Chapter 4

Thin markets and emerging service gaps

4.1 This chapter discusses the issues of thin markets and Provider of Last Resort (PLR) arrangements as well as emerging gaps in services. Service gaps identified are resulting in lack of provision of advocacy supports, outreach services and support coordination for Participants.

4.2 The chapter also explores the challenges faced by people from culturally and linguistically diverse (CALD) backgrounds and Aboriginal and Torres Strait Islanders in engaging with the NDIS and accessing culturally appropriate services.

Thin markets

4.3 The move to individualised funding under the NDIS requires providers to have sufficient economies of scale in order to operate sustainably, which can be difficult to achieve in rural and remote communities and in areas of thin markets.

4.4 Many submitters contended that thin markets will persist for the following groups of Participants:

- People living in rural and remote areas;
- People with complex needs or with very challenging behaviours;
- People experiencing homelessness;
- People involved with the criminal justice system;
- People from CALD background; and
- Aboriginal and Torres Strait Islanders.[1]

Rural and remote areas

4.5 The Municipal Association of Victoria is of the view that 'the situation for rural councils and their communities is particularly concerning as there are not necessarily viable options in existence for service provision for citizens, other than local government, in many cases'.[2]

4.6 In rural and regional areas, and some outer urban areas, VCOSS members reported that there are not enough local services to provide people with the funded supports, let alone a choice of providers.[3]

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1 See for example: cohealth, *Submission 34,* p. 8; Victorian Government, *Submission 54;* pp. 4 and 17; Tasmanian Government, *Submission 75,* p. 7.

2 Municipal Association of Victoria, *Submission 30,* p. 3.

3 VCOSS, *Submission 65,* p. 16.

Costs of delivering services

4.7 The high costs of delivering services in rural and remote areas are contributing to the lack of availability of service providers. For example, submitters stressed that the cost of travel in rural and remote areas is such that it is becoming unviable to provide services in those areas under the current NDIS pricing.[4]

4.8 Northern Territory PHN noted that transport and accommodation expenses associated with service delivery in remote areas remain exceptionally high, and continue to need to be factored in as a key cost.[5]

4.9 National Disability Services believes that the methods for funding supports in rural and remote areas need to be revised to reflect the full impact of local conditions.[6]

People with complex needs

4.10 Mr Terence Cleary, Executive Manager, Community Care and Access, Anglicare NT, explained that market failure is not just happening in the Northern Territory because of its remote areas but also elsewhere, where people with complex needs are not receiving appropriate services:

> These are not just issues in relation to the Territory—market failure is happening in Western Sydney, where people with complex needs are not having their needs met either because the services aren't there or because the nature of their issues are so complex that the market can't respond at the moment.[7]

4.11 Dr Adrienne McGhee, Principal Policy and Research Officer at the Office of the Public Advocate (Queensland), expressed their concerns:

> We're particularly concerned about what supports are being provided to individuals who have disability and complex needs who are currently residing in government operated facilities and whose transition to the NDIS will be largely dependent on how proactive these agencies are in supporting them to become participant.[8]

4.12 Ms Rachel Stephen-Smith, the ACT Minister for Disability, Children and Youth believes that there are issues with pricing of support for people with complex needs:

> The potential for market failure for people with high and complex needs. That does partly relate, I think, to adequate pricing. There are also potential

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4 See for example: Occupational Therapy Australia, *Submission 26*, p. 6; Mental Illness Fellowship of Australia, *Submission 44*, p. 10; Carers NSW, *Submission 55*, p. 6; Physical Disability Council of NSW, *Submission 56*, p. 3; Speech Pathology, *Submission 62*, p. 16.

5 Northern Territory PHN, *Submission 76*, p. 1.

6 National Disability Services, *Submission 12*, Attachment 1, p. 12.

7 Mr Terence Cleary, Executive Manager, Community Care and Access, Anglicare NT, *Committee Hansard*, 21 September 2017, p. 20.

8 Dr Adrienne McGhee, Principal Policy and Research Officer, Office of the Public Advocate, *Committee Hansard*, 26 September 2017, p. 1.

> cherry picking issues in the pricing models that are chosen, but I think, from the feedback we've had from providers, there are genuine issues with the appropriate pricing of support for people with high and complex needs.[9]

4.13 Other submitters raised concerns about the inadequate pricing of support for people with complex needs.[10] For example, Catholic Social Services Australia (CSSA) stated:

> CSSA also has significant concerns about the availability and consistency of services where insufficient price caps could lead to market failure for particular services or for Participants with complex needs.[11]

4.14 Submitters argued that inadequate pricing may lead to providers choosing not to accept clients with high needs.[12] For example, VCOSS is of the view that 'the NDIS risks creating disincentives to assisting Participants with complex needs or those perceived as 'difficult', such as people displaying challenging behaviour'.[13]

Funding approach

4.15 Overwhelmingly, submitters recommended that alternative funding models, including fixed or block funding must be made available in areas of thin and failing markets.[14]

4.16 Victorian Healthcare Association proposed models that could be considered:

- The introduction of price guide flexibility whereby additional funding could be allocated on a sliding scale to meet client needs and build capacity in services and communities. This could be achieved using the current quote based system that the NDIA already has in place.
- A trial of the multipurpose services (MPS) model, which is used in the aged care sector, as a solution to market failure in rural and remote areas. The model is based on the principle that MPS' can pool funds from previously separate Commonwealth and State aged care and health programs to provide a more flexible, co-ordinated and cost effective framework for service provision.[15]

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9 Ms Rachel Stephen-Smith, Minister for Disability, Children and Youth, ACT Parliament, *Committee Hansard*, 20 October 2017, p. 9.

