

COAG Disability Reform Council

Quarterly Report

31 December 2018



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Executive Summary

As the pace of the roll-out of the National Disability Insurance Scheme (NDIS) significantly accelerates, the positive impact on the lives of Australians with disability is increasingly apparent. This report outlines the progress made over the last quarter, framed in the context of the Scheme's evolution.

1. The NDIS is reaching more eligible Australians more rapidly

The accelerating pace of the roll-out is delivering NDIS funding for an ever-increasing number of existing and new participants, at the same time as the NDIA is focused on meeting operational targets.

1.1 The number of participants entering the Scheme has significantly increased

At 31 December 2018, 244,653 eligible people with disabilities had joined the NDIS representing a 17% increase over the prior quarter. In January 2019, the quarter of a million mark was reached.

During the quarter, an additional 31,026 participants received an approved plan. This compares with 19,965 in the same quarter the previous year. In other words, more than 1.5 times the number of participants received NDIS benefits in the past quarter versus a year ago. This is a significant increase in the pace of the roll-out.

1.2 More participants are receiving funding for the first time

Excluding children in the Early Childhood Early Intervention (ECEI) program, 32% of participants or 73,956 individuals are receiving funding for the first time.

In the December quarter, 36.6% of participants gained support for the first time versus 31.0% in prior quarters.

1.3 The number of scheduled reviews has dramatically increased

As the roll-out of the Scheme accelerates, the number of scheduled plan reviews has significantly increased.

In aggregate, over the period of transition,

236,642 plan reviews have been undertaken. This is broadly equivalent to the number of people in the Scheme and the ECEI program.

Reflecting the rapid acceleration of the Scheme roll-out, 52,117 plan reviews were undertaken in the past quarter and 90,463 over the last six months.

When the number of plan approvals is added to the scheduled reviews, this brings the total number to 83,143 for the quarter and 147,439 for the half year, or a run rate of 1,180 a working day for the half year.

The number of plans and reviews will continue to increase through to full Scheme, even though the NDIA is proactively taking steps to lengthen the period between plan reviews for participants whose conditions are stable and unlikely to change.

1.4 The focus of the roll-out has shifted to Victoria, Queensland and Western Australia

In the quarter ended December 2018, 28% of approved plans were delivered in Victoria and 26% in Queensland. This reflects the continued roll-out of the Scheme in those states, following the prior focus on New South Wales and South Australia. The transition of existing state participants in New South Wales has been completed, although 3,891 new participants have joined the Scheme in the quarter. In the case of South Australia, the transition of existing state participants has continued with the agreement of the State Government, as has the enrolment of new participants. Western Australia is receiving significantly greater attention, with the active support of the Western Australian Government.

1.5 The NDIA is delivering against operational targets

Although the NDIS is being implemented against the backdrop of the bilateral estimates, the availability of records—essential to the transfer and/or enrolment of participants into the NDIS—has been a constraint, despite the wholehearted support of each State Government. As a result, the NDIA has increasingly moved to assess its operational performance against the availability of records, not just the bilateral estimates.

Executive Summary *continued*

At 31 December 2018, operational performance for the 2018-19 year-to-date stood at 88%, with Tasmania, Queensland and Victoria, all exceeding 90%, and New South Wales close behind at 87%. With the support of the relevant state Governments, significantly greater effort is currently being applied in South Australia and Western Australia to improve performance before year end.

2. More is being done to reach those most in need

In addition to focusing on the roll-out according to the bilateral estimates, more is being done to deliver plans to those most in need. This includes the group of participants eligible for Specialist Disability Accommodation (SDA); Younger People in Residential Aged Care (YPIRAC); as well as children.

2.1 The focus on moving eligible participants into SDA has increased

It is estimated that up to 28,000 participants who have a significant functional impairment and/or very high support needs will be eligible for Specialist Disability Accommodation (SDA). Such participants will also typically have Supported Independent Living (SIL) in their plans.

The number of participants with SDA formally in their plans increased by 15% in the quarter to 10,975, while those with SIL increased by 20% to 16,880. At the same time, the number of enrolled SDA dwellings increased by 16% to 2,593.

While these increases are encouraging, initiatives to further stimulate SDA market supply are underway to meet anticipated demand. The NDIA is actively supporting changes to the SDA Rules to facilitate such a development and to make it easier for eligible participants to gain access to suitable SDA that is reasonable and necessary in a way that is consistent with their support needs.

The NDIA is also supporting the development of innovative SDA options, as well as options for high support needs participants who live in the community.

2.2 The focus on YPIRAC has increased

YPIRAC is the term used for any person under the age of 65 years who currently lives in a residential or aged care facility. This often occurs because the person cannot find alternative accommodation. Ensuring eligible participants have the ability to exercise choice and control and, if they so desire, are able to move from such facilities, is a priority for the NDIA.

