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Submission to: Home Parliamentary Business Committees Joint Committees – Joint

Standing Committee on the National Disability Insurance Scheme

Submission topic: Market Readiness

Submission from: Belinda Colombrita CEO Thorndale Foundation

Dated: 21 February 2018

#### Introduction

Thorndale Foundation is a not for profit organisation providing a range of supports to individuals with intellectual disability in the Nepean region. Thorndale has been in operation for nearly 60 years and today supports over 150 participants with NDIS plans.

Thorndale has been an advocate for the implementation of the NDIS and understands that there would be some issues along the way. We invested heavily to ensure that as an organisation we were well informed of what the changes would be, worked tirelessly with our participants and their families through the planning stages and updated all our IT and internal process in readiness for the roll out in our area of 1 July 2016.

Despite this investment and patience we still have many issues that remain unresolved as well as suggestions for improvement. I appreciate the opportunity to provide this submission for your review.

## A – Transition to a market-based system for service providers

Thorndale welcomed the market-based approach that was not evident in the previous systems. As a small organisation it has facilitated growth as participants have been able to select service providers and a range of flexible options without restrictions of past capped placement with output requirements.

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That said Thorndale has experienced a great deal of financial pressure as we carry the debt of the NDIA as a result of expired plans, inconsistent plans and often unfunded supports that were previously being received.

To manage, what we believe, is a very difficult IT system for both participants and providers we have had to engage a great deal of additional corporate staff to manage the errors with the service booking and billing aspects of the scheme.

NDIA needs to ensure that their business processes are transparent and consistent ensure that participants will have the security that they require to live their life with reasonable and necessary supports.

### B – Participant readiness to navigate new markets

It is our experience and feedback from the participants / families that we support that "it is all too hard and I don't want to do it". We don't often have positive feedback about the process of planning.

The portal is restrictive for individuals with intellectual disability or their families who often are uneducated and unable to complete documents and source information that is required as part of the process.

We understood that the LAC partners were meant to assist with this process. However it is our experience LAC's are generally unaware of the process themselves, untrained and inexperienced and don't provide the participants and their families with any support or guidance. The result of this is that additional administrative burden is placed on us as a provider to be able to assist families with this process. As this is an unfunded support the cost is borne by the provider adding to the cost of doing business under the NDIS.

The revised pathway for participants needs to be reviewed to consider "intellectual" disability to ensure that it is suitable to all just not those who have the capacity to understand and navigate.

# C – The development of the disability workforce to support the emerging market

At Thorndale the requirement for staff previously engaged primarily to provide disability supports are now required to have a great deal of administrative abilities. This requires additional support and training from service providers which is just not provisioned in any of the pricing for the NDIA.

NDIA pricing needs to consider the additional costs for the 1:1 supports that are being offered to ensure that the market can manage the expectations of participants for these supports.

As the rollout of the NDIS occurs there is additional pressure placed on providers to provide more individualised supports to scheme participants. There is a shortage of available disability support workers and this in turn means that participants at time have to either wait for service or 'shop around' to attempt to locate a provider who has the capacity to meet their demand. This in turn means that clients are not able to implement their plans as soon as they wish. The effect of this is that at the end of the plan there are unspent funds and that there has been in inference by some planners that the levels of funds included in the current plan has been not required.

To alleviate the labour supply problem there needs to be a national focus on ensuring that there is an adequate supply of support workers, allied health professionals to meet the need as the balance of the NDIS rollout continues. The Department of Employment should consider adding various disability worker categories to the national skills shortage list.

Given the induction and additional training required to bring new workers 'up to speed' there needs to be some consideration in the NDIS pricing assumptions to give ensure that providers are able to continue to train workers appropriately to give the necessary levels of care and not be driven to a lowest staff cost model with low skilled staff providing supports to the most vulnerable people in our community.

### *D* – The impact of pricing on the development of the market

This issue is linked to the point above. There is little opportunity for Thorndale to develop our markets; this is both due to the time constraints of senior management to administer the scheme and the financial constraints to take risks in such a volatile market.

"Don't through the baby out with the bathwater" Often the agency makes reference to the terrible system that we used to operate under. Although I agree that there were faults there were some very innovate ideas in the market. Individual funding doesn't always mean that individual supports are the only option. Social isolation of people with disability is a risk if planners continue to discourage; group based activities, employment and traditional programs.

Billable hours works well in the finance and legal market, however when dealing with vulnerable individuals this type of terminology and thinking will have detrimental effects on service providers ability to deliver quality supports.

Inadequate pricing, that does not reflect the true cost of doing business means that there is a risk that service providers discontinue providing supports that cannot be viably sustained. Current pricing for many items does not reflect the

true cost of the providing support when the considering all of the indirect factors that are part of doing business in providing a quality service.

