



Submission: Federal Budget 2022-2023

January 2022





About National Disability Services

National Disability Services is the peak industry body for non-government disability services. We represent service providers across Australia in their work to deliver high-quality supports and life opportunities for people with disability. NDS's Australia-wide membership includes about 1200 non-government organisations which support people with all forms of disability. NDS 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.

Summary

In a year dominated by COVID-19, the Australian community has faced significant challenges. People with disabilities, their families and carers have been acutely impacted financially, socially and in terms of their health and well-being.

Throughout the pandemic, the disability sector has been essential to Australia's response to COVID-19. However, this has come at a cost. NDS's [State of the Disability Sector](#) report [1] based on the 2021 Annual Market Survey paints a picture of a sector under significant pressure and the environment in which providers are operating continues to present significant challenges.

The 2022-2023 budget presents an opportunity for the Australian Government to support the sustainability, viability, quality, and safety of disability services to drive positive outcomes for people with disabilities. The launch of the new Disability Strategy (Australia's Disability Strategy) will also drive better outcomes across key areas for people with disabilities.

This submission makes the following recommendations:

1. Re-fund NDS to undertake peak body activities
 2. Address looming market failure through:
 - increasing NDIS prices or establishing an independent pricing mechanism
 - implementing and resourcing an NDIS Provider Guarantee and commit to co-design Scheme improvements with the sector
 3. Strengthen quality and safeguards for NDIS participants through:
 - resourcing expanded worker screening
 - greater regulation of high-risk supports
 - funding NDS's Zero Tolerance initiative
 4. Invest in growing and developing the required workforce through:
 - increasing organisational capacity to support new job seeker entrance pathways
 - funding a targeted strategy to address critical allied health shortages
 - funding for workforce retention and training
 5. Increase employment opportunities for people with disabilities through:
 - allocating sufficient resources to implement the NDIS participant employment strategy
 - funding the extension of the Disability Employment Service contracts
 - supporting providers with the cost of DES Information Technology and Cyber Security
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- funding school leaver support for all DES participants aged 14 to 22
 - extending the Pensioner Work Bonus to Disability Support Pension recipients.
 - subsidising the increase in supported employee wages arising from the review of the SES Award
 - funding the NDS Industry Vision Communities of Practice Initiative
 - ensuring an NDIS price that reflects reasonable costs incurred in supporting participants in employment
 - supporting employment of people with disability through increased targeted procurement initiatives
6. Invest in improved outcomes for all people with disabilities through:
- investing in Australia’s Disability Strategy by ensuring that adequate funding is allocated in the 2022-2023 budget to achieve the outcomes identified in targeted action plans
 - funding NDS to support sector emergency management by delivering Safer and Stronger across Australia through a national program
 - ensuring that funding allocated under the Information, Linkages and Capacity Building provides appropriate supports outside of the NDIS

Introduction

Enduring 2021 was long and difficult for disability service providers as well as the entire Australian community. NSW, Victoria, and the ACT experienced outbreaks of the Delta variant of COVID-19 bringing about long lockdowns and significant disruptions to disability service provision. The impact of Omicron is being felt Australian-wide. While it is to be hoped that some jurisdictions have reached the peak of the Omicron outbreak, others are on the cusp of increasing case numbers.

As reported [2] by the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability (the Disability Royal Commission) people with disability are especially vulnerable to the impact of COVID-19. Providers focused on adapting their services to deliver essential disability supports while minimising risks to people with disabilities and their workers.

In the absence of the significant financial supports that were available in 2020, increasing costs associated with PPE, enhanced testing, and managing staffing shortfalls, COVID-19 related financial pressures were substantial. These were exacerbated by continued issues with the implementation of the National Disability Insurance Scheme (NDIS).

Concerningly, NDS’s [State of the Disability Sector Report](#) [3] based on the 2021 Annual Market Survey reflected a sector less confident than ever in its capacity to operate within current NDIS pricing and funding settings. In the lead-up to the negotiation of bilateral agreements with all States and Territories, the time for action on securing the financial support and improvements required for

people with disability and for the providers on the ground, is now. This work must be a priority for 2022–23.