10 See for example: Victorian Government, *Submission 54*, p. 18; VCOSS; Catholic Social Services Australia, *Submission 32*, p. 4; *Submission 65*, p. 5.

11 Catholic Social Services Australia, *Submission 32*, p. 4.

12 See for example: Catholic Social Services Australia, *Submission 32*, p. 10; cohealth, *Submission 34*, p. 7; VCOSS, *Submission 65*, p. 17.

13 VCOSS, *Submission 65*, p. 17.

14 See for example: cohealth, *Submission 34*, p. 8; VCOSS, *Submission 65*, p. 17; Mr Tom Symondson, CEO, Victorian Healthcare Association, *Committee Hansard*, 19 September 2017, p. 13.

15 Victorian Healthcare Association, *Submission 11*, p. 2.

4.17 Ms Noelene Swanson, State Manager, Northern Territory with National Disability Services, believes that some guarantee of demand for providers is required in rural and regional areas:

> The other thing we would like to recommend is the need for providers to enter into rural and regional areas is some guarantee of demand. […] To overcome that would be consideration of block funding or hybrid based funding until that demand has reached a point where it can be sustained.[16]

4.18 The Victorian Government argued that 'the most effective way to address thin markets is to ensure adequate pricing that takes into account the real cost of service delivery in these markets'.[17]

4.19 The Royal Australian College of General Practitioners (RACGP) pointed out that because primary health and disability services have areas of overlap, there is opportunity for cost savings by avoiding duplication:

> Integrating health and disability services would benefit rural communities, in which GPs have a wide reach. We see an opportunity for the NDIA, RACGP and other bodies involved in providing services to patients with disability to work together to identify areas of duplication and encourage sustainability.[18]

Provider of Last Resort

4.20 As market steward, the NDIA is responsible for the Provider of Last Resort (PLR) arrangements. In the circumstances of insufficient market supply with no provider available or in the event of provider failure, the NDIA may directly commission and procure disability supports for Scheme Participants.

4.21 However, as stated in the *NDIS Market Approach Statement of Opportunity and Intent*, during transition, states and territories continue to lead as PLR and will continue to do so for providers that they fund during transition. Over time, the NDIA will lead an integrated response jointly with states and territories as transition leads to full Scheme.[19]

4.22 The Northern Territory is the exception. Under Schedule K of the Bilateral Agreement between the Commonwealth and the Northern Territory, the NDIA is the responsible entity for ensuring provider of last resort services are in place for all Participants in the NT during transition.

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16 Ms Noelene Swanson, State Manager, Northern Territory, National Disability Services, *Committee Hansard*, 21 September 2017, p. 20.

17 Victorian Government, *Submission 54*, p. 17.

18 Royal Australian College of General Practitioners, *Submission 15*, p. 1.

19 NDIA, *NDIS Market Approach Statement of Opportunity and Intent*, November 2016, p. 29.

4.23 Overall, submitters found that the Provider of Last Resort framework remains unclear and incomplete.[20] For example, Victoria Legal Aid argued that 'in Victoria, provider of last resort measures or any real solution to address the very serious effects of market failure remain opaque, unclear and incomplete'.[21] It pointed out that the Victorian bilateral agreement is silent as to what will occur in the event of market failure and the Operational Plan provides no practical framework and only states:

> …the NDIA will lead on identifying and developing approaches to ensure that a provider of last resort is available, as well as support for Participants in crisis.[22]

4.24 The Victorian Government also identified a lack of clarity on the Provider of Last Resort arrangements and called for additional information about how these arrangements will function both during transition and under full Scheme.[23]

4.25 The Tasmanian Government submitted that the NDIA's Provider of Last Resort arrangements have not yet been negotiated with Tasmania.[24]

4.26 Mr Terence Cleary, Executive Manager, Community Care and Access with Anglicare NT stated:

> The bilateral agreement between the Australian government and the NT government on the transition of the NDIS is unique in that it's the only bilateral agreement that specifically refers to market failure, thin markets and this notion of a provider of last resort. So for the two or three years since we've had that in place, at every meeting I reckon I've just about got up and said, 'Could someone articulate for me and for us this framework of the provider of last resort?' And still, two to three years later, there's been nothing articulated at all. It was very heartening to see that the Productivity Commission in its latest papers has been calling for recognition of that.[25]

4.27 The Office of the Public Guardian NT recommended that 'the development of a clear framework for the Provider of Last Resort be prioritised to ensure Participants in remote and thin markets are protected'.[26] Similar recommendations were made by Victorian Legal Aid[27] and the Queensland Government.[28]

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20 See for example: Victorian Government, *Submission 54,* p. 18; Victoria Legal Aid, *Submission 79,* p. 7; Mr Terence Cleary, Executive Manager, Community Care and Access, Anglicare NT, *Committee Hansard,* 21 September 2017, p. 20.

21 Victoria Legal Aid, *Submission 79,* p. 7.

22 Victoria Legal Aid, *Submission 79,* p. 7.

23 Victorian Government, *Submission 54,* p. 18.

24 Tasmanian Government, *Submission 75,* p. 7.

25 Mr Terence Cleary, Executive Manager, Community Care and Access, Anglicare NT, *Committee Hansard,* 21 September 2017, p. 20.

