



# 2017 FEDERAL BUDGET SUBMISSION

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JANUARY 2017



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National Disability Services' submission for the 2017 Federal Budget identifies five priorities. Each is consistent with the Government's reform directions in disability policy. If adopted, the recommendations would, in NDS's view, help build a strong and dynamic disability support market thus enabling the successful implementation of the National Disability Insurance Scheme (NDIS); expand open and supported employment opportunities for people with disability; and advance the social inclusion of people with disability.

The priorities identified are:

1. Deliver a sustainable NDIS
2. Plan for the future NDIS market
3. Strengthen NDIS market stewardship
4. Expand work opportunities for people with disability
5. Drive outcomes under the National Disability Strategy

### 1. Deliver a sustainable NDIS

The principles on which the NDIS is founded remain compelling: doubling the funding to rectify the chronic under-supply of disability supports; choice and control for people with disability and their families; an insurance approach that focuses on early intervention and strengthening the capacity of individuals and families; and greater equity across Australia.

The Australian government and all state and territory governments are committed to the NDIS. The focus now must be on ensuring that its implementation is sustainable—for taxpayers, for service providers, and for people with disability and their families and carers.

- **Identify revenue and savings to fully fund the NDIS**

NDS supports the Government's establishment of the NDIS Special Account. As identified in the MYEFO<sup>1</sup>, it is pleasing that savings will be identified from across portfolios and directed to the NDIS Special Account. Identifying significant savings from within the Social Services portfolio alone would be difficult and unwise.

In principle, NDS supports welfare savings that are achieved through assisting people who can work to gain employment, but we would not support cuts that adversely affect disadvantaged groups, such as carers and people with disability, by reducing their income.

NDS urges the Government to continue to look across all portfolios for potential savings to fund the NDIS. We also look forward to increased transparency in how the Australian Government will fund its share of the NDIS, including the funds held in the NDIS Special Account and the DisabilityCare Fund.

- **Consult and test**

The pace of NDIS implementation must not be allowed to compromise the integrity of the Scheme's design principles or the quality of supports. A clear lesson from the bungled introduction of the new NDIS portal in

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1 The Treasury, 2016, Australian Government, 'Mid-Year Economic and Fiscal Outlook', <http://www.budget.gov.au/2016-17/content/myefo/html/> viewed 17 January 2017

that more haste results in less speed. One of the corners cut was adequate consultation with the users of the portal. Service providers carried unfunded costs as a consequence. A system's usability is bound to be less than optimal if users have not been adequately consulted. Consultation and co-design must improve.

- **Set adequate prices for NDIS supports**

NDS's recently-released 'State of the Disability Sector Report 2016'<sup>2</sup> highlights a key risk facing the NDIS transition. Disability service providers (most of them not-for-profit) lack the internal financial capacity to invest in the growth and change required to meet the rapidly growing demand for disability support. Without additional government investment in the sector, the gap between demand for disability services and supply will grow. According to a recent survey, just over half (55%) of disability support organisations reported making a profit, with only 40% expecting to make a profit in 2016–17. Last year, only a third achieved a profit of 4% or more, with that expected to drop to 26% for this financial year. About two-thirds of organisations stated that they may not be able to provide services at the NDIS prices.

Of real concern to the sector is that the maximum prices set for some NDIS supports do not cover the costs of supply. This is particularly evident for personal care and community participation supports and for supporting participants with very complex needs (for whom early signs of supply gaps are emerging).

### **NDIS prices for one-to-one support are too low**

During negotiations with the National Disability Insurance Agency (NDIA) on pricing during 2014, the Reasonable Cost Model (RCM) was developed to provide a transparent and evidence-based method to set realistic one-to-one support prices.

In mid-2014, the NDIA announced price increases that fell short of the prices generated by the RCM and were inconsistent with the advice of the joint NDIA and NDS Working Group.

The RCM relied on some untested and unrealistic assumptions about the costs of service delivery. While the NDIA agreed with the Working Group's recommendation to engage in independent data collection to test and adjust assumptions in the RCM, this has not yet occurred.

