

Senate Community Affairs Legislation Committee
Public Hearing – 6 August 2024
NDIS Amendment (Getting the NDIS Back on Track No.1) Bill 2024
ANSWER TO QUESTION ON NOTICE
National Disability Insurance Agency

Topic: States and Territories

Question reference number: NDIA IQ24-000049

Question asked by: Maria Kovacic

Type of Question: Spoken. Hansard Pages: 8-10

Date set by the Committee for the return of answer: 7 August 2024

Question:

Senator KOVACIC: Again, if these are relevant or if you're able to provide any insights from the agency—and it leads back to my prior question. If the legislation passes through the parliament, obviously it will require National Cabinet sign-off. Have you guys done any modelling, or do you have any information to how that will impact the savings that you're trying to make if any of the states or territories refuse to sign off on the bill?

Ms Falkingham: No, we haven't. But we start from a position in the agency that this is a co-funded and costwarded scheme. We rely upon us partners in the states and territories to absolutely administer this scheme, and we're always grateful for the great support they give us. As you would know, all of our schemes interface with state and territory supports. Having spent 20 years as a bureaucrat, I know the states and territories are absolutely committed to this scheme. Over the next six to 12 months we'll work with them on the myriad of rules and how we operationalise the amendments, if the bill is to pass the House. But to date we've seen some fantastic conversations, particularly over the last month, about everything from how the new support needs assessment will be co-designed to how the flexible budgets will work. I'm happy to take on notice whether any of our central agencies or DSS colleagues did any work on that, but we're working on the basis that we've got very tight timeframes to get things done, and we will work in lockstep with our partners in the states and territories.

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Senator KOVACIC: I guess this is where it leads into what we're trying to get an understanding of. Given that there is this increase from four to eight per cent, while it's great that there have been discussions that have been fruitful, there have also been a number of public discussions where the states and territories have expressed their concerns around this legislation and the impacts to their own service delivery. What I'm trying to get an understanding of is, if that relationship and that agreement breaks down, how does that impact the sustainability of the scheme, given the need for foundational supports outside the NDIS and the fact that, as you noted, the states are critical partners in delivery? What happens then, and what happens to these projected savings as a result?

Ms Falkingham: I won't talk about foundational supports. That matter is best for Minister Rishworth and the Department of Social Services. What I'll say—and Minister Shorten has commented on this publicly—is that we've had some terrific conversations, and he led a great conversation with the chair of CAF last week where we spoke about our mutual commitment to this scheme with the Commonwealth and the states, with an absolutely positive agenda of getting the best outcome for people with disability. We've not modelled anything in relation

to us not being able to reach absolute achievement and cooperation with our partners in the states and territories. I'll take on notice whether there is any other Commonwealth agency that has more information. Over the last few weeks, the conversation we've engaged in has been extremely positive. We are absolutely committed. I'll talk briefly to the work we've done; as you'll be aware, section 10 went out for some public consultation over the weekend. The conversations we've had with the states and territories and the expertise they're able to bring to the table around some of those interface issues that Scott McNaughton was speaking about has been fantastic, on how we can shape and think about the future around NDIS support. So, no, we're not envisaging any kind of thing other than a positive co-partnership with the states and territories into the future.

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Senator KOVACIC: The states and territories have to agree to provide particular services, and their contribution will increase from four per cent to eight per cent. Let's say they go, 'We don't want our contribution to increase from four per cent to eight per cent; we want to have X or Y.' It's assumptions and modelling. I don't know what each of the states are saying. It's a very simple question. If one of the states—let's say New South Wales—determined they weren't prepared to provide appropriate or required services, what would the cost of that be?

Ms Falkingham: As I said earlier, questions around foundational supports and supports provided by the states and territories are not a matter for the NDIA and they're not part of this bill either. I'm happy to take it on notice and see if DSS have done some calculations around the costs of states and territories not contributing to foundational supports. I will point out that the states and territories have already made a significant commitment through National Cabinet to foundational support.

Answer:

As outlined at the hearing, the National Disability Insurance Agency has not done any modelling on the cost attributed to delays, should the states and territories not agree to the legislation or foundational supports.

The Department of Social Services have also advised that they have not done any modelling on the cost attributed to delays, should the states and territories not agree to the legislation or foundational supports.