26 Office of the Public Guardian NT, *Submission 63,* p. 6.

27 Victoria Legal Aid, *Submission 79,* p. 9.

28 Victorian Government, *Submission 54,* p. 18.

4.28 In its *NDIS Costs Study Report*, the Productivity Commission recommended the NDIA publicly release its Provider of Last Resort policy as a matter of urgency.[29]

Committee view

Thin markets

4.29 The lack of services and providers operating in rural and remote areas is not new or unique to the NDIS. However, the committee acknowledges that the transition to a market based system brings new challenges for delivering services in rural and remote areas. Arrangements to deal with thin markets need to be considered to ensure Participants can access the services they need.

4.30 The committee is concerned with reports of people with complex needs not being provided with adequate services. It appears that inadequate pricing may lead to service providers choosing not to accept clients with complex needs. The committee is troubled by the growing evidence of service providers 'cherry picking' clients, potentially leaving some of the most vulnerable NDIS Participants with no access to adequate services.

4.31 Greater clarity is required on how the NDIA intends to intervene in areas of thin markets. The committee recommends the NDIA develops a strategy to address thin markets. The committee will undertake further work on the issue of thin and failing markets within the context of its inquiry into market readiness.

Recommendation 17

4.32 The committee recommends the NDIA develop and publically release a strategy to address thin markets.

Provider of Last Resort

4.33 The committee is concerned that Provider of Last Resort arrangements still remain unclear and incomplete. It appears that negotiations between the NDIA and state and territory governments around Provider of Last Resort arrangements have not yet progressed. It appears that the NDIA will be responsible for these arrangements at full Scheme, so the committee urges the Agency to consider these arrangements well before transition is complete. Chapter Two of this report discusses the Provider of Last Resort arrangements with regard to the provision of crisis accommodation, and recommends that the responsibilities are clearly set out in bilateral and other agreements.

4.34 The committee also reiterates recommendation 18 of its report into the *provision of services under the NDIS for people with psychosocial disabilities related to a mental health condition.*

Recommendation 18

4.35 The committee recommends the NDIA publically release its Provider of Last Resort policy as a matter of urgency.

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29 Productivity Commission, *National Disability Insurance Scheme (NDIS) Costs Study Report*, October 2017, p. 54.

Service gaps

4.36 Inquiry participants reported that the transition to a market-based system combined with the transition of Commonwealth, state and territory programs have resulted in emerging service gaps in important areas.

Advocacy

4.37 As discussed in chapter 3, individual advocacy plays an important role during pre-planning, the planning process and at plan reviews. As described by VCOSS, advocacy is particularly important for people with complex needs or facing disadvantage, or those with limited informal supports or networks.[30]

4.38 Systemic advocacy is also critical to ensure the inclusion and full participation of people with disability by identifying and addressing issues on a larger scale than with individual advocacy.[31]

4.39 A recent cost-benefit analysis of independent disability advocacy showed that for every dollar governments invest in independent advocacy it saves $3.50 on systems. For examples, advocates do get people of hospital quicker and help keep people out of jail.[32]

4.40 Ms Mary Mallett, CEO of Disability Advocacy Network Australia, pointed out that 'advocacy is not funded by the NDIS' and 'was not designed to be'. However, state and territory funding for disability advocacy is being rolled into the NDIS as part of the bilateral agreements.[33]

4.41 On 9 August 2017, the Australian Government announced $60 million in funding to continue support for disability advocacy services. The Australian Government also called for states and territories to commit to ongoing support for advocacy both under the NDIS and outside the NDIS. The media release stated:

> This substantial Commonwealth commitment ensures disability advocacy services will now continue to be funded until 30 June 2020. […]A national system of disability advocacy support also requires ongoing investment from states and territories to ensure their citizens can resolve issues with state-run services, and advocates can participate effectively in state-based planning.[…] The Commonwealth calls on other states and territories to meet their commitments to people with disability through the NDS by committing to ongoing support for advocacy under the NDIS.[34]

30 VCOSS, *Submission 65,* p. 9.

31 Physical Disability Council of NSW, *Submission 56,* p. 7.

32 Ms Mary Mallett, CEO, Disability Advocacy Network Australia, *Committee Hansard,* 20 October, p.21.

33 Ms Mary Mallett, CEO, Disability Advocacy Network Australia, *Committee Hansard,* 20 October, p.18.

34 Minister for Social Services, The Hon Christian Porter MP, *Turnbull Government investing $60 million in disability advocacy,* Media Release, 9 August 2017.

4.42 This announcement was welcomed by a number of submitters as it brings some certainty to the sector and ensures that some advocacy work can continue at least until June 2020.[35] However, funding for advocacy at state and territory levels is uncertain beyond transition.

4.43 For example, the NSW Government will cease advocacy funding after June 2018.[36] Ms Mary Mallett, CEO of Disability Advocacy Network Australia explained the situation:

> The immediate critical area is in New South Wales. The funding of advocacy by states and territories has always been part of their disability funding. It makes sense—it's for people with disability. It got rolled into their bilateral agreements to fund the NDIS. That funding has been signed over and will disappear as the NDIS fully rolls out. In New South Wales $10.9 million annually of advocacy funding will disappear at the end of June next year, plus another couple of million which is for disability peaks that represent the voice of people with disability.[37]

4.44 Physical Disability Council of NSW (PDCN) argued that the Commonwealth funding guaranteed until June 2020 is only for organisations currently funded under the National Disability Advocacy Program (NDAP) and this will leave a majority of NSW state funded organisations under or completely unfunded after June 2018.[38]

4.45 PDCN also stated:

> PDCN's opinion is that continued funding for peak organisations to provide systemic advocacy, independent information and representation for people living with disability in New South Wales is essential to meet the objectives of the NDIS.[39]

4.46 The situation varies in other states. During transition, the Victorian Government is increasing its funding for advocacy through the Disability Advocacy Innovation Fund. This year, it provided an additional $1.5 million on top of its base investment in advocacy, which is $2.9 million, recognising a need to build the capacity of people with disability to navigate the Scheme.[40]

4.47 However, the Victorian Government identified the need for greater clarity on how systemic and legal advocacy will be delivered in a national consistent way.[41]

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35 See for example: Office of the Public Advocate , *Submission 37*, p. 5; Family Advocacy, *Submission 52*, p. 4; VCOSS, *Submission 65*, p. 9.

