

COAG Disability Reform Council
Quarterly Report
30 September 2018



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Executive Summary

This Quarterly Report outlines the progress being made in the roll-out of the National Disability Insurance Scheme (NDIS). The vision of the NDIS, to enable every Australian with a significant and permanent disability to access the reasonable and necessary support they need to participate fully in their communities, is progressively being realised.

More participants are receiving support

The Scheme continues to grow at a rapid pace. As at 30 September 2018, 208,793 participants were receiving support, an increase of 25,950 participants, representing growth of 14% over the prior quarter. Sixty-eight percent (68%) of participants in the quarter came from Victoria and Queensland, consistent with the significant roll-out occurring in those States this year.

This quarter, 92% of the operational target was achieved, 71% of the bilateral estimate for the quarter, and 76% for the entirety of the Scheme. The difference between the operational target and the bilateral estimate largely reflects the records available. Where records are not available, the NDIA is not able to contact the relevant individuals. Therefore, the operational target better reflects the NDIA's operational performance.

For the quarter, Victoria achieved 110% of its bilateral estimate, reflecting its commitment to identifying and bringing forward participant records. The cumulative bilateral performance for Victoria now stands at 87%, which is the highest of all the States/Territories, other than the Australian Capital Territory.

More people are receiving support for the first time

The number of participants who had not previously received support is increasing. This number now stands at 63,459, or 30.5% of all participants. Access to the NDIS has life changing potential for these new participants. In this quarter, the proportion of participants who are accessing support for the first time is 34.9%,

as opposed to 30.9% in prior quarters. In large measure this reflects the completion of phasing in New South Wales and the priority given to the transfer of existing State/Territory participants during transition.

The number of providers continues to increase

The number of registered providers increased to 17,925 at 30 September 2018, an increase of 7% on the last quarter. This compares to a growth rate of 17% in previous quarters. The lower but still significant rate of growth largely reflects the fundamental change in registration arrangements with the commencement this quarter of the new NDIS Quality and Safeguards Commission, who have taken responsibility for provider registration in New South Wales and South Australia. The new registration process is now the mechanism through which quality and safeguarding of NDIS supports and services occurs. The NDIA is also working on ways to measure the extent to which the market is increasing capacity to provide more services and meet future demand.

The registration groups with the largest number of active providers were Therapeutic Supports (15% increase in the quarter), Household Tasks (20% increase), Participation in Community, Social and Civic activities (13% increase), Early Intervention Supports for Early Childhood (12% increase) and Assistance with Daily Personal Activities (14% increase).

The number of participants receiving Specialist Disability Accommodation (SDA) support and the amount of committed support continues to grow (at 30 September 2018 there were 9,536 participants with support in current plans). The number of enrolled dwellings increased by 34% in the quarter to 2,243, and the number of registered providers increased by 9% to 754.

Participants are experiencing improved outcomes

Longitudinal studies of participant outcomes over two years show continued progress, particularly for children under six and for those of school age. While the results for those from 15 to 24 were not as strong, those aged 25 and over largely showed a marked improvement across a range of outcomes.

Executive Summary *continued*

Participation in community and social activities has increased significantly from the baseline average of 36% to 45% in this quarter, exceeding the NDIA's target of 41% for the year.

Employment outcomes for those aged 15 to 24 markedly improved from 13% to 22%, while those aged 25 and over experienced a decline of 2%. The overall employment result stayed static at 22%. The NDIA is acutely aware of the benefits employment brings to participants and the economy and has therefore prioritised employment options in planning discussions.

Work is underway to further improve the participant experience

On a comparable basis to last quarter, participation satisfaction increased from 88% to 93%. This is the highest level of satisfaction achieved since Trial, reflecting in large measure the work that is underway in improving the participant pathway and the responsiveness of the call centre, where service levels are being exceeded and abandonment rates have reduced to around 1%.

The NDIA undertakes more granular survey analysis to pinpoint areas of strength, and those where improvements are required. Areas of strength were demonstrated in the following ways: 'the planner listened to me' (97%); 'I had enough time to tell my story and say what support I need' (96%) and 'the planning meeting went well' (95%). Other areas can be improved: 'I know what is in my plan' (74%); 'the planner helped me think about my future' (85%).

This more granular survey analysis is consistent with the NDIA's commitment to improving the participant pathway, with the NDIS pathway currently being rolled out in Western Australia.

Work has also begun on rolling out the complex support needs pathway. Working with Mental Health Australia, a new psychosocial stream has been developed and is being rolled out. A new hearing approach has also been developed, with the assistance of major hearing groups.

The Scheme remains within budget

The Scheme has been within budget each year of its operation and remains within budget this year to date. It is also projected to remain within budget for the whole of 2018-19.

Financial pressures on the Scheme continue to be monitored. These pressures include a higher than expected number of children entering the NDIS, and a lower than expected number of participants transitioning out of the Scheme to receive mainstream supports. Plan budgets continue to increase by more than expected, in particular for participants in Supported Independent Living. The Agency continues to address these financial pressures through the participant pathway review, and by strengthening the consistency and equity in decision making for all participants.

New financial pressures are emerging from the interface of the NDIS with the health system. This is evident from Administrative Appeals Tribunal cases that relate to Scheme access, and the reasonable and necessary supports available under the NDIS. The NDIA is working with Commonwealth and State/Territory governments to better define the boundaries between the health system and the NDIS.

The NDIA is committed to the delivery of a financially sustainable Scheme that is focused on achieving outcomes for all its participants.

Introduction

This report is a summary of the performance and operations of the National Disability Insurance Agency (NDIA) for Quarter 1 of 2018-19 (1 July – 30 September 2018), as required in the NDIS Act 2013 (Section 174).¹

The key insights from the analysis are presented in the report, with detailed supplementary tables included in the appendices. The national results are presented in Appendix E, followed by individual appendices for each State/Territory. A list of key definitions of the terms used in this report is included in Appendix A.



¹ The Board members must prepare a report on the operations of the Agency for each period of three months starting on 1 July, 1 October, 1 January or 1 April; and give the report to the Ministerial Council within one month after the end of the period to which the report relates.

Part One: Participants and their plans

More people are supported by the NDIS and are exercising choice and control over their lives.

