

Senate Community Affairs Committee
ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
SOCIAL SERVICES PORTFOLIO
2014 - 2015 Additional Estimates Hearings

Outcome: National Disability Insurance Agency

Question No: NDIA SQ15-000006

Topic: Sector Development Fund

Hansard Page: Written

Senator McLucas asked:

In relation to the Sector Development Fund being taken out of the National Disability Insurance Agency and placed into the Department of Social Services:

1. What was the reason for this change?
2. How much of that fund has been expended?
3. Can you provide details of every grant provided from the sector development fund, the amount and purpose of the funding?
4. What are the guidelines being used to determine expenditure of money. Please provide a copy of those guidelines?
5. What is the process being used to determine where that funding should be allocated?
6. Who is the final decision maker in that process?
7. What safeguards have been put in place to ensure this funding is not used for any purpose other than that for which it was designed?
8. Can the department guarantee that this funding will be used solely for the purpose for which it was designed?

Answer:

1. The National Disability Insurance Agency (NDIA) was advised by the Department of Social Services (DSS) that the Government is transferring responsibility for the Sector Development Fund to ensure the NDIA can focus on its core responsibilities in delivering the National Disability Insurance Scheme (NDIS).

DSS has considerable expertise in grants management, and will work to ensure the Sector Development Fund is used to assist the market, sector and workforce to transition to the NDIS.

2. A total of \$46,160,817 (excluding GST) has been expended or contracted to date.
3. All past Sector Development Fund expenditure and current commitments, as at 25 March 2015, is detailed at [Attachment A](#).

4. The NDIA has developed Program Guidelines for the Sector Development Fund. A copy is at Attachment B.
5. The NDIA developed a strategy for the Sector Development Fund, which was provided to the Disability Reform Council by the Assistant Minister for Social Services in late 2014. A copy of the Sector Development Strategy is at Attachment C. All projects funded from the Sector Development Fund must achieve one of the four objectives outlined in the Strategy:
 - a. Increase the capacity of people with disability and their families to exercise choice and control both in engaging with the NDIS and in purchasing supports in an open market in order to realise their aspirations.
 - b. Develop a market capable of providing the necessary supports required for full Scheme introduction.
 - c. Increase the disability services workforce to meet the needs of people with disability. By beginning of full Scheme, a larger workforce should be developing which is stronger, more diverse and better equipped to deliver high quality responsive support reflecting the choices of people with disability.
 - d. Increase the capacity of the sector and the NDIA to meet the needs of people with disability, both through improved access to data and research and through establishing sound practice in continuous improvement that reflects insurance principles.
6. In the past, the NDIA Board approved Sector Development Fund funding allocations. After the transfer to DSS, delegations for the Sector Development Fund will sit with the Assistant Minister for Social Services.
- 7.-8. DSS has advised that this funding will be used for the purposes for which it was designed. The Sector Development Fund Strategy will guide the types of projects that will be considered for funding. Funding will be provided in accordance with the approved programme guidelines which are available on the Department's website. A copy is at Attachment D.