurance Agency (NDIA) officials must not accept gifts and benefits which might be seen to compromise their integrity. If a gift or benefit is received, the gift or benefit must be recorded in the NDIA's Financial Management Compliance System (FMCS) within 28 days of it being offered.

Gifts or benefits valued at over AUS\$100 (excluding GST) must be approved by the NDIA Chief Financial Officer or Chief Executive Officer. The NDIA publishes gifts and benefit accepted by all NDIA officials over AUS\$100 (excluding GST) at [www.ndis.gov.au/about-us/publications/ndia-gifts-and-benefits-register](http://www.ndis.gov.au/about-us/publications/ndia-gifts-and-benefits-register).

The NDIA has reviewed FMCS records for gifts or benefits (including hospitality) from Salesforce. There is no evidence indicating that NDIA representatives having disclosed receipt of any gifts or benefits (including hospitality) from Salesforce during the 2019-20, 2020-21, 2021-22 and 2022-23 financial years.

**Joint Committee of Public Accounts and Audit**  
**Public Hearing – 01 February 2024**  
**ANSWER TO QUESTION ON NOTICE**  
**National Disability Insurance Agency**

**Topic:** Salesforce Meetings

**Question reference number:** NDIA IQ24-000009

**Question asked by:** Julian Hill

**Type of Question:** Spoken. Hansard Pages: 7-8

**Date set by the Committee for the return of answer:** 29 February 2024

**Question:**

Mr Hill: One of the issues of interest to me, at least, during the inquiry has been some of the meetings that former Minister Robert had at various points. The first question I was going to ask was this: was the NDIA aware of the three meetings that the former minister had with Salesforce?

**Answer:**

The National Disability Insurance Agency (NDIA) is aware of invitations for meetings between former Minister Robert and certain NDIA officials in or around July 2019. To protect the integrity of the NDIA's investigation into Salesforce procurements, it would not be appropriate to make further comments on those meetings whilst the investigation is underway.

The NDIA has engaged independent investigators to provide legal advice, investigation, and assurance services in relation to Salesforce procurements. The investigation is likely to conclude later in 2024.

## **Joint Committee of Public Accounts and Audit**

Public Hearing – 01 February 2024

ANSWER TO QUESTION ON NOTICE

National Disability Insurance Agency

**Topic:** Tender rounds

**Question reference number:** NDIA IQ24-000010

**Question asked by:** Julian Hill

**Type of Question:** Spoken. Hansard Page: 8

**Date set by the Committee for the return of answer:** 29 February 2024

### **Question:**

Mr Hill: ...Can you take on notice to give us a list of which other entities put a tender in for each of the two tender rounds, and, to the best of the agency's knowledge, did they have similar meetings and briefings with the minister?

Ms Falkingham: We can absolutely do that.

### **Answer:**

The tenderers for the 2 procurement activities were:

July 2019 - Expression of Interest activity:

- Microsoft Pty Ltd (Microsoft)
- SAP Australia Pty Ltd (SAP)
- DXC Technology. Salesforce was part of the bid submitted by DXC.

October 2019 - open approach to market, responses received from the following vendors by the closing time:

- Microsoft Pty Ltd (Microsoft)
- SFDC Australia Pty Ltd (Salesforce)
- ServiceNow Australia Pty Ltd (ServiceNow)
- SAP Australia Pty Ltd (SAP), and
- Pegasystems Pty Ltd (Pega).

To the best of the National Disability Insurance Agency's (NDIA) knowledge and noting that a number of personnel involved in these procurement activities have since left the NDIA, the Agency is not aware of any meetings or briefings the Minister may have had with the above tenderers.

