**NDIS Market Readiness**

The Ella Centre was established by members of St David's Presbyterian (later Uniting Church), Haberfield in 1974, to support the local community. Henry Ella, a local resident and member of the Church, along with his brother Norman, made a significant donation and established a trust fund for the Centre. With a grant from the Whitlam Government, The Ella Centre purchased the former Haberfield Methodist Church land and buildings and began operating in 1975.

Set out in its constitution, the objectives of the Ella Centre are to provide a range of community services to meet the needs of the people of the Inner West, regardless of race, creed or religion. Governance of the Ella is vested in the Church Council of St David's and exercised by a Board of St David's and community representatives. Registered as a charity by the Australian Charities and Not- for-profits Commission, the Ella Centre is an entity within the NSW Synod of the Uniting Church in Australia.

The Ella Centre exists to provide people with disabilities, dementia, older people and their carers with activities, services and supports which increase their enjoyment of life and enable them to participate in the community. We provide our service users with valued and fulfilling activities and services respecting their dignity and independence. We ensure carers are valued, supported and have confidence in their futures. The Ella Centre is a registered NDIS provider and transitioned in the NDIS in July 2017

**a. the transition to a market based system for service providers;**

Staff attended a range of information sessions put on by both the state government and the NDIA to prepare for the NDIS. The organisation undertook a management restructure to prepare for the NDIS and streamlined its internal operations, including a reduction of nearly 20% of internal costs, based on information available at the time, pre the NDIS roll out. Areas of concern that were not adequately addressed or caused significant issues included:

- The priority groups for access to the NDIS that the NDIA and State Government said would be contacted did not occur. The contacting of participants was haphazard and did not give some people time to prepare for their planning meeting. As an organisation with 150 families we were unable to prioritise our support in the pre-planning phase because no one could tell us when people would be contacted. Participants were asking for us to support them in gathering information, which we were happy to do, but it increased staff workloads and often with very little notice given.
- There was very little information about the actual process for working in the NDIA portal. It was not until we were actually in the NDIS that we found out the nuances of how the portal works, do service bookings, make claims, or in some cases why the system does not work at times. It has meant countless administrative hours and has resulted in us having a backlog of claims and a cash flow issue.
- Having a set price ( for the supports we deliver) means everyone gets paid the same regardless of the quality of the services. There is no market driven response to be innovative or creative as the pricing does not cover the real costs.
- The unit price for direct care is less than what we were operating on pre-NDIS. At this point of time it is costing us money to deliver some supports.

- The transition has seen us cut positions due to the pricing to save costs, at a time when the NDIS has actually increased the administrative workload of staff. We also cut back on training and are now seeking entry level workers because the unit price for direct care does not allow for any other alternative. This will over time impact on the quality of the service being delivered.
- We updated our client management system and finance systems in order to prepare for the NDIS, but the changes in the NDIA portal and complexity of the system means we are still adapting our systems to be able to work in the NDIS system. The cost of this is not covered in the NDIA pricing.
- The complexity of dealing with participants who do not understand the NDIS system has added to the workload of staff who are constantly dealing with a range of questions and concerns from participants.
- Some limits imposed by the NDIA will also cause some issues. One being the limit of 8 cancellations in a year per participants NDIS plan. We have a number of participants who also have health issues and our records show from the previous s system they could have well above 8 cancellations in a year. It is not unusual for us to get a cancellation call on the day, after we have rostered staff on, because the participant is unable to attend on the day. Under award conditions we need to give staff 24 hours notice if work is not available otherwise we still have to pay them.

**b. participant readiness to navigate new markets;**

- We were approached by the majority of our Carers/participants to try and explain the NDIS to them. As an organisation we were excluded from the NDIA planning process and given very little information on how the process would work, the type of information required and the questions the NDIA planner would ask. This left Carers/participants anxious and concerned as to what to expect in the planning process.
- Our Carers/participants from a Non English speaking background, to a large extent, were mystified by the NDIS and what they had to do. Many were still confused following meetings with Local Area Coordinators and NDIA planners and concerned people who they did not know and had no relationship with were deciding upon the NDIS plan they would be given.
- No one fully explained to participants what reasonable and necessary meant. They were all originally told that the NDIS would be based on choice and control and meeting their aspirations. In reality choice and control does not occur until after the NDIA has decided on their plan and they seek out a service provider.
- Many of our older parent Carers, those over 60 ( a large number in their 70s and 80s), struggle with the information technology side of the NDIS. Prior to the NDIS many did not have a My Gov account or know what a portal was. A number do not use computers and do not own one. They rely on third parties, including us, to access information.
- Participants are not used to navigating the service system in search of service providers and many struggled with the concept of having to have a service agreement and being confined to receive only the supports that were included in their NDIS plan.
- We organised information sessions for our Carers/participants with Local Area Coordinators and people from the NDIA . This was done at our expense ,and while some good information was passed on, there were still gaps in information from what people experienced when going for their planning meetings.

- Some participants were confused with what the NDIS plan allowed and how it changed from the previous system. Some fees and transport that were covered under block funding that are now not covered under the NDIS. Many participants were confused about why they now had to pay for things that were previously covered under block funding.
- A number of services, such as case management and respite in the previous system supported the Carer as well as their son or daughter with a disability. As the NDIS is specifically for the person with a disability there has been a loss of focus on Carers and their needs.

**c. the development of the disability workforce to support the emerging market;**

The current workforce, pre NDIS, did not meet the demands of the current service system. The unit pricing for direct care work under the NDIA gives little incentive for skilled and experienced workers to stay in the sector, as it is all based on Grade 2 of the SCHADS award. It is basically entry level and pays the same rate for a novice worker as it does for a 10 year experienced, skilled worker. There will be no incentive for direct care workers to stay long term in the disability service system.