1.1 Roll-out

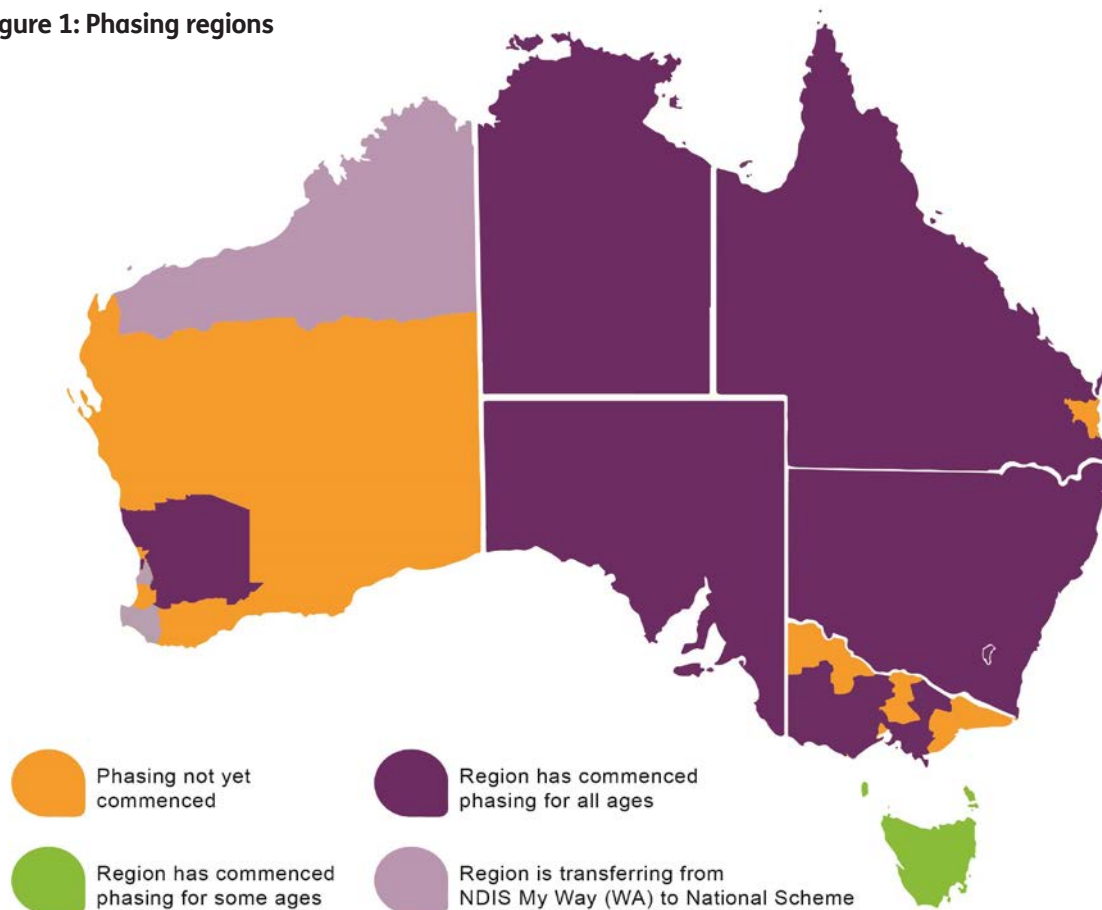
The NDIS is reaching more Australians, with the Scheme phasing into new metropolitan regions in Victoria and Queensland this quarter.

The NDIS is now fully available in New South Wales, South Australia, the Australian Capital Territory and the Northern Territory. The NDIS has moved into new regions this quarter, with significant growth in Queensland including Beenleigh, Brisbane North, Brisbane South, Cairns, Maryborough and Robina. Further progress was made in Victoria, with the first regions of Southern Melbourne entering the Scheme on 1 September 2018.

Western Australia continued its transition from the state-operated NDIS My Way to the national Scheme this quarter. In October 2018 the NDIS will begin operating in the Victorian areas of Brimbank, Melton and Western Melbourne and the West Australian areas of Goldfields-Esperance, North Metro and Kimberley-Pilbara.

Figure 1 shows the phasing regions in Australia – where phasing has commenced, where it has commenced for some age groups and where it is yet to commence, recognising that there are some participants within these areas who are waiting for plans to be approved.

Figure 1: Phasing regions



1.2 Number of participants

Over 200,000 participants are now able to choose the reasonable and necessary support they need to achieve their goals.

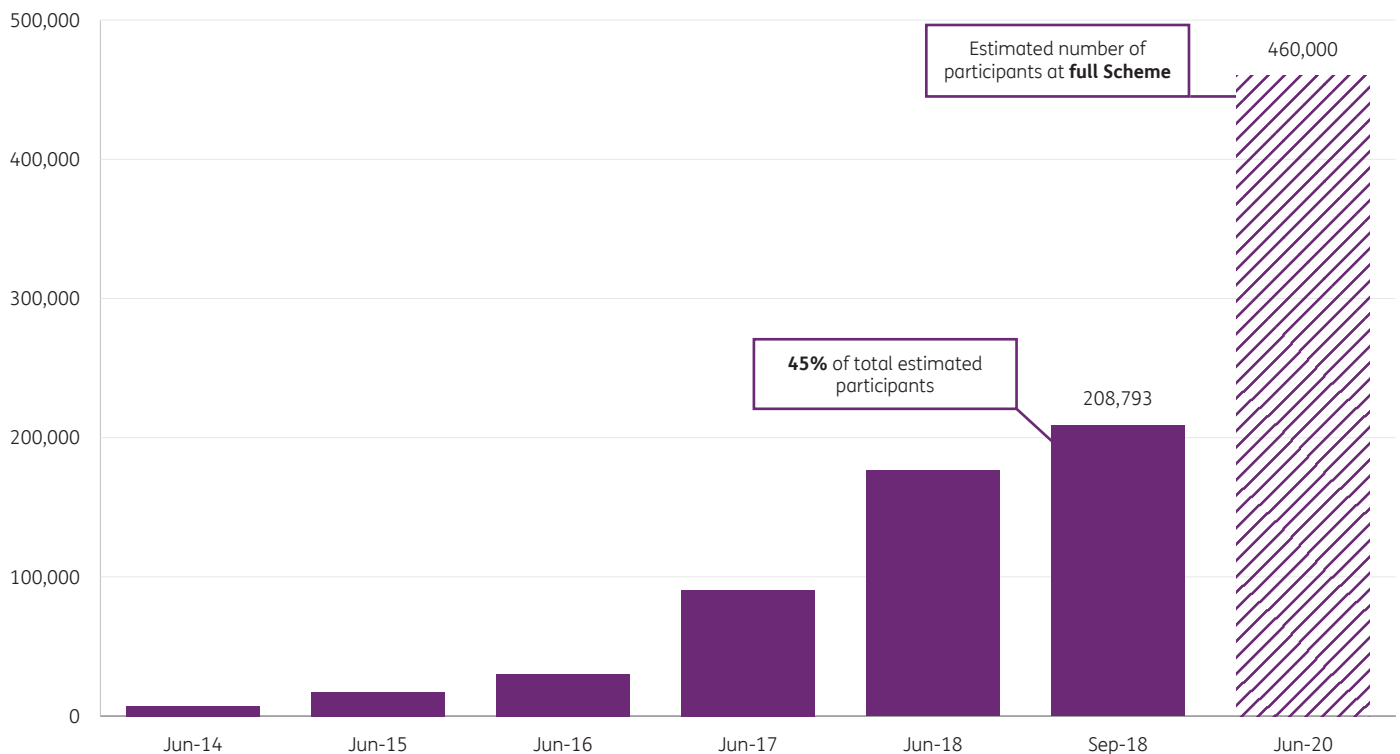
At 30 September 2018, 208,793 people with disabilities, including children in the ECEI program, were being supported by the NDIS. This represents a 14% increase over last quarter.