36 Family Advocacy, *Submission 52*, p. 4.

37 Ms Mary Mallett, CEO, Disability Advocacy Network Australia, *Committee Hansard*, 20 October 2017, p. 18.

38 Physical Disability Council of NSW, *Submission 56*, p. 6.

39 Physical Disability Council of NSW, *Submission 56*, p. 6.

40 Ms Kym Peake, Secretary, Department of Health and Human Services, Victorian Government, *Committee Hansard*, 19 September 2017, p. 2.

41 Victorian Government, *Submission 54*, p. 10.

4.48 In light of the loss of advocacy funding because of the transition of state and territory funding to the NDIS, People With Disability Australia 'urges the Committee to draw attention to the critical gap in advocacy services that will be left after state funding ceases'.[42]

4.49 VCOSS recommended ongoing funding for independent advocacy so every NDIS participant can access advocacy support to navigate the system and obtain the right support in their Plans.[43]

4.50 Ms Mary Mallett, CEO of Disability Advocacy Network Australia also called for action:

> This week the Productivity Commission's report came out. Everybody's paying attention to that. It says advocacy is important. The first annual report of your joint standing committee said that advocacy is important and must be fixed. […]We're pleading with your committee to take it seriously and to do whatever you can and to use whatever levers are available to get the state governments to take their responsibility.[44]

Assertive Outreach

4.51 The issue of assertive outreach has been explored by this committee in its inquiry into the *Provision of services under the NDIS for people with psychosocial disabilities related to a mental health condition*. The committee found that with the transitioning of Commonwealth, state and territory funded programs, there is a risk of emerging gaps in outreach services.[45]

4.52 In its submission, Mental Health Australia reiterated the concerns raised by the sector during the inquiry into the *Provision of services under the NDIS for people with psychosocial disabilities related to a mental health condition* about the future of funding for assertive outreach under the NDIS:

> In the long term, without specific new policy and funding arrangements, there is a major risk assertive outreach for people with severe mental illness and complex needs will no longer be delivered at all, either through the NDIS or elsewhere.[…] the lack of a strategy for funding specialist assertive outreach is a critical loss to the system of supports for people with psychosocial disability and a major concern for mental health stakeholders.[46]

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42 People With Disability Australia, *Submission 77*, p. 4.

43 VCOSS, *Submission 65*, p. 9.

44 Ms Mary Mallett, CEO, Disability Advocacy Network Australia, *Committee Hansard*, 20 October 2017, p. 19.

45 Joint Standing Committee on the NDIS, *Provision of services under the NDIS for people with psychosocial disabilities related to a mental health condition*, August 2017, p. x.

46 Mental Health Australia, *Submission 50*, p. 12.

4.53 VCOSS called for dedicated funding for assertive outreach to help locate and connect people experiencing isolation or disadvantage with the NDIS.[47]

4.54 Refugee Council of Australia recommended increasing assertive outreach programs to help people from refugee and CALD backgrounds, stating:

> These programs should be designed to help them understand changes to the disability support sector in the transition to the NDIS and what this means for their individual situation, including services both in and outside the NDIS and the interface between these two sectors. This support would include accessible information about individuals' rights and responsibilities as an NDIS participant or as a user of ILC services.[48]

Support Coordination

4.55 Anglicare highlighted the importance of support coordination to assist Participants in understanding and enacting their Plans.[49] The Office of the Advocate (Victoria) also observed that 'support coordination is one of the key determinants of the successful implementation of an NDIS plan'.[50]

4.56 Can:Do Group is of the view that the traditional coordination role has been lost with the introduction of the NDIS:

> […] service providers have stepped back and are only providing what they are being asked to provide by the family as they are only being paid for that service. This negates the importance of coordination, collaboration and navigation alongside families – yet outside of most initial Plans which do have some support coordination no one is being paid for this, nor has resourcing to do so at no charge, so it is not being done.[51]

4.57 Many submitters reported that the lack of funded support coordination in Plans is resulting in Participants not knowing how to use their Plans and delays in Plan implementation.[52]

4.58 Mrs Leanne Varga, Systemic Advocate and Campaigns Manager with Family Advocacy told the committee that 'people are asking for support coordination or plan management and they are not receiving it'.[53]

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47 VCOSS, *Submission 65,* p. 8.

48 Refugee Council of Australia, *Submission 59,* p. 6.

49 Anglicare Australia, *Submission 8,* Attachment 1, p. 5.

50 Office of the Public Advocate, *Submission 69,* p. 23.

51 Can:Do Group, *Submission 25,* p. 4.

52 See for example: Multiple Sclerosis Australia, *Submission 31,* p. 5; Physical Disability Council of NSW, *Submission 56,* p. 5; Dr Nick Collyer, Systems Advocate, Queensland Advocacy Inc., *Committee Hansard,* 26 September 2017, p. 3.

53 Mrs Leanne Varga, Systemic Advocate and Campaigns Manager, Family Advocacy, *Committee Hansard,* 3 October 2017, p. 3.