NDS welcomed the finalisation of [Australia's Disability Strategy](#) [4] and the launch of the [Employ My Ability](#) [5] national employment strategy and associated funding commitments. We are also hopeful that the strategies in the [NDIS National Workforce Plan: 2021 – 2025](#) [6] will go some way to addressing the acute and substantial workforce shortages being felt across the community sector. However successfully achieving the goals of these critical initiatives will require focused actions and appropriate support from the Federal Government.

This submission draws on feedback from NDS members and provides a range of recommendations for budget priorities.

Recommendations

1. Help NDS help Government

Re-fund NDS to undertake peak body activities of benefit to Government

For many years, NDS received funding from the Department of Social Services (DSS) to undertake functions that assisted the Government, disability service providers and associated stakeholders.

Throughout COVID-19 we have worked with DSS and other departments including Department of Health to provide high-level advice, resources such as webinars, and vital information to the disability sector. We have also been active in supporting the development and implementation of the NDIS Workforce Plan.

NDS's peak body funding ceased at the end of 2020. Reinstating this funding from July 2022, would enable us to work with Government to establish how we can strengthen NDS's—and the Government's and other stakeholders'—contribution to delivering high quality disability supports for people with disabilities. Peak bodies such as NDS play a critical role in contributing to effective government policy development and implementation, through distilling input from a diverse and complex sector and early flagging of issues and risks.

This could include activities that would be of benefit to Government such as:

- consulting with providers to formulate consolidated advice to Government;
- developing quality policy advice and position papers;
- surveying providers on matters associated with workforce (through the NDS Workforce Census survey); the design and implementation of the NDIS; and disability employment;
- early identification of issues of interest to the Department;
- participation in a range of department reference and working groups;
- keeping providers informed of Government requirements and other information;
- collaborating and partnering with other key stakeholders.

2. Address looming market failure

Ensure adequate funding to enable the NDIA to increase the prices generated by the current disability support worker cost model by 10 per cent or fund the establishment of an independent pricing mechanism.

The disability provider sector is at a critical juncture. Sustainability pressures on providers are mounting, with many forecasting this current financial year to be their most difficult since the NDIS began.

Over the past two years, JobKeeper payments have been critical in keeping so many providers afloat; the cessation of those payments will result in financial losses being announced for the 2021–2022 financial year. Many providers continue to be severely impacted by COVID-19: by reductions in revenue and/or by increasing costs of supports.

Over the past 18 months, changes to pricing arrangements for Supported Independent Living (SIL) have had a substantial negative impact on providers of SIL support.

NDS is particularly concerned that pricing constraints will increase pressures on elements contributing to quality services, and specifically, the training and supervision of staff.

Primarily, sustainability problems centre on the inadequacies of the Disability Support Worker Cost Model (DSWCM). NDS is on the record as stating that the NDIA has been using settings/allowances for costs within the cost model to generate prices that will help it control the expenditure of the scheme. This cannot continue.

NDS commissioned research on the costs experienced by providers and used it to populate the DSWCM. This research obtained cost data from a number of NDS members that are delivering 5.5 per cent of the NDIA's \$23.5 billion in annualised core expenditure. These providers varied in size, geography, and support mix types.

The findings indicate the prices for attendant care, community participation and SIL need to be increased by about 10 per cent. Details are provided in the report accompanying this submission.

Without this adjustment, there will be an increase in providers withdrawing from the NDIS market.

If the NDIA does not increase the prices generated by the DSWCM by the 10 per cent required to cover the cost of delivering supports, NDS recommends that price setting be transferred to an independent pricing authority (which operates for hospital pricing and is being established for aged care). A summary of how such an independent pricing authority could work is found below.

An independent pricing authority for the NDIS?