An additional 25,950 participants, excluding children in the ECEI program, received approved plans this quarter. The NDIS aims to support an estimated 460,000 Australians by July 2020, hence the Scheme is currently supporting 45% of the total number of participants expected by the end of the transition period.

Importantly, the Scheme is supporting both people from existing State/Territory and Commonwealth systems and people who have not previously received support. Of the 208,793 participants being supported by the Scheme, 138,678 previously received support from existing State/Territory or Commonwealth programs, 63,459 are now receiving support for the first time and 6,656 children are being supported in the ECEI gateway. In the September quarter, 34.9% of participants gained support for the first time compared with 30.9% in previous quarters.

Figure 2 shows the annual growth in participants, including children in the ECEI program since Scheme inception. It also shows the number of participants at the end of 2018–19 Q1 and the estimated number of participants anticipated at full Scheme.

Figure 2: Annual growth in participants



1.3 Operational progress

The NDIA performed strongly against its operational target, with 92% being achieved.

The NDIS is transitioning in sites across Australia in line with phasing schedules bilaterally agreed by State/Territory and Commonwealth governments. The bilateral agreements outline an estimate of the number of people who were predicted to participate in the NDIS from each State/Territory at particular points in time. The estimates are split into people who previously received support from State/Territory programs and those who have not previously received support.

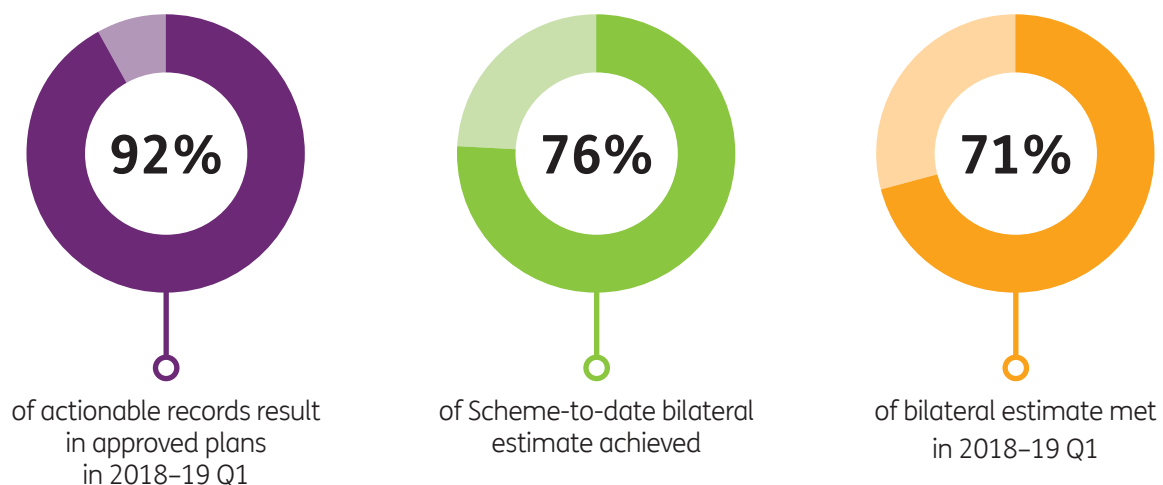
In 2018–19 Q1, the Agency achieved 92% of its operational target, meaning that of the participants who could be contacted, who met the access requirements and whose records were provided to the Agency, 92% received approved plans.

At 30 September 2018, 76% of the cumulative bilateral estimate was reached and 71% of the 2018–19 Q1 bilateral estimate was met.² The availability of data and difficulties contacting transitioning participants from State/Territory and Commonwealth programs are the primary challenges impacting the progress made against bilateral estimates. Other reasons include some individuals making a decision not to apply, and others no longer requiring support.³

Of the 25,321 actionable records available to the Agency, 23,229 (92%) resulted in approved plans and 2,092 (8%) remained as ‘access in progress’ at the end of the quarter. There were 10,298 participants from existing State/Territory systems who had met NDIS access requirements prior to 30 September 2018 but were unable to progress to planning before the end of this quarter. This represents a work-in-progress for the Agency.

Figure 3 highlights three key statistics related to progress against bilateral estimates.

Figure 3: Progress against bilateral estimates



² Detail on the bilateral estimates is included in Appendix C.

³ There are a significant number of transitioning State/Territory and Commonwealth clients who have not been able to be contacted. The NDIA will attempt to contact an individual four times using the provided details, after which the person is deemed ‘unable to contact’. The NDIA communicates these details to the relevant State/Territory for follow-up, and is working proactively with each State/Territory government to connect with as many potential participants as possible.

1.4 Participant characteristics

The number of CALD participants increased this quarter and more participants chose to self-manage their plan.

The NDIS has phased into new regions of Western Australia, Queensland and Victoria, with the following changes in participant characteristics recorded this quarter:

- **Culturally and Linguistically Diverse (CALD): 9.0%** of participants who received a plan in the quarter, compared with 7.5% in previous quarters combined.
- **Remote / very remote: 1.2%** of participants who received a plan in the quarter, compared with 1.1% in previous quarters combined.
- **Psychosocial disability: 8.6%** of participants who received a plan in the quarter, compared with 7.9% in previous quarters combined.
- **Aboriginal and/or Torres Strait Islanders: 4.9%** of participants who received a plan in the quarter, compared with 5.4% in previous quarters combined.
- **Self-managing or partly self-managing their plan: 24%** of participants who received a plan in the quarter, compared with 22% in previous quarters combined.

The profiles of current participants vary depending on the phasing schedule for their region. For example, the phasing schedules in some bilateral agreements prioritise age group and/or people in existing State/Territory disability systems. Considering the areas in which the NDIS has rolled out across Australia, the participants who are Aboriginal and/or Torres Strait Islanders are in line with expectations. The increase in CALD participants this quarter is in part due to the Scheme phasing in new metropolitan areas of Victoria and Queensland.



“Difference is beautiful. I love the Dr Seuss quote, “Why fit in when you were born to stand out?” The NDIS has opened up my world to modelling. I just love it. The best part is I get to highlight Albinism and difference. It’s a really important message.”

— Sammy McCombe, NDIS Participant

Part Two: Participant experience and outcomes

Outcomes improve as participants spend more time in the Scheme.

2.1 Participants in employment, community and social activities

The proportion of participants in community and social activities grows, while the proportion of participants in employment is static.

The 2018-2022 Corporate Plan uses metrics and performance targets to measure the NDIA's achievements against its aspirations. The 'quality experience and outcomes for participants' aspiration is measured by the percentage of participants currently employed and the number of participants involved in community and social activities, with baseline results collected as a participant enters the Scheme.

Participants aged 15 years and over increased their involvement in community and social activities in 2018-19 Q1 from the 36% baseline to 45%, four percentage points in excess of the 2018-19 target of 41%. The increase was most prevalent in the 25 and over age group, which saw a 10 percentage point increase from 36% to 46%. Work is underway to understand the underlying reasons for this significant improvement.