4.59 Anglicare believes that the lack of funding for support coordination is contributing to Plan underutilisation, and is creating hidden costs to the Scheme.[54] For example, Multiple Sclerosis Australia and Physical Disability Council of NSW also reported that some Participants do not know how to activate and use theirs Plans due to not having any support coordination to assist them.[55]

4.60 Additionally, Anglicare Australia identified that lack of funded support coordination in Plans needs to be addressed, as currently service providers are picking up this cost.[56]

Loss of funding for support coordination

4.61 Multiple Sclerosis Australia reported that some Participants are losing their support coordination funding at plan reviews.[57] Making Connections Together also noted that 'support coordination is considered irrelevant after the first 12 months of a plan'.[58]

4.62 In its study report on NDIS Scheme Costs, the Productivity Commission also found evidence that support coordination is being provided to Participants for only a fixed period of time and is of the view that 'the NDIA should allocate support coordination based on need, rather than time'.[59]

Guidelines and funding recommendations

4.63 Some inquiry participants believe the guidelines for support coordination are unclear. Family Advocacy stated:

> Currently, the NDIS website does not provide clear guidelines as to when a participant is eligible for support coordination. For this reason, greater transparency is required in relation to the eligibility for support coordination.[60]

4.64 The Victorian Government is of the view that 'there has been inconsistent information about the expectations of support coordination as well as limited training of support coordinators to support people with complex and specialist needs'.[61]

4.65 The Office of the Public Advocate (Victoria) argued that the current format of support coordination is too limited and that the NDIA should introduce 'intensive

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54 Anglicare Australia, *Submission 8,* Attachment 1, p. 5.

55 Multiple Sclerosis Australia, *Submission 31,* p. 5; Physical Disability Council of NSW, *Submission 56,* p. 5.

56 Anglicare Australia, *Submission 8,* Attachment 1, p. 13.

57 Multiple Sclerosis Australia, *Submission 31,* Attachment 1, p. 4.

58 Making Connections Together, *Submission 43,* p. 2.

59 Productivity Commission, *National Disability Insurance Scheme (NDIS) Costs Study Report*, October 2017, p. 39.

60 Family Advocacy, *Submission 52,* p. 25.

61 Victorian Government, *Submission 54,* p. 9.

support coordination' as a funded service based on the traditional comprehensive case management model.[62]

4.66 The Summer Foundation believes that 'proactive, effective and ongoing support coordination should be provided when required to respond to complex and changing needs'.[63]

Committee view

4.67 The transition of Commonwealth, state and territory funded programs into the NDIS as well as the transition to individualised funding for NDIS Participants have disrupted the way advocacy, outreach and support coordination services were historically funded and delivered. The committee is cognisant of the service gaps in these areas through previous inquiries, including the *Provision of services under the NDIS for people with psychosocial disabilities related to a mental health condition.*

Advocacy

4.68 The committee is concerned that state and territory governments are not putting strategies and resources in place to address the identified gaps in funding for advocacy. Overall, it is unclear how individual advocacy will be funded beyond transition. This issue must be urgently addressed. The committee recommends the Council of Australian Governments (COAG) Disability Reform Council work with the Department of Social Services to address the expected funding shortfalls for advocacy services beyond transition.

Recommendation 19

4.69 The committee recommends the Council of Australian Governments (COAG) Disability Reform Council work with the Department of Social Services to address the expected funding shortfalls for advocacy services beyond transition.

Assertive outreach

4.70 During its inquiry into the *Provision of services under the NDIS for people with psychosocial disabilities related to a mental health condition,* the committee identified that the Department of Social Services and the NDIA needed to collaboratively develop a plan outlining how assertive outreach services will be delivered beyond transition to ensure people who are hard-to-reach can effectively engage with the NDIS and other support programs. The evidence received during this inquiry reinforces the urgent need for such a plan.

Recommendation 20

4.71 The committee recommends the Department of Social Services and the NDIA develop and publically release a plan outlining how assertive outreach services will be delivered beyond transition to ensure people with disability who

62 Office of the Public Advocate (Victoria), *Submission 69,* p. 24.

63 Summer Foundation, *Submission 22,* p. 27.

are hard-to reach can effectively engage with the NDIS and / or other support programs.

Support coordination

4.72 The committee is of the view that support coordination plays a major role in the enactment and implementation of Participants' Plans, especially for people with complex needs. The committee is concerned with reports of Participants not knowing how to use their Plans because of a lack of funded support coordination in their Plans.

4.73 The committee also recognises that support coordination should not be limited to a fixed period as some Participants may need ongoing support coordination. The committee agrees with the Productivity Commission's view that the NDIA should allocate support coordination based on need rather than time.

Recommendation 21

4.74 The committee recommends the NDIA ensure support coordination is adequately funded in Plans to meet Participants' needs and not limited to a fixed period.

People from CALD backgrounds

4.75 People from culturally and linguistically diverse (CALD) backgrounds make up the second largest group of people living with disabilities. Yet, they are significantly under-represented in disability support services, and had very low NDIS participation rates during the NDIS trial phase.[64]

4.76 The Public Advocate (Queensland) shared the concerns of AMPARO Advocacy about the current NDIS participation rates of people with disability from CALD backgrounds being significantly below what some groups in the CALD service delivery sector have anticipated.[65]

4.77 VICSERV and others drew the attention of the committee on issues around engaging with the NDIS for people from CALD backgrounds.[66]

Provision of interpreter services

4.78 One of the reasons put forward for the low engagement of people from CALD backgrounds is the lack of interpreter supports. Queensland Advocacy Inc.[67] and other groups[68] argued that the NDIA will not fund interpreters. The Office of the Public Advocate (Queensland)[69] said that Plans do not consistently address interpretation and translation needs.