Since the NDIS began in 2013, price caps set by the NDIA have not covered the full cost of delivering supports. Improvements were negotiated every year until 2019 but progress has now stalled. JobKeeper payments, a response over the past two years to assist organisations remain viable through the COVID-19 pandemic, have masked the looming financial pressures

on the sector. Many providers are worried they will not be financially sustainable into the future.

The DSWCM is the most influential mechanism used by the NDIA to generate prices, with \$13.5b of the \$23.3b of supports purchased in 2020–21 being paid under price caps set by this Model. The elements within the Cost Model are undervalued, with some set at levels few providers can reach (often at the level achieved by only 25 per cent of providers).

The quality of NDIS supports is dependent on the quality of the workforce. Worryingly, prices generated by the DSWCM are putting pressure on providers to reduce the training and supervision of their workers. If the sector is going to provide high quality and safe supports, this can't go on.

What is needed?

It is time prices for NDIA supports were determined by an independent body. Pricing in hospitals is set by the Independent Hospital Pricing Authority. A recommendation by the Aged Care Royal Commission will see this body expand and take on the function of undertaking an independent assessment of costs in aged care. This same body should be further expanded to independently assess the costs of delivering high quality and safe disability supports.

Why is this necessary?

Current arrangements that have prices set by the NDIA involve a conflict of interest. The NDIA should be trying to ensure there is a vibrant market for high quality supports, but it also has a strong agenda—as evidenced by the public debate on the sustainability of the NDIS—on constraining costs.

Support the development of a Provider Guarantee in partnership with NDIS providers and their peak representative groups and provide funding necessary to implement agreed principles and mechanisms.

It is hard to understand how a relatively new NDIS could have been designed in a way that is so administratively complex and expensive to run. Despite being in operation for more than eight years, little has improved.

By way of example, a recent survey of Supported Independent Living providers of indicated that across 57 of them, there was a total debt outstanding for more than 30 days of over \$35 million. This debt was for supports provided but where there was ongoing negotiation with the NDIA about participant plans. It is important to note that supports must be provided to the participants living in these SIL arrangements; the provider could not ask the participant to leave the residence, or cease providing supports, while negotiations with the NDIA were being resolved.

Additionally, providers involved in the supply of assistive technology report very substantial delays resulting from poor and inefficient NDIS processes.

It is time for commitments to be agreed on timeframes and processes for engagement between providers and the NDIA.

The Queensland Productivity Commission recently released the Final Report on 'The NDIS market in Queensland'. It supports the recommendation that there is a need to establish a framework similar to the Participant Service Guarantee for engagement between providers and the NDIA.

Recommendation 12 [7] in the Report states:

To strengthen provider and investor confidence in the NDIS market by reducing policy and regulatory uncertainty and improve regulator performance standards, the Queensland Government should propose that the Australian Government introduce a Provider Guarantee. The Provider Guarantee encompasses the activities of the NDIA, the NDIS Quality and Safeguards Commission and key policymaking bodies.

The Provider Guarantee should:

- be based around a set of principles to which NDIS regulator behaviour will adhere
- include a set of regulator service standards the NDIS regulators will be required to meet.

The accountability mechanism around the Provider Guarantee should:

- rely on public reporting and transparency as an enforcement mechanism;
- minimise compliance costs for the institutions involved by having service guarantees and performance indicators integrated within each institution's performance reporting framework;
- include the regular publication of a single document showing performance against the full range of service guarantees, with the document discussing any reasons for performance shortfalls and actions to be undertaken.

Establish and fund the necessary mechanisms to include providers as a partner in co-design activities undertaken by the NDIS and Government.

NDS's submission [8] to the National Disability Insurance Scheme Amendment (Participant Service Guarantee and Other Measures) Bill 2021 supported the amendment to the principles proposed but requested a critical addition: that the important role that service providers have in delivering the supports purchased by participants should be acknowledged by including them as a partner in co-design activities undertaken by the NDIS.

Too often, provider implications are not considered in decisions and policies of the NDIA to the detriment of both participant choice and the efficient and effective operation of the scheme.