There was a 9% increase in the number of participants aged 15 to 24 years old in work, from 13% baseline to 22% this quarter. For participants aged 25 years or over, this number decreased by two percentage points from 24% to 22%, with an average across both cohorts remaining at 22%, consistent with the baseline result. The target for the number of employed participants in both cohorts is 26% for 2018-19.

There is a strong commitment from the Agency and the Department of Social Services to implement an employment strategy to improve job opportunities for people with disability. The NDIA is acutely aware of the benefits employment brings to participants and the economy and has therefore prioritised employment options in planning discussions.

Figure 4 shows the progress against the NDIA's corporate plan metrics for 'participants in work' and 'participants in community and social activities' including the baseline measures, 2018-19 Q1 results, and the targets for the 2018-19 year.

Figure 4: Participants in work, community and social activities

Participants in work	Baseline	2018–19 Q1	2018–19 Target
Aged 15 to 24 years	13%	22%	26%
Aged 25+	24%	22%	
Aged 15+ (average)	22%	22%	
Participants in community and social activities	Baseline	2018–19 Q1	2018–19 Target
Aged 15 to 24 years	33%	39%	41%
Aged 25+	36%	46%	
Aged 15+ (average)	36%	45%	

2.2 Two year analysis of participant outcomes

Longitudinal studies of participant outcomes show continued progress.

The NDIA asked the question ‘Has the NDIS helped?’ to individuals who entered the Scheme in 2016-17 Q1, after their first year participating in the Scheme. This cohort of participants were asked the same question at the end of their second year of the Scheme, allowing the NDIA to analyse the longitudinal impact of the NDIS over two years. While the participants who were asked this question represent a small subset of current participant numbers, the results collected this quarter nevertheless give an indication of the effect of the NDIS on participants over a longer period of time.

The initial results relating to ‘Has the NDIS helped?’ indicate significant improvements in independence, access to education and personal relationships with family and friends for children who are starting school to 14 years. Initial results also suggest that the NDIS has helped improve choice and control for participants aged 25 years or over, one of the key principles upon which the NDIS is built.

Families and carers of participants aged zero to 14 years indicate that the NDIS has had a positive impact on the levels of support available to them, and has improved their capacity to advocate on behalf of their child.

From transition to 30 September 2018, for participants that have been in the Scheme for two years, the following outcomes have been recorded:



For child participants aged 0 to before starting school:

- **91%** of parents and carers thought the NDIS helped increase their child’s ability to communicate what they want, compared to **87%** in their first year.
- **81%** of parents and carers thought the NDIS improved how their child fits into family life, compared to **78%** in their first year.



For participants starting school to 14 years:

- **69%** of parents and carers felt their child had become more independent as a result of the NDIS in their second year of participation, compared to **54%** in their first year.
- **58%** of parents and carers felt the NDIS had improved their child’s relationship with family and friends in their second year of participation, compared to **49%** in their first year.



For participants aged 15 to 24 years:

- **63%** of participants said the NDIS had helped them with daily living activities in their second year of participation, compared to **61%** in their first year.
- **55%** of participants felt the NDIS had helped them improve their participation in community and social activities, compared to **53%** in their first year.



For participants aged 25 and over:

- **75%** of participants believed the NDIS helped them have more choice and more control over their lives in their second year of participation in the NDIS, compared to **71%** in their first year.
- **83%** of participants believed the NDIS helped them with daily living activities in their second year of participation, compared to **76%** in their first year.

Areas for improvement have been identified, particularly in relation to employment outcomes for participants. In their second year of participation, only 13% of participants aged 15 to 24 years old and 20% of participants aged 25 and over felt the NDIS had helped them find a job that was right for them. The NDIA continues to work in collaboration with employers who support people with disabilities in the workplace to address these challenges.

2.3 Participant satisfaction

Participant satisfaction increased by five percentage points to 93%.

To better understand the impact of the NDIS on participants and their families and carers, the Agency conducts satisfaction surveys on the planning process each quarter. This quarter the proportion of participants who rated their overall experience with the planning process as either 'Very good' or 'Good' increased from 88% to 93%, indicating that the Agency's progress with pathway reform is beginning to have a positive impact.

In addition, 97% of participants indicated their planner listened to them, and 96% of participants considered that they had enough time to tell their story. 74% of participants indicated that they knew what was in their plan. The NDIA is looking to improve this figure via the further roll-out of the participant pathway reform, including introducing improved tools for planners to help them better connect participants with the right services to achieve their goals.

Figure 5 shows the percentage of participants who rated their agreement with a series of statements about the planning process as 'Strongly agree / Agree', 'Neutral' or 'Disagree / Strongly disagree'.

Figure 5: Participant satisfaction

	Strongly agree / Agree	Neutral	Disagree / Strongly disagree
The planner listened to me	97%	2%	1%
I had enough time to tell my story and say what support I need	96%	2%	2%
The planner knows what I can do well	86%	11%	3%
The planner had some good ideas for my plan	89%	8%	3%
I know what is in my plan	74%	23%	4%
The planner helped me think about my future	85%	10%	5%
I think my plan will make my life better	87%	9%	4%
The planning meeting went well	95%	4%	2%

The NDIA has developed a new participant satisfaction survey to provide a more comprehensive understanding of a participant's NDIS experience. The new survey is designed to gather data for different participant groups (e.g. differences in age and disability) at the four primary stages of the participant pathway – access, pre-planning, planning and plan review. This will enable a more comprehensive and robust study of participant satisfaction. By gaining greater insight into varying experiences at different stages of the NDIS process, the NDIA will be better positioned to make meaningful and specific improvements to the participant pathway.

Initial results from the new survey reinforce findings made during the NDIA pathway review and will be used as a baseline for measuring improvements resulting from pathway reform. Early insights show that a very high proportion of participants understood what information they needed to provide the NDIA, however fewer participants knew what their next step was in the pathway.

The survey methodology is being refined and results will be communicated in future quarters after that work is completed.

2.4 Unscheduled plan reviews and complaints

Fewer unscheduled reviews occurred than in previous quarters, with the proportion of complaints remaining static.

There was a decrease in the proportion of unscheduled plan reviews, with 14.6% this quarter compared to 19.0% in previous quarters combined. An unscheduled review may occur if a participant is not satisfied with the supports available in their plan, or they have achieved their original goals and are seeking to progress their outcomes with support from the NDIS.