## **Joint Committee of Public Accounts and Audit**

Public Hearing – 01 February 2024

ANSWER TO QUESTION ON NOTICE

National Disability Insurance Agency

**Topic:** Gifts and Hospitality - DXC

**Question reference number:** NDIA IQ24-000012

**Question asked by:** Julian Hill

**Type of Question:** Spoken. Hansard Page: 10

**Date set by the Committee for the return of answer:** 29 February 2024

### **Question:**

Mr Hill: I'll just stick one on notice and then we'll close. In regard to the questions about hospitality that I asked in relation to Salesforce, can you also give us the same information for DXC. In the original tender round, I think there was an arrangement where Salesforce were the provider but for some reason they were bidding with DXC—a parent company, a partner or whatever you want to call them—so that'd be good too.

Ms Falkingham: We're happy to do that.

### **Answer:**

National Disability Insurance Agency (NDIA) officials must not accept gifts and benefits which might be seen to compromise their integrity. If a gift or benefit is received, the gift or benefit must be recorded in the NDIA's Financial Management Compliance System (FMCS) within 28 days of it being offered.

Gifts or benefits valued at over AUS\$100 (excluding GST) must be approved by the NDIA Chief Financial Officer or Chief Executive Officer. The NDIA publishes gifts and benefit accepted by all NDIA officials over AUS\$100 (excluding GST) at [www.ndis.gov.au/about-us/publications/ndia-gifts-and-benefits-register](http://www.ndis.gov.au/about-us/publications/ndia-gifts-and-benefits-register).

The NDIA has reviewed FMCS records for gifts or benefits (including hospitality) received from DXC. There is no evidence indicating that NDIA has either accepted or declined any gifts or benefits (including hospitality) from DXC.

## **Joint Committee of Public Accounts and Audit**

Public Hearing – 01 February 2024

ANSWER TO QUESTION ON NOTICE

National Disability Insurance Agency

**Topic:** Measuring effectiveness of PACE

**Question reference number:** NDIA IQ24-000013

**Question asked by:** Julian Hill

**Type of Question:** Written.

**Date set by the Committee for the return of answer:** 29 February 2024

### **Question:**

1. How has the effectiveness of the PACE system been measured and tracked?

### **Answer:**

The National Disability Insurance Agency (NDIA) trialled the PACE system in Tasmania for 12 months from November 2022. As part of the trial, staff and participant experience interacting with the new system was evaluated.

NDIA surveyed both participants and providers involved in the test in Tasmania. NDIA received survey responses from more than 400 people with disability, participants and their family and carers. Surveys were sent to participants, their family members, and carers after they interacted with the National Disability Insurance Scheme (NDIS), such as an access request or plan reassessment. Of the responses received, 155 came from participants. NDIA also surveyed Tasmanian providers and received close to 150 responses.

NDIA asked about the experience participants had in the Tasmania test, what worked well, and what could be improved.

- 72% of participants said their experience in the Tasmania test was good or very good.
- 55% of participants said their experience in the test was better, or a lot better than the last time they talked to the NDIA.

NDIA asked about the experience providers had in the Tasmania test.

- Providers liked the step-by-step guides, 28% said they were useful, and 25% liked the quick reference guides and frequently asked questions.
- 26% of providers surveyed said they had enough training to understand our new computer system.
- 46% of providers disagreed that NDIA had helped them prepare and understand what to expect from the test.

The National expansion of PACE commenced on 30 October 2023.

The independently reviewed business case for the 3P program, delivering the PACE system, identified how the effectiveness of the 3P Program and PACE system will be measured. Effectiveness is being tracked against the following measures:

- Release 1.8M hours through more efficient end-to-end processes, enabling a workforce realignment to bringing planning in-house, and allowing Local Area Coordinator and Early Childhood partners to undertake partner supported connections, ongoing implementation and monitoring, and check-ins.
- Increase participant understanding in 'what happens next' to >80%
- Achievement of Participant Service Guarantee measures in >95% of cases
- Reduce participant complaints to <5%

A more flexible Information Communication Technology system, able to inexpensively respond to the evolving NDIS policy environment.