NDS believes that several of the assumptions on which the one-to-one support prices are based are highly dubious, including:

- average pay rates for workers and supervisors in the RCM are lower than service providers commonly have to pay
- the model assumes that 95% of work hours will be billable (with clients)
- 5 days per year for personal leave is well below the actual usage across the sector
- 2 days per year for training is inadequate to ensure a skilled workforce (particularly as the majority of the workforce is part-time or casual)

The assumptions within the RCM should be tested and adjusted to reflect the reasonable costs of service delivery (with data collection by an independent body).

NDS opposes the NDIA's policy of reducing real prices over time to a so-called 'efficient price'.

2 National Disability Services, 2016, 'State of the Disability Sector Report 2016', NDS, Canberra

The NDIS needs to be delivered within a \$22 billion per annum budget, but it can't be delivered on current pricing. Inadequate pricing threatens to erode service quality, cause market failure and reduce consumer choice. While Government needs to retain control over the total budget, centrally determining prices that adequately reflect the diversity and complexity of circumstances in which services are provided is inherently difficult.

In NDS's view, the solution requires: setting individualized NDIS budgets based on realistic (evidence-based) prices and allowing providers and participants to negotiate and agree on the actual prices charged.

In its report 'National Disability Insurance Scheme—Management of the Transition of the Disability Services Market'<sup>3</sup>, the Australian National Audit Office (ANAO) proposed that the Productivity Commission examine the merits of independent price determination, on the grounds that the NDIA has conflicting interests in being both a price setter and a funder. NDS supports that proposal.

- **Compensate providers for expenses associated with the portal problems**

A significant minority of disability service providers were adversely affected by the serious malfunctioning of the NDIS myplace portal from July 2016. While the NDIA introduced advance payments in response to the long delays in processing payment claims, it did not compensate providers for the costs imposed by the malfunctioning portal.

At the Disability Reform Council meeting in September 2016, Ministers acknowledged that the implementation of the NDIS myplace portal had caused “serious impacts on participants and providers around Australia whose payments have either failed or been delayed”. They agreed unanimously that “the impact and scale of the recent issues was unacceptable for NDIS participants, their families and carers, and providers.”

A PWC report, commissioned by the Department of Social Services, concluded that the root cause of the portal payment failures was not a single catastrophic event, but a series of compounding issues, exacerbated by a very tight timeline. In NDS's view, testing the system sufficiently with users before its launch would have prevented most of the problems.

### **The myplace portal problems imposed costs on disability service providers**

In August 2016, NDS surveyed 110 of its members and produced a report which details the extensive range of issues experienced by providers. Collectively, the 110 respondents:

- supported 10,151 NDIS participants, which was one-third of participants in the NDIS at 1 July
- provided over \$20,000,000 in services to these NDIS participants in the seven weeks following the close of the old portal on 16 June
- reported that only 10% of claims on the portal were successful

Providers often experienced the portal problems in combination. For example, as reported by one: “Clients are missing—no records found; Support budgets are missing - unable to claim; no access to reviewing claims made; claims rejected yet monies paid into bank account; no emailed remittances received for successful payments.”

3 Australian National Audit Office, 2016, 'National Disability Insurance Scheme—Management of the Transition of the Disability Services Market, ANAO, Canberra

Respondents were asked to estimate the cost of the malfunctioning portal over the preceding seven weeks. The main sources of cost were staff hours (liaising with the Agency, manually checking data, cross checking data, financial information preparation for upload, internal communications). Other sources included IT systems requiring reprogramming.

The average cost at the time was \$9000 per provider. While progressively resolved, the system's problems (and their cost imposition on providers) persisted beyond the date of the survey.

NDS believes that providers deserve compensation for the costs imposed on them by the poor implementation of the NDIS myplace portal. Disability service providers—most of them not-for-profit—have very limited capacity to absorb additional costs and all are struggling to find efficiency savings in the context of tight prices set by the NDIA.

## 2. Plan for the future NDIS market

The ANAO report on market transition describes a situation where the implementation of the NDIS is outpacing the preparatory work required to support it. It notes the urgent need to finalise and/or publish a range of strategies and action plans to help the market develop and transition.

The report states that because NDIS service providers and participants have key roles in the successful transition of the disability services market and workforce, they should be consulted in developing an action plan for the NDIS market, sector and workforce.