## E- The role of the NDIA as a market steward

Although there has been a slight shift from the early statements in many public forums that service providers are "greedy and poorly managed". There is still an "us and them mentality". We are not the enemy, we do collectively have years of experience in the sector, know what works and doesn't work for participants and their families and have a tremendous amount of good will. Unfortunately the good will not continue if we are not considered partners in the scheme.

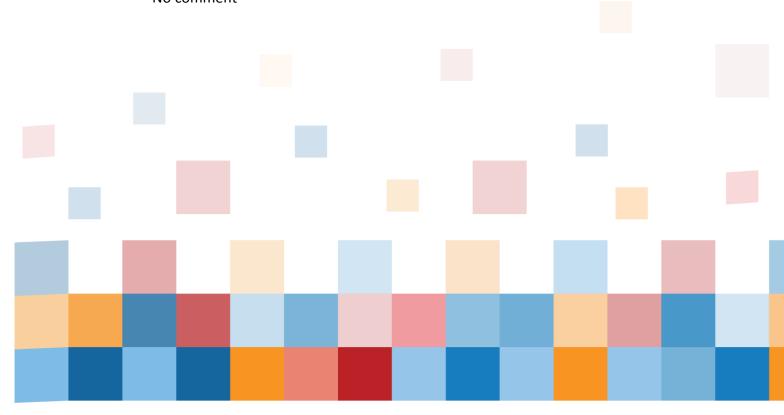
We (participants, families & providers) need to be consulted on what the market needs to look like.

Comments made by various NDIA personnel that "we are just a funding agency", and "we are just a bank" do not indicate that the agency is clear on its role in relation to stewardship. Stewardship involves a range of functions including the planning and management of resources for the benefit of those who entrust them with the responsibility. Statements by agents that focus solely on the financial aspects are not indicators of good stewardship.

To be true stewards, the NDIA needs to proactively engage with a wide variety stakeholders to ensure the NDIS is the world's best example of a society supporting people with disability.

F-Market intervention options to address thin markets, including in remote Indigenous communities.

No comment



G – The provision of housing options for people with disability, with particular reference to the impact of Specialist Disability Accommodation supports on the disability housing market

The administrative costs associated with the Supported Independent Living (SIL) quoting tool will adversely impact on service provider's ability to sustain such supports to a suitable level. The tool requires a great deal of high level management involvement.

As part of our readiness for the NDIS service providers were asked to be innovative and collaborate with the mainstream market to provide housing options. This is something that we undertook and partnered with a developer to build an SDA property and move 3 individuals from their home where it was no longer viable for them to continue to be supported by ageing family members. As you can appreciate this matching process is complex and the time taken to find and transition residents was unfunded. In this case the participants were approved for SIL 24 hours per day and relocated with an understanding that SDA would be funded once the system was able to provide for this quoted item. Subsequently the residents have had to go through further functional assessments which clearly recommend the type of SDA dwelling that is required, even with this recommendation from the NDIA appointed Occupational Therapist the NDIA deemed them ineligible. The landlord has now been unfunded since the time the residents moved and will require them to vacate the property. This is caused much distress for all parties.

Again this demonstrates a lack of understanding by the agency on the complexity to relocate individuals. How will the sector encourage growth in this area and ensure suitable housing with such a complex and unreliable process?

The NDIA needs to consider a streamlined approval process for SDA house registration prior to capital investment. SDA house builders need some assurance that the property will be approved once completed as long as it meets the requirements of the dwelling type. Although SDA pricing is designed to stimulate the investment in suitable specialist disability friendly housing stock, over and above the normal residential housing market, the lack of a pre-approval process means that there is a disincentive to take such a large capital risk in building specialist accommodation without that assurance. There is no point building in a particular area of a certain standard if there is no need for that type of housing. The NDIA would need to be capturing data from participants and families at the planning process about what type of housing will be required and in what time frame to ensure that stock is available.

The suggestion is to streamline the SDA enrolment process so that developers are encouraged to invest in suitable stock by providing a pre-approval process that removes a current element of risk. Naturally having pre-approval does not guarantee clients and landlords would need to work with potential residents and SIL providers to engage suitable clients. However the perceived risk of investing and not gaining approval is eliminated by having pre-approval for enrolment as SDA.

# H – The impact of the Quality and Safeguarding Framework on the development of the market

Thorndale welcome Quality and Safeguarding and prides itself on ensuring that our quality system is part of what we do everyday and not just something that we review at the time of audit. However I would suggest that it will be difficult to ensure flexibility for providers to offer what participants require due to other pieces of legislation including the Work Health & Safety Act, and the conditions in the Modern Award.

How can we offer 1 hour of support when we have to pay a minimum of 2 hours? How can we expect staff to have this type of skills whilst working within our values of being an employer of choice with job security and career development?

I – Provider of last resort arrangements, including for crisis accommodation

No comment

J-Any other related matters

No comment