**Joint Committee of Public Accounts and Audit**  
Public Hearing – 01 February 2024  
**ANSWER TO QUESTION ON NOTICE**  
National Disability Insurance Agency

**Topic:** Salesforce contract variations

**Question reference number:** NDIA IQ24-000014

**Question asked by:** Julian Hill

**Type of Question:** Written.

**Date set by the Committee for the return of answer:** 29 February 2024

**Question:**

2. Salesforce indicated that NDIA made further capability requests around campaign and event management as part of the contract. Please discuss why these were essential.

**Answer:**

The National Disability Insurance Agency (NDIA) identified the need to migrate off the existing campaign and marketing platform that was then in use by the Agency (SurveyMonkey), which the NDIA's further requirements facilitated.



**Joint Committee of Public Accounts and Audit**  
**Public Hearing – 01 February 2024**  
**ANSWER TO QUESTION ON NOTICE**  
**National Disability Insurance Agency**

**Topic:** NDIA Procurement processes

**Question reference number:** NDIA IQ24-000017

**Question asked by:** Julian Hill

**Type of Question:** Written.

**Date set by the Committee for the return of answer:** 29 February 2024

**Question:**

5. Given the inadvertent provision of Salesforce pricing to another competitor by NDIA in the first tender process-what are the processes NDIA has out in place to prevent this from happening again?

**Answer:**

Over the past 18 months, the National Disability Insurance Agency (NDIA) has established a comprehensive procurement framework which includes a new Procurement Policy, a Probity Protocol and enhanced guidance around confidentiality both during the procurement lifecycle and after the contract is awarded.

The NDIA has a team dedicated to managing the continuous improvement and sustainment of the procurement framework, which includes the development of a capability uplift program for the NDIA.

In addition, Information and Communication Technology procurements are supported by a dedicated team in the NDIA Procurement Branch, which provides a single procurement contact point, ensures consistency of approach and compliance with the NDIA Procurement Policy and allied processes.

**Joint Committee of Public Accounts and Audit**

Public Hearing – 01 February 2024

ANSWER TO QUESTION ON NOTICE

National Disability Insurance Agency

**Topic:** Independent Review - NDIA procurements

**Question reference number:** NDIA IQ24-000018

**Question asked by:** Julian Hill

**Type of Question:** Written.

**Date set by the Committee for the return of answer:** 29 February 2024

**Question:**

6. Measured against the ‘value for money’, ‘panel/standing offer arrangements’ and ‘contract variation’ categories, which were of most concern in relation to the five NDIA procurements flagged as ‘red’ by last year’s independent reviews?

**Answer:**

The National Disability Insurance Agency (NDIA) has taken action to address areas of concern, including referring conduct of Australian Public Service officers to other agencies and commissioning an investigation to give further consideration to outstanding matters raised by Dr Ian Watt’s review. The NDIA has also established, and largely implemented an action plan that goes to addressing all recommendations of the independent review, inclusive of any recommendations regarding value for money, use of standing offers and contract variations for any future procurements.

**Joint Committee of Public Accounts and Audit**  
Public Hearing – 01 February 2024  
**ANSWER TO QUESTION ON NOTICE**  
National Disability Insurance Agency

**Topic:** Independent Review - recommendations

**Question reference number:** NDIA IQ24-000019

**Question asked by:** Julian Hill

**Type of Question:** Written.

**Date set by the Committee for the return of answer:** 29 February 2024

**Question:**

7. Can NDIA please update the Committee on how it is addressing issues regarding documentation that formed part of the Watt recommendations including:
- a. adequate risk assessment
  - b. conflict of interest
  - c. probity
  - d. approval templates
  - e. record keeping.

**Answer:**

Over the past 18 months, the National Disability Insurance Agency (NDIA) has established a comprehensive procurement framework that includes a new Procurement Policy, a Probity Protocol, and a suite of new templates and allied products, such as guides, registers, and process documents to address issues regarding documentation that formed part of the Watt recommendations.