It criticises the use of the \$146 million Sector Development Fund (SDF), noting that allocations from it have lacked transparency and coordination across projects and jurisdictions. Disappointingly, \$7.7 million has been used on projects inconsistent with the stated purpose of the Fund.

Similarly, the 'Independent Review of the Readiness of NDIS for Transition to Full Scheme'<sup>4</sup> (written by Robyn Kruk) flagged high risks for the NDIS market, and noted the need for "both immediate and short term actions to strengthen mitigation and responses in relation to potential market failure or provider collapse; and to support provider readiness and market development."

NDS agrees that a clear and coherent national investment plan is required to support the sector's development and transition to the NDIS market. This work should be prioritised and developed in close consultation with the non-government sector. This comprehensive industry plan should incorporate a strong focus on workforce growth and development. It should outline actions, timeframes, accountabilities and monitoring arrangements. An Industry Plan should build on the commitments some governments have already made to workforce development projects (often with some funding from the SDF).

- **Boost the Sector Development Fund**

The SDF commenced in 2012-13 for a duration of four years, since extended by one year. The SDF should be re-funded and further extended to complete the demanding work required for a successful sector transition to the NDIS across Australia.

4 Robyn Kruk, 2016, 'Independent Review of the Readiness of NDIS for Transition to Full Scheme', unpublished

NDS urges Government to commit additional funding (over the next four years) to ensure that all providers are supported to maximise their chances of remaining viable when they transition to the NDIS. Priorities for the use of the Fund should flow from the Industry Plan. Among the priorities must be small and medium-sized providers, those operating in thin markets, and those providing services to Indigenous people and people from culturally diverse backgrounds.

- **Extend carecareers and projectABLE as the NDIS expands**

With the assistance of funding from the NSW and Commonwealth Governments, NDS has created two successful programs to help meet the growing demand for workers:

• **carecareers** is NDS's job website for the disability and community care sector. A not-for-profit initiative, it aims to attract talented staff from all backgrounds to work in the disability, community and aged care sector. As well as offering a job board, it has a fully staffed Careers Centre qualified to assist jobseekers and advertisers and makes available a range of useful resources.

• **projectABLE** is a free program delivered to secondary school students to encourage them to consider a career in the disability sector. Students learn about the variety of career options in the sector - support workers, therapists, social workers, advocates, business managers, IT support staff and more.

These programs are currently limited in their reach. NDS has a two-year Sector Development Fund grant to implement carecareers and projectABLE in NDIS Trial Sites and Early Launch Sites. The grant expires in November 2017. The NDIS has already moved beyond the Trial and Early Launch Sites. Funding is required to extend carecareers and projectABLE to support the NDIS transition across Australia.

### 3. Strengthen NDIS market stewardship

In its recent report on increasing competition and choice in human services, the Productivity Commission stated:

• Governments' stewardship role in the delivery of human services is broader than overseeing the market. . . functions include identifying policy objectives and intended outcomes, and designing models of service provision. Stewardship also includes developing regulatory and institutional arrangements to underpin service provision that is responsive to users, accountable to those who fund the services, equitable, efficient and high quality<sup>5</sup>.

The ANAO's report on the NDIS market transition was critical of the lack of clarity about market stewardship roles:

• During the NDIS trial period there was a lack of clarity over the roles and accountabilities of government entities for managing the market transition. In September 2016 the Disability Reform Council agreed market-related roles and responsibilities for the Commonwealth, states and territories, and the NDIA. It would be useful for DSS and the NDIA to publish statements defining their respective 'market oversight' and 'market stewardship' roles, to improve transparency and support accountability for these responsibilities<sup>6</sup>.

5 Productivity Commission, 2016, 'Introducing Competition and Informed Consumer Choice into Human Services: Identifying Sectors for Reform, PC, Canberra, p. 36

6 ANAO, op. cit., p. 25

Since this report, the NDIA has published the 'NDIS Market Approach: Statement of Opportunity and Intent'<sup>7</sup> but the broader document agreed by the Disability Reform Council has not been released.