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64 Refugee Council of Australia, *Submission 59,* p. 1.

65 Office of the Public Advocate (Queensland), *Submission 37,* Appendix 2, pp.1-3.

66 See for example: Queensland Advocacy Inc, *Submission 21,* p. 5; VICSERV, *Submission 33,* p. 8; VCOSS, *Submission 65,* p. 18.

67 Queensland Advocacy Inc, *Submission 21,* p. 5.

68 Queensland Government, *Submission 72,* p. 13.

69 Office of the Public Advocate (Queensland), *Submission 37,* p. 7.

4.79 However, at a public hearing in Brisbane, Mr Yuu Matsuyama, Senior Legal Officer, Office of the Public Advocate provided some encouraging news about interpreter supports:

> Our office was part of a consortium of agencies that advocated strongly on the issues of interpreter supports for people with disability from CALD backgrounds so that they can communicate with local area communicators, planners and service providers to enact their NDIS Plans. We've been advised since that the NDIS signed a memorandum of understanding with the Commonwealth government's Translating and Interpreting Service to assist Participants from CALD backgrounds with implementing their Plans. The Queensland government has also committed to continue to provide interpreter services to Participants with disability from CALD backgrounds until 30 June 2019. On that front, the Public Advocate congratulates both the Commonwealth and the Queensland government for responding to that issue.[70]

4.80 The Office of the Public Advocate (Queensland) warned that 'by not implementing policies supporting the provision of interpreter services and other mechanisms for people from CALD backgrounds to overcome barriers accessing the NDIS the NDIA, and its disability provider partners, are vulnerable to complaints of racial discrimination'.[71]

4.81 VCOSS recommended employing CALD workers and resourcing and working with local CALD communities to develop engagement strategies, undertake outreach, and deliver services, could help increase NDIS access and participation for people from CALD backgrounds.[72]

Data collection

4.82 In a letter to the NDIA dated 3 April 2017, the Public Advocate (Queensland) recommended that accurate data about participation of people from CALD backgrounds, including countries of origin, be collected for the following reasons:

> Failure to collect adequate data about this group will impact on the NDIA's ability to monitor the participation rates of people from CALD backgrounds, inform targeted strategies with diverse communities, and ensure effective policy development and planning.[73]

4.83 In its reply to the Public Advocate, the NDIA explained the current limitation of data collection:

> With regard to CALD data; as recognised in the report to the Council of Australian Governments Disability Reform Council for Quarter 2 of Year 4 of the NDIS, there are some current limitations to the data available in

70 Mr Yuu Matsuyama, Senior Legal Officer, Office of the Public Advocate (Queensland), *Committee Hansard*, 26 September 2017, p. 2.

71 Office of the Public Advocate (Queensland), *Submission 37,* p. 8.

72 VCOSS, *Submission 65,* p. 18.

73 Office of the Public Advocate (Queensland), *Submission 37,* Appendix 2, p. 3.

> relation to the proportion of Participants that are culturally and linguistically diverse. This is due to the data warehouse of the new Customer Relationship Management (CRM) system being under development. Ongoing enhancements to the CRM, data warehouse and business practices will address these issues.[74]

CALD strategy

4.84 The Public Advocate (Queensland) pointed out that the NDIA is yet to release the NDIS CALD strategy.[75] The Queensland Government believes that the delay in releasing the NDIS CALD strategy poses the risks of continued underrepresentation of people from CALD backgrounds in the NDIS.[76]

4.85 In a letter to the Public Advocate (Queensland) dated 22 May 2017, the NDIA stated that the 'NDIA is developing a CALD Strategy to articulate how the NDIA will ensure the needs of people from culturally and linguistically diverse backgrounds with disability are met in the design, development and implementation of the NDIS'. It indicated the 'the Strategy will be endorsed and published mid to late 2017'.[77]

Committee view

4.86 The committee is concerned with reports that the current NDIS participation rates for people with disability from CALD backgrounds are significantly below what some groups in CALD service delivery sector have anticipated. The committee notes the lack of data being collected and made publically available about the participation rates for people from CALD backgrounds. This impedes on the NDIA's ability to monitor the participation rates of people from CALD backgrounds and develop targeted strategies. The committee recommends the NDIA ensure its Customer Relationship Management (CRM) system is modified to enable collection of accurate data about participation of people from CALD backgrounds.

Recommendation 22

4.87 The committee recommends the NDIA ensure its Customer Relationship Management (CRM) system is modified to enable collection of data about participation rate of people from CALD backgrounds.

4.88 The committee was pleased to hear that progress has been made toward the inclusion of interpreters' services in people's Plans. However, the committee believes that more needs to be done to ensure that people with disability from CALD backgrounds can fully engage with the NDIS. For example, the committee notes the recommendation to employ CALD workers to increase NDIS access and participation. The committee understands that the NDIA has been working on the development of a CALD Strategy for some time and anticipated to publically release it by mid to late 2017. The CALD strategy is yet to be published.

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74 Office of the Public Advocate (Queensland), *Submission 37,* Appendix 3, p. 2.