Including providers in co-design activities will deliver better outcomes for participants, families, and carers, the NDIA, as well as providers.

3. Strengthen safeguards for participants

Ensure resources enable worker screening for all workers supporting NDIS participants and for high risk supports to be delivered by registered providers

Since before the NDIS began, NDS has been arguing the need to strengthen some of the safeguarding measures to protect participants. Currently, only workers working in risk-assessed roles with providers registered with the NDIS Quality and Safeguarding Commission (the NDIS Commission) are required to undergo an NDIS Worker Screening Check. There is no justifiable reason not to require this safeguarding measure for all workers with more than incidental contact with NDIS participants, and not only those engaged by registered providers.

Similarly, it is time to restrict the delivery of some high-risk supports to those providers that are registered with the NDIS Commission and therefore fall under their oversight. When the scheme began, all supported independent living (SIL) funding was managed by the NDIA and thus only delivered by registered providers. SIL funding can now be managed by plan managers, meaning unregistered providers can be used. This loophole should be closed. All accommodation-based supports (including Short Term Accommodation) should only be delivered by registered providers.

Drive the improvement of quality by funding the re-development, re-branding, and delivery of the core elements of NDS's Zero Tolerance training and resources

The Disability Royal Commission will significantly impact the disability sector. The hearings held to date and in the future will result in a range of recommendations and outcomes. These will require disability service providers and Government to invest in new structures and systems not only to ensure compliance but continuous improvement in how supports are delivered and managed.

NDS's long standing and highly regarded [Zero Tolerance Initiative](#) [9] has continued to support disability service providers to take a holistic approach to the prevention, identification and response to allegations and incidents of abuse and neglect in different service environments. The Zero Tolerance Initiative educates providers about the responsibilities that sit at every level of an organisation to promote human rights. It offers a range of tools and resources including on-line training, practice advice, workbooks, templates, videos, and guides.

The resources reflect evidence around what works, the actual experiences of people with disability, and practical feedback from disability service providers and frontline staff. Organisations can use the range of Zero Tolerance resources to take a whole of organisation commitment—from support workers to the board—to prevent and respond to abuse and neglect.

Due to a lack of funding over past years these resources require updating, refreshing and a concerted effort to drive their uptake across the sector.

Funding is required to extend the reach of this important work to ensure the Australian disability sector can achieve world’s best practice in providing services, which are high quality and safe, and free of the threat of violence, abuse, neglect, or exploitation of people with disability.

4. Invest in growing and developing the disability workforce

Invest in increasing organisational capacity to respond to and support new job seeker entrance pathways and better align attraction and recruitment initiatives

Over the past year, the combined impact of COVID-19, the closing of international borders, and the growth in the number of NDIS participants have made it difficult to source the workers required to provide people with disabilities with the supports they seek to purchase.

NDS has long called for a coordinated approach that outlines practical strategies to meet increasing demands for a skilled, competent, and engaged NDIS workforce. As such we welcome the development of the [NDIS National Workforce Plan: 2021-2025](#) [10] that aims to bring all key stakeholders: government, employers, training and employment service providers, workers, and people with disability together to design and implement strategies that will address what are well-known shortages.

It is estimated that an additional 83,000 workers (or a 31 per cent increase in current workforce size) [11] will be required across the NDIS sector by 2025.

COVID 19, and competition from other sectors and industries, exacerbated recruitment issues for the disability sector across 2021. Disability service providers continue to report difficulties in recruiting staff in key roles. [NDS’s State of the Disability Sector report](#) [12] indicates that providers found it increasingly difficult to recruit frontline disability support workers with 70 per cent reporting difficulty in recruiting disability support workers, up from 59 per cent in 2020.

Over the past 12 months the sector has seen a number of initiatives aimed at attracting new entrants into the care and support sector. This includes A Life Changing Life and Local Jobs Program initiatives. Individual States and Territories have also implemented other initiatives aimed at reducing the economic impact of COVID-19. While welcome, these strategies have been disjointed and ad hoc, slow to realise the desired outcomes and insufficient to address the complexity of disability workforce challenges.