The ANAO report notes that DSS has a draft 'Program Plan for National Disability Insurance Scheme Phase 2: Transition' which is aligned with the department's market, sector and workforce related roles and responsibilities. It sets out arrangements for matters such as governance, stakeholder engagement and communication, key market milestones and timelines, and monitoring and reporting. Service providers have not had input to this document which has not been released.

A key risk facing the NDIS is that the gap between the supply of supports and demand will grow. The gap between supply and demand will be disparate across locations, across service types and across categories of disability. This risk will require intensive monitoring and analysis.

NDS members are providing a substantial amount of the NDIS-funded supports and NDS has established several data collections across the sector. Building on these data collections, NDS is developing an Industry Barometer to help guide the development of the disability system in Australia. It will help provide evidence to inform investments in sector development and important information about the connection between market design and outcomes for people with disability.

Evidence is essential to develop an effective and efficient market for disability supports. Unfortunately, current disability research funding is inadequate and research is poorly coordinated<sup>8</sup>.

Research and data analysis can assist in answering policy questions about social capital, thin markets and regulation; about managing market risks; about workforce trends; and about how technology might change the demand for supports. It can help drive service innovation and improved outcomes.

NDS encourages the Australian Government to work with NDS to monitor and respond to market risks as they emerge. We urge Government to provide funding to support the establishment of a disability research structure (similar to AHURI).

### **Support the creation of a national disability research entity**

Existing research funding is inadequate to support the disability sector reforms. The 2014 Audit of Australian disability research found that the current disability research agenda lacks critical mass, is poorly co-ordinated and is disconnected from sustainable funding.

Existing funding mechanisms for disability research such as the National Health and Medical Research Council (NHMRC) and the Australian Research Council (ARC) have not assigned disability research a high priority and are under pressure from a wide range of research demands.

NDS has support from a range of stakeholders for the establishment of a new entity to drive an Australian disability research agenda. A collaborative research structure similar to the successful Australian Housing and Urban Research Institute (AHURI) is proposed.

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7 NDIA, 2016, 'NDIS Market Approach: Statement of Opportunity and Intent', NDIA, Geelong

8 Centre for Disability Research and Policy, University of Sydney, 2014, Audit of Disability Research in Australia, University of Sydney, Lidcombe

The objectives of such an entity would be:

- efficient co-ordination of disability research activities, expertise and spending, including better connection between existing funded projects from various sources (ARC, NHMRC, CRC programs)
- applied research to inform market stewardship
- build capacity and capability of research end-users
- facilitate system-wide innovation

It would aim to: co-ordinate programs of research that stimulate service innovation and build knowledge; disseminate and promote knowledge of best practice and effective support; connect researchers to industry and consumers as end-users of research; and build the capacity of people with disability to engage with research.

The establishment of a national disability research entity would require a partnership approach and funding contribution from government.

- **Back NDIS Quality and Safeguarding with zero tolerance measures**

With all governments having now agreed to the national NDIS Quality and Safeguarding Framework, work on the detail must begin in earnest. The knowledge of the sector needs to be drawn upon to design a system that facilitates the delivery of high-quality supports, protects participants from abuse and neglect and avoids cumbersome (and often ineffective) administrative effort.

NDS understands that a new ICT system to support the NDIS Quality and Safeguarding Framework will be developed. Service providers should be consulted about the specifications of the ICT system and be involved in testing the system before it is introduced.

Enabling people with disability to live free from abuse, neglect and harm requires more than just effective regulation. Providers of disability supports must have appropriate knowledge, practices and organisational cultures to prevent and respond to abuse. The NDIS will change the profile of risk which organisations must manage, but it will not eliminate risk.

NDS's Zero Tolerance initiative has been effective in creating learning resources, awareness and advice for providers<sup>9</sup>; it should be funded to continue as the workforce expands to support 460,000 people with disability.

### **What is Zero Tolerance?**

Zero Tolerance is a framework developed to assist disability service providers to understand, implement and improve practices which safeguard the rights of people they support.