These products support the suite of new procurement templates to achieve improved record keeping, risk and conflict-of-interest management, approval processes, and integration with probity.

The NDIA Procurement Branch has a team dedicated to managing the continuous improvement and sustainment of the procurement framework.

## **Joint Committee of Public Accounts and Audit**

Public Hearing – 01 February 2024

ANSWER TO QUESTION ON NOTICE

National Disability Insurance Agency

**Topic:** Integrity of procurement processes

**Question reference number:** NDIA IQ24-000020

**Question asked by:** Julian Hill

**Type of Question:** Written.

**Date set by the Committee for the return of answer:** 29 February 2024

### **Question:**

8. NDIA is not required to utilise AusTender under current PGPA rules. How does NDIA otherwise ensure the integrity of its procurement processes, and would it support a change to require that it uses AusTender in the future?

### **Answer:**

As a non-prescribed Corporate Commonwealth Entity for the purposes of s30 of the Public Governance, Performance and Accountability (PGPA) Rules 2024, the NDIA is not bound by regulation to comply with the Commonwealth Procurement Rules (CPRs). However, the NDIA Accountable Authority Instructions (AAIs) require that NDIA officers must procure goods and/or services in a manner consistent with the CPRs (with the exception of AusTender Requirements and Reporting Arrangements). Any exceptions to this instruction must be approved by the Chief Executive Officer.

The NDIA Procurement Policy and Probity Protocol are key documents that sit below the AAIs to control the integrity of the NDIA's procurement processes. These policies are supported by regular monitoring and compliance activities by a centralised procurement team.

NDIA publishes details of procurements valued at over \$100,000 through Senate Order 13 reporting every 6 months and publishes additional information on its website about procurement activities. For example, in August 2023, the NDIA published information on procurement methodology and number of suppliers approached for each of the contract listed on its Senate Order 13. From March 2024, the NDIA will also publish original contract values and the number of variations.

The application of the PGPA Rules is a matter for the Minister for Finance. NDIA notes there are several other Corporate Commonwealth Entities which are not bound by the CPRs and do not use Austender. The Agency's existing public disclosures provide similar, or in some element's better transparency than that of AusTender publishing agencies.

**Joint Committee of Public Accounts and Audit**

Public Hearing – 01 February 2024

ANSWER TO QUESTION ON NOTICE

National Disability Insurance Agency

**Topic:** Independent Review - practices

**Question reference number:** NDIA IQ24-000021

**Question asked by:** Julian Hill

**Type of Question:** Written.

**Date set by the Committee for the return of answer:** 29 February 2024

**Question:**

9. The Watt report found ‘clear examples of poor practices and seemingly too close relationships between APS officials and suppliers that were not properly managed’. Which specific instances of this relate to NDIA?

**Answer:**

The NDIA has engaged independent investigators to provide legal advice, investigation, and assurance services in relation to Salesforce procurements. The investigation is likely to conclude in late 2024. As such, it would not be appropriate to make any further comments on this matter so as to protect the integrity of the process while the investigation is ongoing.

**Joint Committee of Public Accounts and Audit**

Public Hearing – 01 February 2024

ANSWER TO QUESTION ON NOTICE

National Disability Insurance Agency

**Topic:** Independent Review Report Recommendations

**Question reference number:** NDIA IQ24-000022

**Question asked by:** Julian Hill

**Type of Question:** Written.

**Date set by the Committee for the return of answer:** 29 February 2024

**Question:**

10. How is NDIA tracking against the 13 recommendations of the Watt report?

**Answer:**

The National Disability Insurance Agency (NDIA) has accepted all 13 recommendations made as part of the Dr Ian Watt Independent Review into Services Australia and NDIA's Procurement and Contracting. Subsequently, a Review Action Plan has been created which identifies a suite of activities (action items) required to address each recommendation. As at 14 February 2024, the NDIA has completed approximately 85% of the actions identified to address the recommendations, and work is underway to complete the remaining actions.