To successfully implement the attraction and recruitment strategies outlined in the NDIS Workforce Plan, and other initiatives, the sector needs to develop strategic, long-term workforce planning, cultural transformation, leadership skill development and capability. Yet providers consistently report that these are areas in which they need support to build capacity [13]. As the peak body, with

an extensive engagement infrastructure, NDS is well positioned to lead on workforce initiatives which account for the complexity and nuances of the sector and its multiple stakeholders, and achieve real change on the ground

Fund a strategy developed in partnership with the sector and other stakeholders to address critical short, medium, and long-term allied health shortages

Allied health workforce shortages are well known and widespread across the care and community sector, including health and aged care. These shortages have reached a critical point resulting in waiting lists for adults and children with disabilities to receive access to the vital allied health supports that they need. This situation is even worse in rural, remote, and very remote settings.

NDS's [State of the Disability Sector report](#) [14] highlights this. Providers reported difficulties recruiting speech pathologists (93%), occupational therapists (92%), psychologists (89%), and physiotherapists (80%).

Concerted and innovative efforts are needed to improve this acute issue.

Fund measures that support workforce retention, training, and professional development. Funding also needs to cover the cost of supervising trainees and students on work placement. These costs should be funded outside of an NDIS participant's plan.

The [NDIS National Workforce Plan: 2021–2025](#) [15] suggests that the NDIS and associated sectors will lose approximately 213,000 workers by 2025. Attracting new workers to grow the workforce is only an effective strategy if a significant proportion of these workers remain in the sector.

In terms of specific roles, providers increasingly report [16] difficulty in retaining occupational therapists (65 per cent, up from 48 per cent), physiotherapists (55 per cent, up from 39 per cent), speech therapists (61 per cent, up from 49 per cent), psychologists (63 per cent, up from 48 per cent) and dietitians (55 per cent, up from 26 per cent).

Forty-four per cent also had difficulty retaining disability support workers, up from 40 per cent in 2020 [17].

Key reasons for this appeared to include the lack of permanent positions (casualisation in the sector remains high at 33% for Jan to June 2021 period) [18], availability of better working conditions elsewhere, and staff burnout.

Training, upskilling, and professional learning and development are key to retaining a workforce that can adapt to meet the changing and varying needs of NDIS participants. This includes supporting participants with more complex support needs.

The challenge of providing existing workers with training opportunities in terms of availability of suitable opportunities, and the cost of paying and backfilling staff to attend training is significant.

Providers have noted the importance of ongoing training of their existing workforce across key areas of quality and safeguarding including incident reporting, restrictive practices, and positive behaviour support.

Work has commenced in creating a more industry-driven Vocational Education and Training sector. Standardised accredited training that relates to the common core standards can have the benefit of enhancing service provision and increasing a cross sector workforce. Subsidising quality training can increase the appeal of working in the care and support sectors. However, traineeships and apprenticeship schemes are difficult for the sector to understand and utilise. Cost, time, and lack of appropriate staff available to support a variety of work placements are barriers faced by providers in implementing traineeships.

Providers report that it also became more difficult to retain staff in 2021, and the economic conditions brought about by the COVID-19 pandemic will continue to have an impact.

While these issues are recognised in the [19] no funding for funding or provision for training has been identified. Similarly, the cost and pricing models used by the NDIS to determine funding include little allowance for training, support, and supervision.

5. Increase employment opportunities for people with disabilities

Continue to implement the NDIS Participant Employment Strategy by allocating sufficient resources to the NDIA to equip participants to navigate the employment support system and utilise their support funding to achieve their employment pathways and goals.

The NDIS Participant Employment Strategy 2019-2022 will require sufficient funding support by the Government to ensure its goals are met. Planners and LACs also require training to ensure they are equipped to support NDIS participants of workforce age to access and identify the right employment supports and goals in their plans.