Led by NDS in partnership with the disability sector, Zero Tolerance is:

- a way for organisations to understand the actions they can take to prevent and respond to

9 View NDS's Zero Tolerance framework and resources at <https://www.nds.org.au/resources/zero-tolerance>



abuse, neglect and violence of people with disability

- a clear message that abuse, neglect and violence are not okay
- a way of thinking about abuse as a human rights issue not a disability issue
- an organisational and personal commitment to act on:
  - anything that makes a person with disability be or feel unsafe
  - anything that doesn't support a person's human rights
- a collection of resources to educate and train staff at all levels to understand their responsibilities in preventing and responding to abuse
- a way of working collaboratively within and outside the disability sector to prevent and respond to abuse

#### **4. Expand work opportunities for people with disability**

Lifting the low and static workforce participation and employment rates of people with disability should be a priority. NDS welcomes the current review of Disability Employment Services (DES) and encourages the Government to continue to draw on the sector's advice on how the DES program can be made more effective.

- **Index the fees**

Lifting the performance of the DES program requires lifting the funding. The lack of indexation over many years has seen average funding per DES user decline markedly in real terms (from \$4,445 in 2009–10 to \$3,657 in 2013–14).<sup>10</sup> DES providers cannot be expected to improve their outcome rates if resources continue to shrink. The Government should increase service and outcome fees.

- **Fund the implementation of DES reform**

The steady reduction in DES funding and the high compliance burden have resulted in providers controlling their costs by cutting staff numbers and reducing investment in staff training. This has impaired the effectiveness of the program.

Reform to the DES program should be accompanied by investment to re-build expertise in best-practice disability employment support and assist existing providers to re-model their services in preparation for the new program.

- **Lift employment of people with disability in the Australian Public Service**

The Australian Public Service's employment of people with disability averages a disappointing 3.74%<sup>11</sup>. The NDIA's rate of 16%<sup>12</sup> shows what can and should be achieved by all government agencies.

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 10 Productivity Commission, 2016, 'Report on Government Services 2016', viewed at <http://www.pc.gov.au/research/ongoing/report-on-government-services/2016/community-services/services-for-people-with-disability>

11 Australian Public Service Commission, 2016, 'State of the Service 2016', APSC, Canberra

12 National Disability Insurance Agency, 2016, 'Annual Report 2015–16', NDIA, Geelong, page v

The Public Service Commissioner should encourage all APS agencies to set targets and engage more fully with DES providers in order to demonstrate yearly increases in their rate of employment of people with disability.

- **Retain Mobility Allowance for DES participants**

NDS is concerned that the Government's plan to tighten eligibility for Mobility Allowance (aligning it with NDIS eligibility) could disadvantage some DES participants. Mobility Allowance is a modest contribution to covering the cost of transport for a person in work or training or seeking work who requires substantial assistance to use public transport. It should be retained for DES participants who need this support but who are ineligible for the NDIS.

- **Expand government procurement, in partnership with the BuyAbility campaign**

Australian Disability Enterprises (ADEs) perform an indispensable role in employing 20,500 people with disability, most of whom would otherwise be excluded from the workforce. However, the public image of supported employment is out-of-date. NDS has initiated the BuyAbility campaign to help promote supported employment as a valuable option for people with disability. The campaign will help increase the procurement of goods and services from businesses that provide supported employment – and thus create jobs.

State governments in NSW, Western Australia and Tasmania have introduced programs to boost purchasing by government agencies from Australian Disability Enterprises. Since 2011, the Disability Enterprise Procurement program in NSW, which NDS administers, has generated over \$16.1 million in contracts of work for 49 supported employment enterprises. More than 600 people with disability have work as a result.

A national government procurement program, run in partnership with the BuyAbility campaign, is needed. It would create many new jobs for people with disability and boost the financial viability of ADEs.

- **Resolve wage assessment for supported employment**

Resolution of the long-running dispute over wage assessment in supported employment requires consideration of three related issues: the wage assessment method (a new productivity-based tool to replace the Business Services Wage Assessment Tool is being developed); the income of supported employees (recognising that wages are a supplement to the Disability Support Pension); and the affordability of increased wage costs.

An independent analysis by KPMG shows that most Australian Disability Enterprises do not have the financial resources to pay for the increased wage costs that a new productivity-based wage assessment method is likely to impose on the industry. The analysis found that a wage increase of 40%, for example, would force 84% of ADEs into deficit – an unsustainable situation. Without additional government funding, ADE closures and the loss of jobs by supported employees would be extensive.