The pricing only allows for minimum non direct care work and places pressure on staff to do any planning or administrative work. This is another disincentive for staff as staff complain they do not have enough time to all tasks involved in their role because of time constraints.

**d. the impact of pricing on the development of the market;**

Pricing for direct care work, $44.29ph, has not seen the market develop. In fact it has seen it go backwards as we have had to reduce training, non direct care work activities and take on entry level staff. The pricing does not allow for quality time to supervise and train staff, de brief after significant incidents or spend time on planning or seeking creative or innovative solutions to offering a service. The NDIA unit price for direct care is below what we were operating on pre-NDIS. As mentioned above the unit pricing for direct care work gives little incentive for skilled and experienced workers as it is all based on Grade 2 of the SCHADS award. It is basically entry level and pays the same rate for a novice worker as it does for a 10 year experienced, skilled worker. It has opened up opportunities for workers at the entry level and to work with people with a disability who do not have complex needs.

However, the pricing has made it more difficult to recruit staff to work with people who have complex needs and/or challenging behaviors, as there is no financial compensation for workers to take on participants which require a greater level of skill and knowledge. We used to offer training and a higher grade of pay to attract skilled and component staff, but the NDIS pricing does not allow for this to occur. The pricing also meant we reduced our internal administrative staff, we could not reduce direct care work as that would impact on delivering services, at a time when administration has significantly increased.

The pricing does not cover the cost of operating a facility. A number of participants who have complex needs require change rooms for personal care. The participants are adults and require the use of change tables and hoists to meet their needs and the staff workplace health and safety requirements. We are currently use our own facilities, as such facilities are not available in the community, at our own cost. We also operate a number of day programs, that include community access, but require a base to operate from and also a wet weather alternative. Again the price does not cover the cost of using a facility.

The pricing should allow for a market where small, medium and large organisations can thrive to meet the expressed needs of participants. The pricing needs to take into account the costs of operating services that meet participants needs and offer them choice, which will not occur if the economies of scale required do not allow for small or medium providers to be financially viable. That will take away participants choice.

**e. the role of the NDIA as a market steward;**

The NDIA should not be the market steward. The NDIA has been obsessed with people getting plans and keeping the NDIS to budget. It has seen poor planning, rushed planning, confused participants, low pricing in some supports and a lack of confidence in the NDIA . The emphasis on planning should be based on a collaborative approach with the participant and mutually agreed upon outcomes that will meet their needs. The price setting and stewardship should be independent of the NDIA.

**f. market intervention options to address thin markets, including in remote Indigenous communities;**

Any service should be suited to the environment it is operating in and in thin markets and/or remote areas the local people should be consulted to determine the best way to operate a service.

**g. the provision of housing options for people with disability, with particular reference to the impact of Specialist Disability Accommodation (SDA) supports on the disability housing market;**

We are not involved in accommodation. The uncertainly of housing stock, the capital investment required, anticipated return on investment and the financial risk under the NDIS meant we made a decision not get involved in accommodation.

**h. the impact of the Quality and Safeguarding Framework on the development of the market;**

The Quality and Safeguards framework system should have been tested during the trial period and not left to developing it after the full roll out of the NDIS had commenced. We are still operating on the NSW state government system and have 3rd Party Verification, completed in 2017. The new framework will create more work to change our systems, which have been set

up to work within the NDIS as it currently stands, once any new requirements are introduced. The impact of the Quality and Safeguarding Framework will depend upon the details, as yet unknown. One concern is any increased cost in money and staff time in implementing any specific requirements such as the registration process, maintaining registration and the associated compliance requirements.

**i. provider of last resort arrangements, including for crisis accommodation; and**

This seems to have been neglected as we are not aware of any provider of last choice. In NSW the Ageing and Disability Department was the safety net as a provider of last choice. With the full roll out in NSW due to be completed by June 2018 the NSW government will be handing over all its' specialist disability funds to Commonwealth and will no longer be the provider of last resort. This will leave a gap in the service system. It should have been sorted out well before the full roll out of the NDIS.

**j. any other related matters.**

Our impression has been service providers have been left out in the cold in the development of the NDIS. The system seems geared towards onboarding people as fast as possible with little time to develop person centred plans based on choice and control for the participant. It seems the system relies on an NDIA planner determining what is reasonable and necessary for a participant. This leaves a great deal of responsibility on the NDIA planner, and from our experience some of the NDIA planners lack an understanding of the needs of the participants based on some of the plans we have seen.

Staff attended a number of NDIA service provider forums, but aspects of the NDIS system still remain a mystery. We are constantly chasing information and asking for interpretation from information on the NDIA website/portal and dealing with making claims.

In NSW Disability Advocacy services will lose their funding as the NSW government hands over it's specialist disability funding to the Commonwealth for the NDIS. These advocacy services offered support to people with a disability across a range of issues, beyond the scope of the NDIS. This will leave people with a disability disadvantaged when an advocate is required, and for some people, leave them without a voice. This will also impact Carers significantly as they are not the focus of the NDIS, but still require support across a range of non NDIS specific issues such as guardianship, writing wills, dealing with government departments such as Centrelink and dealing day to day issues where they lack the ability to advocate on their own behalf.

Overall it seems the NDIA is relying on the goodwill of current service providers to plug gaps, support participants and use their own funds. I do not see this being a sustainable environment and see some market failure if the system is not streamlined and the inadequate pricing in direct care supports is not addressed.

Philip Coller

CEO

The Ella Centre