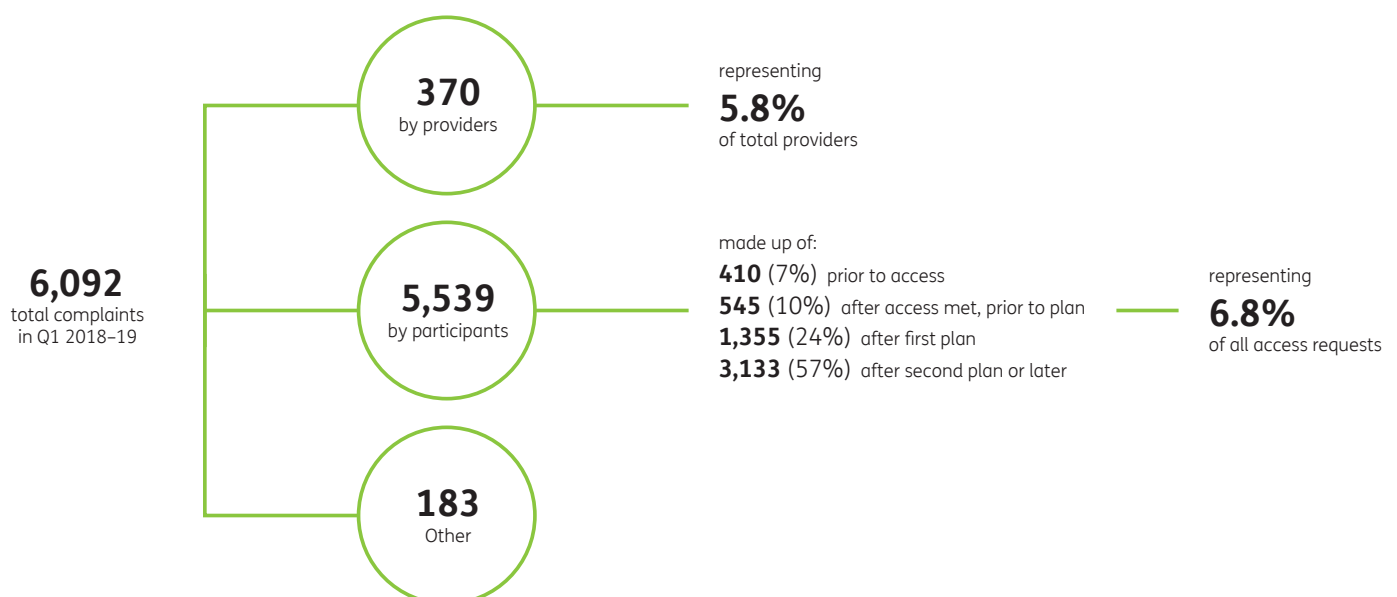
The proportion of complaints relative to the number of people who have sought access to the Scheme remained steady over the quarter at close to 6.8%. Of the 5,539 complaints received by or on behalf of participants in the quarter, 4,488 were made during the planning stage, with timeliness and reasonable and necessary supports reported as the most common issues. There were a total of 955 complaints made by or on behalf of participants in relation to the access stage. The NDIA continues to improve the planning process through pathway reform, and is implementing new strategies to ensure the delivery of consistent and equitable plans for all participants.

The proportion of complaints by registered service providers decreased from 6.3% in previous quarters to 5.8% this quarter, with timeliness the leading issue, resulting in 22% of complaints.

In line with the development of the new participant satisfaction survey, complaints are now beginning to be analysed across all stages of the pathway. Previously, complaints were recorded by the source of the complaint – participant, provider or other – whereas, on a preliminary basis, complaints are now also being analysed by the stage of the pathway to which they relate. This will allow the NDIA to track trends in complaints and satisfaction simultaneously, across all areas of the participant provider experience. More data on the stage and the reasons why participants and providers are complaining will allow the NDIA to make specific improvements to business operations, improving satisfaction rates for all NDIS stakeholders.

Figure 6 shows the number of complaints made by or on behalf of participants, or those who have sought access, registered service providers and other in 2018–19 Q1.⁴

Figure 6: Complaints



⁴ There are 96 (2%) complaints that have not been included in the breakdown of participant complaints because information on where in the pathway the complaint was made was not available.

2.5 Actions to improve participant experience

The NDIA is committed to delivering a Scheme that gets it right for participants.

The NDIA is progressing a number of short and long-term initiatives to ensure all individuals have a high quality NDIS experience. Recent activities are outlined below:

- **A Participant Reference Group**, with a diverse mix of participants, is convening regularly to discuss and provide input on strategic and implementation issues that impact participants.
- The Agency is actively engaging with external **peak bodies and advocacy groups** on strategic matters, to take a more proactive, consultative approach to working with organisations that represent people with disabilities. This includes the newly formed Autism Advisory Group.
- **Improvements to the participant pathway** are being made in collaboration with participants and the wider NDIS community, enabling engagement with the NDIS to be clearer, simpler and quicker for stakeholders. During the quarter, pathway improvements have focused on:
 - Increasing the number of participant-facing staff.
 - Assisting participants to better utilise their plan budgets.
 - Training staff to assist planners in implementing changes made to the participant pathway.
 - The launch of a new tailored pathway to speed up access for children from birth to six years with hearing loss, to minimise the risk of development delay.
 - The launch of a new tailored pathway for participants with psychosocial disability, which aims to make access criteria clearer and ensure participant plans include connections to other services and flexible arrangements, to allow for changes in circumstances.
 - The creation of online and printed planning booklets to help people navigate the NDIS.
 - Improving the efficiency and effectiveness of SDA processes including developing a new approach to SDA planning (see pages 20-21 for further information).
- **The new NDIS Contact Centre (NCC)** is significantly improving NDIS customer service by providing effective, direct information to callers and consistently exceeding the target of a 60 second wait time. Abandonment rates have significantly reduced.
- There have been significant **improvements to the MyPlace portal**, which include the management of service bookings, the ability to create and view payment requests, the ability to view contact details and messages from the NDIS, instant messaging between providers and linked participants, and the ability to link participants with other registered service providers.
- **A new participant satisfaction survey** has been developed and is being refined to gather data at the four primary stages of the participant pathway – access, pre-planning, planning and review. This will give the Agency a more comprehensive understanding of satisfaction levels across the different stages of an individual's NDIS journey, helping the NDIA to understand where improvements are making an impact or where further improvements are needed.

“The NDIS has changed my life. Now I have a scooter I can do things I’ve never been able to do before. Having cerebral palsy, I’ve never been able to walk very far. Now, I can take my dog, Jasper, for a walk; I can go to the shops, buy what I need without having to rely on people and meet my friends for coffee. It’s great. All the shop owners know me by name now. It’s been great to get out and meet people in my community.”

— Tony De Angelis, NDIS Participant (pictured right)



Part Three: Providers and the growing market

The NDIA is driving a culture of innovation in service delivery.

3.1 Growth and diversity of providers

The provider network grows, increasing participants' access to quality services.

There was a total of 17,925 registered providers at 30 September 2018, representing a 7% increase on last quarter. Of the total number of providers, 54% were active at 30 September 2018, representing an increase of four percentage points on last quarter.

The rate of growth in providers has reduced by 12 percentage points compared to the previous quarter. The lower but still significant rate of growth largely reflects the fundamental change in the registration process in NSW and South Australia following the commencement of the new NDIS Quality and Safeguards Commission this quarter. The new arrangements require registering providers to undertake a third party audit and suitability assessment. The new registration process is now the mechanism through which quality and safeguarding of NDIS supports and services occurs.