The Strategy's main goal is to increase the number of NDIS participants of working age in paid employment to 30 per cent by the end of 2022. In line with the strategy's projections this would equate to around 102,115 NDIS participants based on 340,383 working age participants. The NDIS September 2021 quarterly report notes that 22 per cent of NDIS participants are in paid employment (around 62,542 of 284,280 participants of workforce age).

Of the Strategy's five key focus areas, number one involves achieving an increased rate of participant employment goals and aspirations in NDIS plans. To address the low rate of employment of NDIS participants following the COVID-19 restrictions imposed in 2021 (particularly in NSW and Victoria), the NDIA developed a 2021-22 Employment Action Plan. A 2022-23 Employment Action Plan complementing the Participant Employment Strategy should be developed and adequately funded, especially as the December 2022 target of 30 per cent is unlikely to be achieved.

Extend and fund the current DES contract to 30 June 2024 to allow modelling of costs of achieving employment outcomes for a broad range of people with disabilities

Allocate sufficient resources to ensuring that the next DES contract reflects best practice, has a properly tested social return on investment-based funding model, and includes an assessment and gateway process that ensures access for the people best serviced by DES

Identifying and trialling different service delivery models that are focused on current best practice, like the DESE trial of the NESM, is more likely to produce a fit for purpose service model reflecting the supports required by jobseekers and employees with disability. However, this approach takes time. Extending current DES contract at least until June 2024 will allow this to occur.

NDS recommends that there be thorough modelling of the real cost of achieving sustainable employment outcomes for the various cohorts of people with disability (e.g., intellectual disability and autism), prior to the introduction of any new funding model. To complement this modelling, it is recommended that there be an examination of the cost structures of current best practice DES provision. The funding model should ideally recognise the different support costs for service provision to specialist cohorts.

In addition, any new funding model should also incorporate a Social Return on Investment (SROI) approach to assess the true cost of DES service provision. Participants with disability who gain employment will create cost savings for society in several key areas, for example, DSP income test recoveries and tax paid. The latter two savings can be easily quantified by Government and should be included when assessing the true cost of service provision in any new DES program.

Significant reform of the Employment Services Assessment (EAS) and eligibility gateway process for people seeking to access DES should also be undertaken.

Support providers with the cost of DES Information Technology and Cyber Security through subsidising the costs of implementation and accreditation of Right Fit for Risk

To be eligible to tender for future contracts, service providers will need to implement an Information Security Management System (ISMS, i.e. Right Fit for Risk) and be accredited to ISO 27001 by December 2022. This is in addition to the National Disability Service Standards and the NDIS Quality and Safeguarding Framework. To date most of the costs of development have been incurred by providers. Provider costs of implementation and accreditation should be subsidised by the Government in a similar manner to the current funding of the audit costs for accreditation under the National Disability Service Standards.

Extend eligibility to, and ensure appropriate funding for, school leaver support for all DES participants aged 14 to 22. Dual access to provisions for NDIS participants should be retained.

DES Eligible School Leaver (ESL) numbers have not increased compared to overall program growth in this contract. For example, while DES participant numbers have grown by 62.5 per cent since mid-2018, the ESL cohort has increased by only 18.4 per cent. The failure of the Risk Adjusted Funding model to adequately account for the additional costs in the pre-employment phase means many providers are increasingly reluctant to service the ESL cohort.

The NDIA is currently examining changes to School Leaver Employment Supports, to align more closely with standard NDIS pricing principles. These changes are expected to be introduced from July 2022. For participants accessing NDIS transition supports who are placed in employment, or with a DES provider, NDS would recommend the existing provisions allowing a more seamless interaction between DES and the NDIS (if there is no duplication of services or supports provided) be retained.

Extend the Pensioner Work Bonus to DSP recipients

NDS, and its membership, has long advocated for the introduction of a ‘social wage’ that bundles the welfare benefits and wages of employees with disabilities. To achieve this, some modification of the DSP income test is required to ensure that employees retain more of their wages following any increase.