75 Office of the Public Advocate (Queensland), *Submission 37,* Appendix 2, p. 2.

76 Queensland Government, *Submission 72,* p. 13.

77 Office of the Public Advocate (Queensland), *Submission 37,* Appendix 3, p. 1.

Recommendation 23

4.89 The committee recommends the NDIA urgently publically release its NDIS CALD Strategy.

Aboriginal and Torres Strait Islander communities

4.90 At a public hearing in Darwin, Mr John Paterson, CEO of Aboriginal Medical Services Alliance of the Northern Territory (AMSANT) provided some background information about Aboriginal and Torres Strait Islanders and disability:

> In 2016 Census data showed just how significant the issue of disability is for Aboriginal and Torres Strait Islander communities. At least 60,000 Aboriginal and Torres Strait Islanders across Australia live with a severe or profound disability, which is at least twice the prevalence rate of other Australians. In 2014-15, six per cent of disability service users were Aboriginal and Torres Strait Islander people, with 84 per cent of those aged under 50. Disability is often compounded by other challenges in Aboriginal communities, such as lack of cultural competence of mainstream services, poverty, comorbidities and, for remote people, a serious lack of access to services.[78]

4.91 The Australian Medical Association (AMA) explained that 'the high prevalence of disability within Indigenous communities is due, in part, to poor health care and nutrition, an increased exposure to violence and psychological trauma'.[79]

4.92 Mr Paterson acknowledges that the NDIS could offer some real opportunities but holds 'serious concerns that these opportunities will not be realised without significant reforms to the current NDIS framework'.[80]

Engagement with the NDIS

4.93 Community Mental Health Australia (CMHA) identified that 'Aboriginal and Torres Strait Islander people are the least engaged in the NDIS and experiencing particular challenges'.[81]

4.94 Dr Nick Collyer, Systems Advocate at Queensland Advocacy Inc. reported that knowledge of the NDIS rollout is poor amongst Aboriginal and Torres Strait Islander communities and stressed the importance of pre-rollout conversations rather than distribution of written materials to raise awareness about the NDIS in these communities.[82]

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78 Mr John Paterson, CEO, Aboriginal Medical Services Alliance of the Northern Territory (AMSANT), *Committee Hansard,* 21 September 2017, p. 1.

79 Australian Medical Association, *Submission 1*, p. 7.

80 Mr John Paterson, CEO, Aboriginal Medical Services Alliance of the Northern Territory (AMSANT), *Committee Hansard,* 21 September 2017, p. 1.

81 Community Mental Health Australia, *Submission 3*, p. 4.

82 Dr Nick Collyer, Systems Advocate, Queensland Advocacy Inc., *Committee Hansard*, 26 September 2017, p. 9.

4.95 The Office of the Public Guardian NT found that Participants, their families and service providers are not well prepared to understand and interact with the new Scheme. It recommended:

> […] resources be allocated for culturally-appropriate pre-transition preparation initiatives to ensure families and carers are able to provide the necessary support to Participants throughout the planning process.[83]

4.96 Submitters described poor planning practices and outcomes in communities.[84] For example, AMA drew the committee's attention to anecdotal reports about inconsistent and unacceptable NDIS planning practices occurring in Aboriginal and Torres Strait Islander communities:

> The AMA has been told of instances where Indigenous people have been 'assessed' from a car parked outside a residence. We have heard of a person with otitis media whose forms were 'lost' and the young man and his family forced to travel 500 kilometres to a specialist to provide the correct medical paperwork.[85]

Culturally appropriate pathways

4.97 AMSANT[86] and the Office of the Public Guardian NT[87] raised concerns about the cultural competency embedded in NDIS systems and NDIA staff who are unaware of culturally respectful ways of engaging with Aboriginal and Torres Strait Islander people.

4.98 AMA pointed out that there is no Aboriginal and Torres Strait Islander representatives on the NDIS Independent Advisory Council (IAC). Given the prevalence of disability amongst Aboriginal and Torres Strait Islander people and the current challenges faced by this cohort with the transition to the NDIS, the AMA believes there is a need to have an Aboriginal and Torres Strait Islander person appointed to the IAC.[88] CMHA made a similar recommendation stressing that 'it is vital that the formal structures advising the NDIS process reflects this diversity and the associated challenges'.[89]

Service gaps and funding approach

4.99 Significant service gaps exist in many communities and submitters reported that purely market based models simply will not provide the stability or support

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83 Office of the Public Guardian NT, *Submission 63,* p. 5.

84 See for example: MJD Foundation, *Submission 7,* p. 12; Office of the Public Guardian NT, *Submission 63,* p. 4; Queensland Government, *Submission 72,* p. 10.

85 Australian Medical Association, *Submission 1,* pp. 7 and 8.

86 Mr John Paterson, CEO, Aboriginal Medical Services Alliance of the Northern Territory (AMSANT), *Committee Hansard,* 21 September 2017, p. 1.

87 Office of the Public Guardian NT, *Submission 63,* p. 5.

88 Australian Medical Association, *Submission 1,* p. 8.

89 Community Mental Health Australia, *Submission 3,* p. 4.

required to improve the lives of people living with a disability in Aboriginal and Torres Strait Islander communities.[90]

4.100 AMSANT recommended that changes be made to the criteria for NDIS providers to make it more feasible for the Aboriginal community controlled health sector and other Aboriginal organisations to become providers.[91]

Aboriginal disability workforce

4.101 The Queensland Government believes that 'the employment of appropriate Aboriginal or Torres Strait Islander people (male and female) by the NDIS would facilitate the integration of NDIS into the community and is likely to lead to improved outcomes for clients'.[92] VCOSS made a similar observation and recommended employing Aboriginal workers and working with Aboriginal organisations to deliver services.[93]

4.102 Ms Noelene Swanson, from National Disability Services, believes there is an opportunity to grow a local Aboriginal workforce:

> We have a real opportunity here: we have the youngest people in Australia living in rural and remote areas. We have a workforce capacity that is now equivalent to the age of the industrial revolution. So there's a real opportunity to grow a local Aboriginal workforce as well as businesses and services.[94]

4.103 Mr John Paterson, CEO of AMSANT, expressed concerns 'about the lack of real strategy for the development of an Aboriginal disability workforce'[95] and subsequently recommended 'that an Aboriginal workforce strategy be developed by the NDIA in consultation with Aboriginal organisations and the Aboriginal community controlled health sector as a priority action'.[96]

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90 See for example: Mr John Paterson, CEO, Aboriginal Medical Services Alliance of the Northern Territory (AMSANT), *Committee Hansard*, 21 September 2017, p. 2; Ms Noelene Swanson, State Manager, Northern Territory, National Disability Services, *Committee Hansard,* 21 September 2017, pp. 19–20; Mr Terence Cleary, Executive Manager, Community Care and Access, Anglicare NT, *Committee Hansard*, 21 September 2017, p. 21.

91 Mr John Paterson, CEO, Aboriginal Medical Services Alliance of the Northern Territory (AMSANT), *Committee Hansard,* 21 September 2017, p. 2.

92 Queensland Government, *Submission 72,* p. 11.

93 VCOSS, *Submission 65,* p. 18.

94 Ms Noelene Swanson, State Manager, Northern Territory, National Disability Services, *Committee Hansard,* 21 September 2017, p. 20.

95 Mr John Paterson, CEO, Aboriginal Medical Services Alliance of the Northern Territory (AMSANT), *Committee Hansard,* 21 September 2017, p. 2.

96 Mr John Paterson, CEO, Aboriginal Medical Services Alliance of the Northern Territory (AMSANT), *Committee Hansard,* 21 September 2017, p. 2.

Initiatives to increase engagement and improve outcomes

4.104 State governments have put in place initiatives to engage with Aboriginal and Torres Strait Islander people and communities. For example, the Queensland Government described how the Queensland's participant readiness initiatives, augmented by Sector Development Funding, have increased the rate of participation of Aboriginal and Torres Strait Islander people over the last two quarters, particularly in North Queensland. Aboriginal and Torres Strait Islander peoples represent 4.22 per cent of Queensland's population and now represent 9.5 per cent of Queensland NDIS Participants with approved Plans.[97]

4.105 At a public hearing in Melbourne, Mr Arthur Rogers, Special Adviser NDIS with the Department of Premier and Cabinet, Victorian Government, explained that the Victorian Government's workforce plan includes promoting employment within the disability sector for groups that are underrepresented, including people from Aboriginal and Torres Strait Islander backgrounds.[98]

4.106 The NDIA has acknowledged the challenges of delivering ILC activities in Aboriginal and Torres Strait Islander communities. The NDIA indicated it is 'currently preparing to undertake a grants round that primarily targets remote areas, including Aboriginal and Torres Strait Islander communities, to build the foundations required for ILC to be delivered in those areas from 2019–20 when ILC is rolled out nationally'.[99]

Committee view

Engaging with the NDIS

4.107 The committee is aware that Aboriginal and Torres Strait Islander people are experiencing additional challenges to engage with the NDIS. The committee believes that pre-rollout and pre-planning engagement activities are essential and must be prioritised by the NDIA. The committee noted the Queensland Government's efforts to increase engagement and the rate of participation of Aboriginal and Torres Strait Islander people. The committee encourages other jurisdictions to undertake targeted initiatives.

Recommendation 24

4.108 The committee recommends the NDIA ensure culturally appropriate pre-rollout and NDIS engagement activities are in place in Aboriginal and Torres Strait Islander communities at least six months before rollout date.

Cultural competencies

4.109 The committee is concerned about reports of lack of cultural competencies of NDIA staff when engaging with Aboriginal and Torres Strait Islander people. Given

97 Queensland Government, *Submission 72,* p. 10.

98 Mr Arthur Rogers, Special Adviser NDIS, Department of Premier and Cabinet, Victorian Government, *Committee Hansard,* 19 September 2017, p. 8.

99 NDIA, *Submission 41,* p. 8.

the prevalence of disability amongst Aboriginal and Torres Strait Islander people and the current lack of engagement of this cohort with the NDIS, the committee agrees with the recommendation made by submitters that an Aboriginal and Torres Strait Islander representative be appointed to the NDIS Independent Advisory Council (IAC).

Recommendation 25

4.110 The committee recommends the Minister for Social Services appoint an Aboriginal and Torres Strait Islander representative on the NDIS Independent Advisory Council (IAC).

Workforce and services

4.111 The committee sees growing the disability workforce in Aboriginal and Torres Strait Islander communities as a priority to ensure supply of services. The committee understands that the First People's Disability Network is working with Aboriginal and Torres Strait Islander communities, employment agencies, training organisations and other local stakeholders to increase the number of Aboriginal and Torres Strait Islander people working in the disability sector.[100] However, the committee believes that a comprehensive Aboriginal and Torres Strait workforce strategy would benefit the sector.

Recommendation 26

4.112 The committee recommends the NDIA develop, in collaboration with Aboriginal and Torres Strait Islander organisations and the Aboriginal community controlled health, an Aboriginal and Torres Strait Islander Workforce Strategy.

Hon Kevin Andrews MP

Chair

Senator Alex Gallacher

Deputy Chair

100 NDIA, *Increasing the number of Indigenous Australians working in the disability sector*, https://www.ndis.gov.au/people-disability/connecting-mainstream/careers-disability-sector.html (accessed 19 December 2017).