All of the largest registration groups continued to grow during the quarter:

- **Therapeutic supports** from 8,166 to 8,743 (7% increase)
- **Household tasks** from 4,569 to 4,995 (9% increase)
- **Assistance with travel/transport arrangements** from 3,436 to 3,741 (9% increase)
- **Early Intervention supports for early childhood** from 2,803 to 2,960 (6% increase)
- **Innovative Community Participation** from 2,515 to 2,779 (10% increase)

The total number of active providers increased from 8,442 in the previous quarter to 9,693 in 2018-19 Q1. The jurisdictions that experienced the highest level of growth in active providers included Queensland with a 28.0% increase, the Northern Territory with a 23.5% increase and Tasmania with a 18.7% increase.

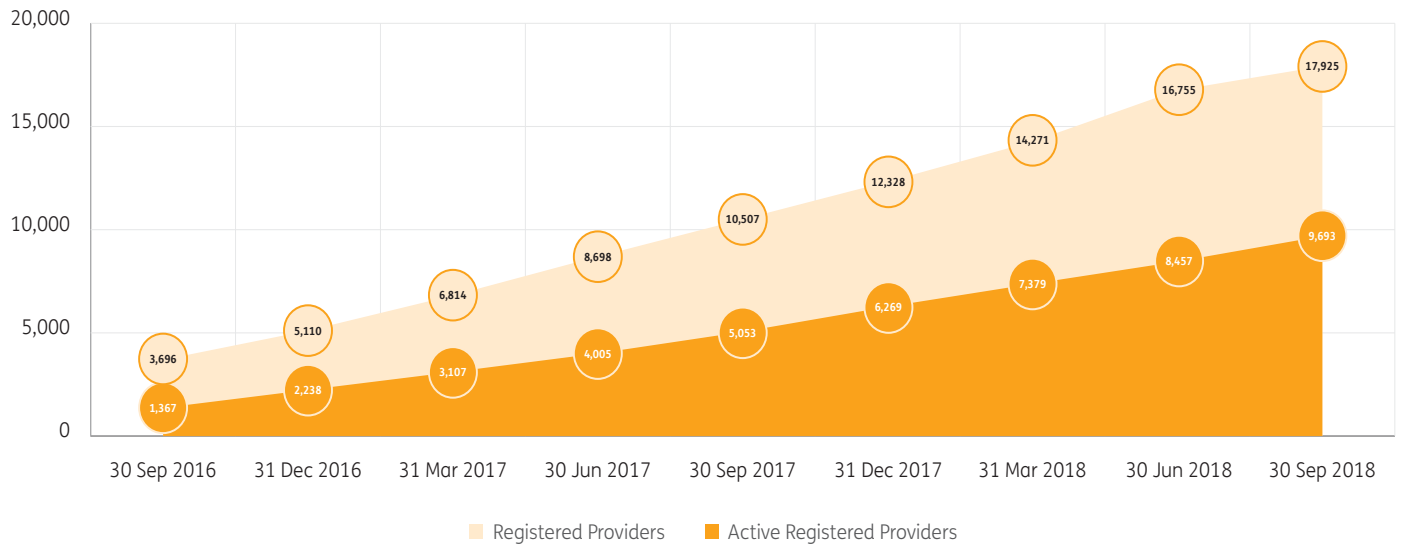
The registration groups with the highest level of growth in active providers during the quarter were:

- **Specialist Disability Accommodation** from 75 to 97 (29% increase)
- **Innovative Community Participation** from 214 to 268 (25% increase)
- **Community Nursing Care for high needs** from 252 to 308 (22% increase)
- **Household tasks** from 1,770 to 2,129 (20% increase)
- **Assistive products for household tasks** from 141 to 169 (20% increase)

The NDIA is working on ways to measure the extent to which the market is increasing capacity to provide more services and meet future demand, including that at a local market level.

Figure 7 shows the growth in registered and active registered service providers from 30 September 2016 to 30 September 2018.

Figure 7: Growth in registered providers



3.2 Specialist Disability Accommodation

The NDIA is focused on delivering Specialist Disability Accommodation for this fast growing and significant group of participants and providers.

Currently, 9,536 participants have Specialist Disability Accommodation (SDA) in their plans, representing an increase of 56% in the year to 30 September 2018.

However, 14,025 participants have Supported Independent Living (SIL) in their plan. SIL only supports participants who live in shared supported accommodation. It, therefore, follows that a further 4,489 participants are living in shared supported accommodation, but currently do not have SDA in their plans. This difference is likely to reflect the process of transition from the state and territory services to the NDIS.

The number of participants with SIL in their plans (namely 14,025) stands at 7.1% of all active participants with an approved plan. This is marginally higher than the expected 6% of participants that the Productivity Commission assumed would receive SDA and SIL funding, reflecting the priority that State and Territory Governments gave to the transition of this group of clients.

Participants receiving SDA and SIL have, on average, higher support needs than other categories of participants. The average annualised committed support for these participants is approximately \$260,000, with SIL being the most significant component of a participant's plan. Committed supports for participants receiving SIL and SDA typically varies between \$150,000 and \$350,000 depending on the level of support required. The average SDA amount currently in plans is approximately \$10,000, reflecting the high level of existing stock, with a lower average annual price compared with new builds.

While participants receiving SIL (including SDA) are only 7.1% of participants, they represent about one-third of current annual committed support.

Not surprisingly, utilisation for this cohort of participants is high, with it being 85% in 2017-18.