The most logical way to immediately increase the wage of employees with disabilities would be to extend the pensioner work bonus to DSP recipients. The work bonus raises the income test threshold by \$150 per week. Extending the work bonus to DSP recipients would remove a disincentive to work and align with Government policy, which seeks to increase the rate of people with disability in employment.

The Fair Work Commission’s SES Award Review decision identifies new wage setting arrangements for supported employees. In combination with the wage increases arising from that decision, extension of the work bonus to supported employees would ensure a significant increase in their wages.

A key component of a social wage for DSP recipients should be established by allowing access to the work bonus.

Subsidise the increase in supported employee wages arising from the Review of the SES Award

The Fair Work Commission delivered a landmark decision in the Review of the Supported Employment Services Award in late 2019. A new sector-wide wage structure for supported employees was proposed that would be implemented through a redesigned Award classification structure. Supported employee wages would reflect both the value of their work and their rate of

productive output. In addition, a new hourly minimum wage rate was set of \$3.50 (since increased to \$3.59).

The new classification and wage structure will result in higher wage rates for a significant proportion of supported employees. Following a trial of the new structure, work has been completed to quantify the extent of the wage increases. The likely wage increases arising from the new wage structure will represent yet another unfunded increase in costs for Disability Enterprises.

A time limited wage subsidy, similar to that previously provided, will be required for Disability Enterprises using the Supported Wage System. The funding for this subsidy should be provided via the previous budget allocation of \$167 million for the introduction of a new wage tool in supported employment. NDS recommends that any wage subsidy be provided on tapered basis over a maximum period of three years.

Fund the NDS Industry Vision Communities of Practice Initiative

NDS has commenced implementing its Industry Vision for the supported employment sector. The Industry Vision is intended to guide Disability Enterprises through a post NDIS and COVID-19 operating environment, as well as position the sector to provide a wider range of quality employment options to NDIS participants.

The period covered by the Industry Vision will be one requiring significant structural adjustment across the sector, during a period where the Australian economy is recovering from the impacts of the COVID-19 restrictions. NDS has recently commenced delivering a series of Communities of Practice (CoP) for Disability Enterprises as part of an Industry Vision focusing on key elements of best practice supported employment provision. Six of these CoPs will be delivered in 2022.

Funding NDS to deliver the Industry Vision Communities of Practice initiative will enable Disability Enterprises to:

- Undertake change management planning
- Investigate and operate innovative business and service models
- Adopt measures that enhance business productivity and utilise technology for the benefit of employees with disability
- Gain access to relevant business and service model expertise by collaborating extensively with other supported employment services and mainstream businesses
- Build the capacity and skills of their support workforce to provide a wider range of employment options

Ensure an NDIS price that reflects reasonable costs incurred in supporting participants in employment

The new NDIS 'Supports in Employment' pricing will apply to every NDIS participant working in a supported employment setting from 1 January 2022.

The new pricing framework has received a mixed reception from the sector. Providers are particularly concerned about the additional compliance costs incurred in administration of the new pricing framework.

It is important to ensure that supports in employment pricing factor in the additional costs of administration and the shortfall in employer costs that arises from the reduced productive output of many employees with disability (the Productive Output Gap).

Support employment of people with disability through increased targeted procurement initiatives and fund NDS to maintain the BuyAbility website and Social and Economic Impact Tool.

The Department of Social Services has previously contracted NDS to deliver a range of social procurement initiatives. This funding enabled NDS's BuyAbility Procurement service to provide opportunities for Government and commercial/ corporate purchasing that enhances the financial viability of Disability Enterprises. In addition, NDS maintains a national directory of Disability Enterprises through the www.buyability.org.au website.

To ensure Government policy boosts employment participation of people with disability, it is imperative that Disability Enterprises remain strong and viable into the future. Providing opportunities for Disability Enterprises to gain reliable income streams from Government procurement is a proven way to achieve this goal. There are 600 Disability Enterprise outlets nationally that employ around 20,000 supported employees. These social enterprises provide a broad range of quality products and services that are purchased by mainstream businesses, Government agencies, and individuals.