NDS has submitted a proposal to the Government which demonstrates how a wage increase for supported employees could be funded without costing jobs.

### **Funding a wage increase for supported employees**

For almost all supported employees, wages are a supplement to the Disability Support Pension (DSP), the single rate of which is around \$22,500 per year. As wages grow, income from the DSP diminishes. Rather than focus exclusively on wages and the technical complexities of wage assessment tools, we should focus on the total income of supported employees.

A 30% wage increase for supported employees would be a significant boost to their income. For a full-time supported employee being paid the current average pro-rata hourly wage of \$5.50, a 30% wage increase would result in that employee receiving the equivalent of 90.5% of the national minimum wage in combination with their Disability Support Pension (DSP) and associated benefits.

A 30% wage increase roughly equals the pension savings to government from supported employment – that is, the total amount withheld from DSP payments to recipients who earn above the threshold of \$82 a week. The formula for distributing the subsidy would be a matter for discussion, but the subsidy could be paid to Australian Disability Enterprises as a specific-purpose supplementation.

Around 80% of supported employees have a severe or profound disability and around 90% receive the Disability Support Pension. Were these employees to lose their jobs, a significant proportion would not obtain alternative employment. The Government would lose the DSP recovered through the income test from supported employees unable to obtain alternative employment. While there would be savings in terms of employment supports, other more expensive non-vocational support options for former employees would need to be funded (through the NDIS).

NDS believes that re-investing DSP savings into supported employment to save the jobs of supported employees would be socially and financially responsible.

- **Support business re-development to achieve sustainability**

Many ADEs lack access to the capital needed to introduce business lines with higher margins or re-engineer their businesses to be more profitable. NDS urges Government to provide financial assistance for supported employment organisations where there is a strong case that business re-development will achieve long-term financial sustainability. The Fund which the Government establishes could also stimulate diversity of employment models, including new forms of social enterprise, through the rollout of the NDIS.

In January 2017, the Department of Social Services made available \$6 million in grants for ADEs to purchase advice from consultants that will assist their preparations for the NDIS or improve the viability of their business. Additional funding is essential to enable ADEs to implement this advice.

- **Improve employment pathways for young people with disability**

Improving employment participation for young people with disability ought to be a priority. International evidence suggests that a key to progress is to provide work experience or part-time employment while young people with disability are still at school. This is not happening in any systematic way in Australia. Currently young Australians with disability are mostly overlooked or excluded from activities that would improve their employment prospects.

NDS's Ticket to Work program is designed to help remedy this situation. Critical to its success is bringing together multiple stakeholders – from families and educators to employment services and employers – to work in concert. So far, Ticket to Work has assisted over 700 young people into the workforce, with 86% of participants employed 1 to 3 years post-school.<sup>13</sup>

13 See Ticket to Work Pilot Outcomes Study 2016 at <http://www.tickettowork.org.au/wp-content/uploads/2016/10/Ticket-to-work-pilot-outcomes-study-2016.pdf>

Unfortunately, the program's future is precarious as it relies on cobbling together time-limited grants, mainly from philanthropic trusts. The program warrants a more predictable funding stream.

The program is delivered through a local network that includes schools, employment services, post-school education and training providers and employers. To be effective, these local networks each need a coordinator. NDS recommends that Ticket to Work coordinators be funded across Australia to boost the employment outcomes of young people with disability.

- **Structure welfare reform to assist people with disability to work**

The Government's Try, Test and Learn Fund is making \$96 million available for initiatives to decrease individuals' reliance on welfare payments, reduce intergenerational welfare dependence and alleviate pressure on the social security budget. Initially it will target carers under 25 years of age, young parents and students who move from a student payment to unemployment benefits.

NDS supports the Fund, as long as the self-reliance used to measure success is achieved through employment and not through a means that impairs a person's well-being.

With this proviso, and acknowledging that the current target groups will include some people with disability, NDS believes that expanding the focus of the Fund to include people with disability explicitly would be worthwhile.

## **5. Drive outcomes under the National Disability Strategy**

The ambitions of the National Disability Strategy complement those of the NDIS. Inclusive transport, technology, justice, housing, health and education systems are imperative for a viable NDIS that has capacity to increase the social and economic participation of people with disability. Implementation of the Strategy will also reduce the cost of crisis services in the hospital, justice and income-support sectors.