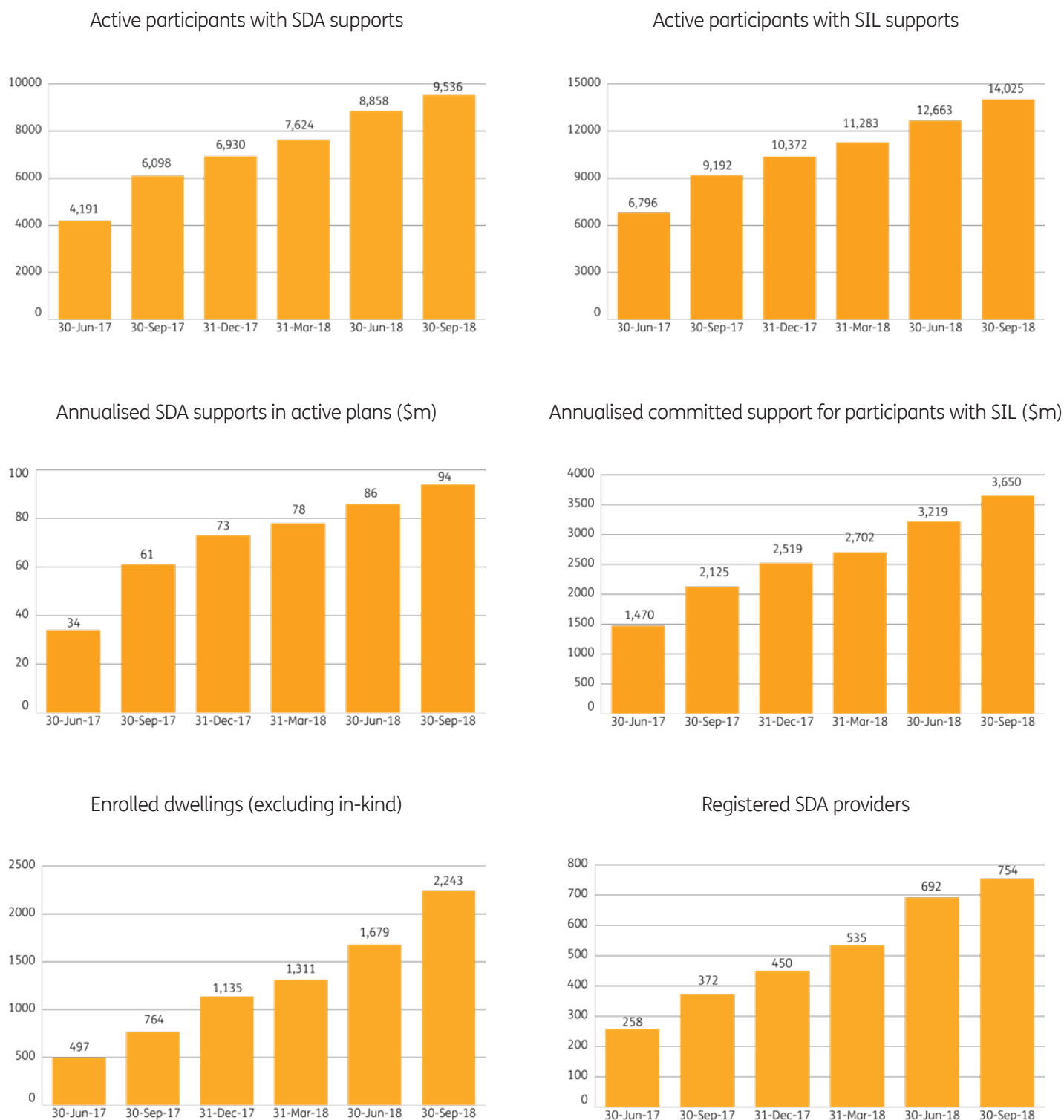
A high proportion of participants (65%) receiving SDA and SIL have an intellectual disability, with a further 10% having autism. The balance have physical, psychosocial and neurological disabilities.

The provider market has grown rapidly. In the year ended 30 September 2018, the number of registered SDA providers more than doubled from 372 to 754. At the same time, the number of enrolled dwellings increased by just under 200% from 764 to 2,243. This excludes in-kind dwellings.

The proportion of new builds and refurbishments reflects the lead time associated with the design and development cycle. The stock of new and refurbished buildings has increased by almost 14% since 1 April 2016. This does not include data for Western Australia and the ACT, with the Agency expecting to commence enrolling buildings next quarter. Reflecting the infrastructure-like nature of SDA, new types of providers are increasingly emerging.

Figure 8 provides more detailed information on current demand and supply of SDA, but does not include those participants where SDA is currently not registered.

Figure 8: Changes in Specialist Disability Accommodation by quarter



The NDIA is undertaking a range of initiatives to increase options for participants. This includes:

- Providing greater market certainty in relation to pricing methodology by providing the SDA Provider and Investor Brief in April 2018
- Regularly publishing more information on both demand and supply on the website since October 2018 and in this Quarterly report.
- Providing regular and on-going briefings to potential investors in SDA
- Improving and expediting the SDA planning process by having a dedicated team of senior specialists focused on SDA decisions since September 2018
- Increasing the engagement with stakeholders by moving to establish a SDA stakeholder consultation group, in the same way as has been done with other groups such as hearing, mental health and autism
- Receiving and responding to a paper from the Independent Advisory Council on innovative, contemporary housing models.



“Back to Back Theatre is led by a group of artists with intellectual disabilities. As well as making shows in Geelong, and touring them around the world, we run contemporary theatre workshops for people with disabilities. Our inclusive approach inspires a dynamic environment for people with different abilities and interests and encourages participants to build their confidence, independence and social and cultural inclusion. Our work demonstrates to communities, in Australia and internationally, the profound contribution people with disabilities make to society.”

— Back to Back Theatre

Part Four: Information, Linkages and Capacity Building (ILC)

ILC grants support inclusivity and diversity in communities across Australia.

4.1 Building inclusive communities

ILC grants of over \$82.7 million were made to community programs over two years.

In the last two years, the NDIA has delivered five ILC grant rounds to support the roll-out of ILC across each State/Territory. Each grant round has funded projects under one or more of the activity areas in the ILC Policy. During the two years, there have been 221 grants, totalling over \$82.7 million awarded to organisations across the country.

The NDIA will adopt a more strategic and programmatic approach to ILC investment from July 2019 through implementation of the ILC Investment Strategy. The strategy will be implemented through programs that align with the activity areas detailed in the ILC Policy. Each new program will contribute to the sustainability of the NDIS and help create more accessible and inclusive communities across Australia.

Figure 9 shows the support committed by the NDIA via the ILC policy over 2016-17 and 2017-18 financial years.

Figure 9: ILC grants

ILC Activity Area	No. of Grants	Funding amount
1. Information, linkages and referrals — people with disability are connected and have the information they need to make decisions and choices.	81	\$39,219,893
2. Capacity building for mainstream services — people with disability use and benefit from the same mainstream services as everyone else.	33	\$10,418,595
3. Community awareness and capacity building — people with disability participate in and benefit from the same community activities as everyone else.	50	\$14,326,131
4. Individual capacity building — people with disability have the skills and confidence to participate and contribute to the community and protect their rights.	44	\$10,251,468
Remote ILC Grants Round	13	\$8,489,069
Total	221	\$82,705,156



The Suncoast Spinners are a local basketball organisation based in Queensland. They were awarded an ILC grant of just over \$81,000 in 2017. The Suncoast Spinners used their ILC grant to run basketball workshops that focus on the common abilities of people, providing a fun experience that helps to break down misconceptions of disability.

A lot of clubs modify their sports to include people with disability. However, Suncoast Spinners' program does the opposite and relies on reverse inclusion, whereby people without disabilities participate in activities designed for people with disabilities. This approach supports attitudinal change to eradicate barriers to inclusion, and engages the whole community to provide equitable, inclusive and accessible sports. There is currently a 50/50 split in the club of those with and without disabilities. As a result of this project, there is now a national reverse inclusion basketball tournament held each year, with people travelling from across Australia to participate in the tournament.

— Suncoast Spinners, NDIA ILC grant recipients

Part Five: Financial sustainability

A financially sustainable Scheme focuses on outcomes that will support participants now and across their lifetime.

5.1 Delivering within budget

The NDIS remains within budget.

The NDIS has been within budget each year of its operation. The NDIS remains within budget in the first quarter of 2018-19 and is projected to remain within budget for the whole financial year.