Support for maintenance of the BuyAbility website and the BuyAbility Social and Economic Impact Measurement Tool, along with continuing the Government mandate that its agencies purchase certain levels of goods and services from Disability Enterprises, will assist in ensuring the commercial viability of Australian Disability Enterprises and maintaining an employment continuum for people with disabilities with higher support requirements.

6. Invest in improved outcomes for all people with disabilities

Invest in Australia’s Disability Strategy by ensuring that adequate funding is allocated in the 2022-2023 budget to achieve the outcomes identified in targeted action plans

Australia’s Disability Strategy 2021-2031 (the ADS) was launched on 3 December 2021. A 10-year strategy aimed at continuing to improve the lives of people with disabilities, the ADS is a national framework to which all governments have agreed. To support the ADS, targeted action plans have been developed, which apply an intensive focus over one to three years to achieve specific deliverables.

Throughout 2021-2024 the areas of: employment, community attitudes, early childhood, safety, and emergency management have been targeted for action.

NDS recommends that attention be given to the following areas:

Employment

NDS has made several recommendations in this submission related to improving employment outcomes for people with disabilities, across the employment continuum. To ensure that systemic barriers to employment opportunities are removed, the APS Disability Employment Strategy and the new Employ My Ability Strategy should be funded sufficiently.

Safety

The emphasis on supporting the safety of people with disabilities is welcomed in the ADS, as is the targeted action plan on improving data collection and sharing among systems responsible. NDS is also on the record of supporting efforts to align regulation across the NDIS, Aged and Veterans’ Affairs. As already identified in this submission, it will be critical to ensure sufficient resources are available to deliver on goals of aligning regulation across sectors and improving the NDIS Quality and Safeguarding framework. This needs to include mandatory worker screening for all workers in risk-assessed roles and increased regulation of high-risk supports.

NDS has identified that the costs of regulatory compliance are high and not adequately covered by current funding models. NDS has raised this issue, amongst others, in a submission to the NDIA Annual Pricing Review. The shortfalls are critical to consider in the context of regulatory alignment. The Government needs to ensure that the disability sector is appropriately resourced to comply with the NDIS Quality and Safeguarding Framework via improvements in NDIS pricing and is equipped to proactively respond to findings and recommendations from the Disability Royal Commission.

Emergency Management Responses

Improve emergency management responses by funding NDS to deliver the Safer and Stronger initiative on a national basis

Events in 2020 and 2021 have tested the emergency planning and management capacity of the disability sector. COVID-19 has also highlighted how Government emergency management responses can be improved to better support people with disabilities. The emergency management targeted action plan includes a specific action aimed at “ensuring disability support workers have priority access to PPE, appropriate testing procedures, and infection prevention and control training during the COVID-19 pandemic, and any future widespread communicable disease outbreaks”. However, NDS is concerned that there is no funding allocated to deliver this action.

NDS has a strong track record in building the capacity of the disability sector to respond to national issues. We have established Zero Tolerance (see above) in partnership with the disability sector to assist disability service providers to understand, implement and improve practices which safeguard the rights of people they support. We seek funding for a similar initiative. Safer and Stronger (based on a current initiative in Victoria) would assist the sector adapt their operations, both in light of COVID-19, but also to ensure better health and wellbeing outcomes for people with disability.

Ensure that funding allocated under the Information, Linkages and Capacity Building provides appropriate supports outside of the NDIS

The NDIS has been described as ‘an oasis in the desert’ [2] for people with disabilities. In the absence of other supports via mainstream service systems or in the community, the NDIS is the only option available for some people with disabilities. The Information, Linkages and Capacity program (ILC) was designed to fill this gap. In 2020, carriage of the ILC was transferred to DSS. As the alignment of the ILC with the new disability strategy and other initiatives such as the Disability and Carer gateways continues, it will be important that ILC funding is directed to projects that support people with disabilities navigate and access community and mainstream systems.

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