The Strategy requires a clear performance and accountability framework to ensure all sectors understand and do their part. While the release of a new Action Plan and renewed interest in the Strategy are positive,<sup>14</sup> real progress requires clearly delegated responsibilities and measures of progress, dedicated funding and monitoring (including yearly reporting to parliaments). We note the newly formed National Disability and Carers Advisory Council, which will advise on the implementation of the 2010-20 Strategy, and the current inquiry by the Senate Community Affairs References Committee.

The National Disability Strategy requires concerted action by all governments across the six outcome areas which it identifies. Below we highlight just two areas that deserve immediate attention.

- **Commit to fully accessible education by 2020**

Children with disability require additional support in schools. NDS is very disappointed to hear that the long-awaited Nationally Consistent Collection of Data on School Students with Disability (NCCD) has not produced data of a quality that can be used. However, this should not delay improving the education of children with disability.

While a better funding mechanism is devised, NDS recommends the following measures be implemented to accelerate compliance with the Disability Standards for Education by 2020:

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14 Department of Social Services, 2016, 'National Disability Strategy Second Implementation Plan', DSS, Canberra

- make interim arrangements to increase funding to support students with disability while urgent work on data quality issues is undertaken
  - make adherence with the Standards a mandatory part of school registration
  - provide non-individualised funding to schools that is dependent on progress made towards disability action plans to ensure children with disability are welcome and supported in schools
  - educate school communities about disability inclusion and benchmark inclusive education with progress on disability action plans published on the 'my school' website
  - strengthen training for all teachers on the skills required to teach and include children with disability, and promote related professional development
  - ensure specialist advice is available, such as how to modify the curriculum for a particular child, promote positive behaviour for children with disability and reduce the use of restrictive interventions
  - establish joint planning between schools, families and the NDIA
- **Increase housing supply for people with disability**

The NDIS provides opportunity for substantial improvement in the quality of housing for thousands of people with disability eligible for the Scheme. Access to suitable, stable and affordable housing is critical to the well-being of people with disability and is directly connected to wellbeing and employment because 'place' matters.

In July 2016, the NDIA released the Specialist Disability Accommodation (SDA) benchmark. This welcome initiative should stimulate investment in housing for people with high and complex accommodation support needs (about 6% of NDIS participants).

Many other NDIS participants will be seeking affordable and accessible housing. NDS notes the COAG commitment in December 2016 to "continuing to discuss potential reforms in this critical area, including efforts to improve housing supply and provide sustainable funding for homelessness services."<sup>15</sup> We also note that at a December 2016 meeting, Building Ministers agreed to hold further discussions on the costs and benefits of applying a minimum accessibility standard for private dwellings constructed in Australia. The need for such a standard is long overdue.

The Commonwealth has a key role to play in encouraging the construction of affordable and accessible community housing for people with disability. Although the responsibility to address disability housing challenges is shared across governments, the Australian Government can facilitate collaboration between governments (including local governments), developers, planners, housing providers, disability providers, families and banks. Housing for people with disability needs to be on the agenda of all these groups.

NDS notes that DSS is currently reviewing the National Rental Affordability Scheme (NRAS). Income levels for people with disability are lower than community averages and the risk of poverty is highest for those on the DSP. A re-configured NRAS-like scheme could help meet the housing needs of this group of Australians. Subject to the findings of the review, NDS recommends that the Government introduces a national funding program to stimulate the construction of affordable and accessible community housing that prioritises people with disability (to be implemented in co-operation with state, territory and local governments).

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15 See Council of Australia Governments Communique at <https://www.coag.gov.au/meeting-outcomes/coag-meeting-communiqu%C3%A9-9-december-2016>

## January 2017

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**National Disability Services** is the peak industry body for non-government disability services. It represents service providers across Australia in their work to deliver high-quality supports and life opportunities for people with disability. Its Australia-wide membership includes 1100 non-government organisations which support people with all forms of disability. Its members collectively provide the full range of disability services—from accommodation support, respite and therapy to community access and employment. NDS provides information and networking opportunities to its members and policy advice to State, Territory and Federal governments.