In 2017-18, \$7.7 billion was committed in plan supports, with \$5.2 billion paid. This represents a utilisation rate of 68% and reflects the increased amount of first plans approved in the year. Experience shows that utilisation tends to increase as participants remain in the Scheme for longer periods of time.

Figure 10 shows a comparison of committed supports (\$m) and payments by financial year since the Scheme's inception.

Figure 10: Committed supports and payments

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 Q1	Total
Total Committed	132.8	496.9	939.3	3,237.4	7,727.5	2,884.6	15,418.5
Total Paid	85.8	370.8	703.5	2,171.5	5,248.7	1,530.1	10,110.5
% utilised to date	65%	75%	75%	67%	68%	-	66% ⁵

⁵ Only committed supports expected to be used to 30 September 2018 have been used to calculate the utilisation from 1 July 2013 to date, and this will increase as there is a lag between when support is provided and when it is paid.

5.2 Addressing Scheme pressures

Pressures on the NDIS have been identified and are being responsibly managed.

The insurance-based structure of the NDIS means that emerging experience can be compared against expectations, allowing any differences to be detected quickly and any associated risks to be managed. This efficient and responsive monitoring process ensures the financial sustainability of the NDIS. There are a number of primary costs to the NDIS: the number of participants, the amount of support allocated to each plan, how that allocated amount will change over time, the utilisation of individual supports, and the rate at which participants exit the Scheme.

The current primary financial pressures relate to:

1. Scheme access and on-going eligibility

The number of children in the Scheme is higher than expected, and the number of participants transitioning out of the Scheme who have entered under the early intervention criteria is lower than expected.

2. Participant costs

Plan budgets continue to grow by more than would be expected solely due to inflation and ageing. This is particularly the case for participants in SIL and SDA, where costs are higher than expected.

Specific management responses are being developed to address the two primary sustainability pressures listed above:

Participant Pathway Review

The NDIA's Participant Pathway Review was instigated by stakeholder feedback. A key element of the review is strengthening the "outcomes focus" of the NDIS, and increasing the consistency and reliability of access and plan budget decisions.

Reference package and guided planning process

The reference package and guided planning process is a method to better align a participant's support package with their level of function when they first enter the Scheme and at plan review. This process will require ongoing refinement to ensure that the right assessment tools and questions are being used to inform plan decisions.

Supported Independent Living (SIL) and Specialist Disability Accommodation (SDA)

The NDIA is working on consistent and equitable decisions for those seeking access to SIL and SDA, which constitutes a large proportion of NDIS cost.

Business intelligence strategy

A business intelligence strategy has been developed, which includes initiatives such as the development of tools to support decision making, improved gateway interfaces with business partners, and the refinement of governance processes for data management.

Through a continued focus on data quality and the development of tools and reports to support effective decision making and strong risk management, the NDIA can continue to monitor and address emerging pressures. As a result, the Scheme will continue to deliver positive outcomes to NDIS participants now and in the future, while remaining financially sustainable.

Part Six: Staff, advisory groups and the NDIS community

A strong and dedicated NDIS community delivers the best possible experience for participants.

6.1 Collaborating with NDIS stakeholders

The NDIS is strengthened by collaboration and partnerships.

The NDIA has been working closely with stakeholder groups and the disability community to ensure that advancements in the participant experience are innovative and inclusive.

- The Agency has been working with **Mental Health Australia (MHA)** to improve the experience and outcomes of participants with psychosocial disability. Improvements are primarily focused on the launch of a new tailored stream, which aims to make access criteria for those with psychosocial disability clearer, ensure individuals are connected with other services, and have flexible arrangements incorporated into their plan. Furthermore, the tailored stream recognises the episodic nature of psychosocial disability and embeds a recovery-based approach.
- From August 2018, the NDIA has been working in partnership with **Australian Hearing** on a new pathway stream for children aged zero to six years old who have permanent hearing loss or who are deaf. This pathway stream will speed up the time it takes for this cohort to access the Scheme and provide tailored assistance so that eligible participants receive the support they need.
- The NDIA is collaborating with the **Autism Advisory Group** with the intention of improving life outcomes for people with autism spectrum disorder. The Autism Advisory Group has identified four guiding priorities for this cohort:
 - Eligibility and outcomes
 - Participant experience and plans
 - Training and expertise
 - Mainstream and community inclusion
- The **Autism CRC**, with financial support from the NDIA, has developed Australia's first National Guideline for the assessment and diagnosis of autism spectrum disorder. This guideline is in line with the best available scientific evidence and has been developed to rigorous standards, with endorsement by the National Health and Medical Research Council.

6.2 NDIA Values

Refreshed values guide the NDIA's mission to support people with disability to achieve their goals.

The NDIA's mission is to build and manage a world-leading National Disability Insurance Scheme that supports people with disability to achieve their goals, helping them realise their full potential and exercise choice and control over their lives and futures. As the transition progresses to full Scheme, the NDIA has identified four primary values to support this mission and to optimise the full inclusion of people with disability in our community.

The refreshed NDIA values have participants at their core, guiding the day-to-day activities and longer-term strategies of all NDIA staff and the work they produce.



**We value
people.**



**We aim
higher.**



**We grow
together.**



**We take
care.**

6.3 NDIS Contact Centre

The new NDIS Contact Centre significantly improves the customer experience.

The NDIS Contact Centre (NCC) is responsible for taking phone and email enquiries from all those wishing to make initial contact with the NDIS, as well as participants, providers and anyone who requires information about the Scheme. The NCC has fully transitioned to a new provider this quarter, representing a significant improvement to the experience of those contacting the NDIS.

Since transition, the NCC has answered over 240,000 calls with 84% of those calls answered within one minute. In September, NCC Customer Service Officers (CSOs) achieved a 97% quality rating.

The NCC has 305 CSOs in total, working in offices in Dandenong and Newborough, Victoria. Of the total NCC workforce, 14.8% identify as having a disability. Like the NDIA, the NCC are champions of workplace diversity and place the NDIS participant at the core of everything they do.

6.4 Building a high performing NDIA

The NDIA workforce is set to grow.

Investment in the NDIA workforce supports the Agency's commitment to providing a Scheme of the highest quality to people with disability across Australia.

Over the next 12 months, an additional 750 staff and partners will be hired and targeted training of 6,000 planners and local area coordinators will take place to support the pathways reform implementation.

In order to address the challenges that lie ahead through the remainder of transition, the NDIA needs to operate as efficiently as possible. To achieve this, the Agency has been working towards building One NDIA, which aims to provide participants with a consistent experience of the Scheme, regardless of where they live.

“Ben’s NDIS funds opened an alternative door of opportunity for us. With his career front of mind, I left my job as a primary school teacher and with Ben’s funding I employed support workers and started “Ben & Co, Bakers with Purpose.” We create and bake from scratch and sell our goods at local markets. Ben is non-verbal and a lot of people thought there was no way we could do it, even parents with other children with Down Syndrome. But if you set it all up, anything is possible.”

— Carolyn Hunter, mum of Ben Hunter (pictured right), NDIS Participant





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