Of 6,457 individuals in YPIRAC under the age of 65, 4,012 have been deemed eligible for the NDIS so far, and of those 3,286 have an approved plan, with 2,988 of those plans currently being active. The eligibility of 1,439 is yet to be determined, with an additional 173 having already been found not to be eligible. In addition, there are a further 638 participants over the age of 65 (who were made eligible before 65 years of age), with an approved current plan.

This represents a 30% increase in the number of participants with an active plan in the last six months, and 91% in the past year.

Of those with a plan, only a small proportion currently have SDA approved. This largely reflects the constrained market supply of SDA and constraints imposed by the SDA Rules on the way the NDIA can currently operate. Changing the SDA Rules to increase the NDIA's flexibility is an important initiative to stimulate SDA supply and to move younger people out of aged care facilities.

2.3 The focus on young people has increased

In a concerted push that recognises the value of early intervention, the number of children linked to a service provider in the ECEI program (who do not have an approved plan) has grown from 6,656 in Quarter 1 to 11,489 this quarter, representing a 72.6% increase.

2.4 The focus on Aboriginal and Torres Strait Islander people has increased

During the past quarter, a 16.8% increase occurred in the number of Aboriginal and Torres Strait Islander participants. The increase over the past year has been 82.9%.

Executive Summary *continued*

2.5 A greater focus on Culturally and Linguistically Diverse (CALD) participants is occurring

A 20% increase was recorded in the number of CALD participants over the past quarter. The increase over the past year was 98.4%.

2.6 Prior changes made to the hearing stream are having an impact

Last quarter, refinements were made to the Hearing Stream to facilitate rapid entry to the Scheme and/or to ECEI for people with a hearing disability.

The impact of this change has been seen this quarter, with a 23% increase in participants with a hearing impairment, with an additional 1,522 plans being approved.

This initiative has been undertaken to ensure that, in particular, children have faster access to support to address hearing deficiencies.

3. Further improvements are being made to Scheme delivery

3.1 The roll-out of the new general participant pathway is underway

Based on extensive consultation with participants, families, carers, providers and sector representatives, the NDIA has been making significant improvements to the participant pathway to deliver quality plans.

The new pathway experience began rolling out in Western Australia and the Australian Capital Territory in September 2018, followed by New South Wales from October 2018, and Tasmania and Victoria from November 2018. Changes to the pathway have focused on embedding a more individualised approach with participants, and an emphasis on clearer communication to better support people with disability to achieve their goals.

A clearer, easier to use participant plan was also introduced in November 2018. The new plan includes an improved layout and clearer definitions of funding, and also shows how a participant's supports are linked to their goals.

3.2 Improvements are being made in Assistive Technology processes

Initiatives are underway to improve the timeliness of decision making to fund Assistive Technology. This includes eliminating the need for quotes for items below \$1,500; establishing a dedicated team to deal with quotes; and piloting the use of assessment panels for more complex and non-standard Assistive Technology.

3.3 Improvements in the delivery of the psychosocial stream are underway

The NDIA has been making improvements to ensure people with psychosocial disability receive fair and efficient access to the NDIS. Initiatives to improve the NDIS experience for this group of participants include the recruitment of specialised planners and LACs, better links between mental health services and NDIS staff and partners, and a focus on recovery-based planning. The new psychosocial pathway also provides better assistance to participants with episodic support requirements.

Changes to the psychosocial pathway were introduced in specific locations in Tasmania and South Australia in November 2018, followed by Victoria and New South Wales in conjunction with the implementation of the complex support needs pathway. These improvements will continue to roll-out nationally.

3.4 Improvements are being made to the Complex Pathways

The complex pathway aims to support participants with disability who have other challenges impacting their lives and require dedicated support to navigate the NDIS. To improve the NDIS experience for people with complex support needs, the NDIA has been developing the complex support needs pathway. The approach includes specialised planning teams, NDIA staff with extensive experience in complex support coordination, and the introduction of liaison officers and support coordinators who have the networks, skills and knowledge to support participants with complex support needs.

Executive Summary *continued*

A new complex support needs pathway was introduced in specific locations in Victoria and New South Wales in November 2018, and will progressively roll-out across the country.

3.5 The pilot to improve access and planning decisions is underway

To improve the quality of access and funding decisions for people with autism, intellectual disability and psychosocial disability, who are aged between 7 and 64 years, an Independent Assessment Pilot has been launched on a completely voluntary basis. Feedback to date has been very positive, but work continues.

Previously, the Autism Collaborative Research Centre developed the first National Guidelines for the assessment of autism, and it is currently undertaking work to test the effectiveness of the PEDI-CAT (ASD) tool.

3.6 Previous changes made in the Contact Centre delivery are resulting in improved service

Participants are now benefiting from significantly improved service levels following the switch to Serco in June 2018. The average phone call answer speed is now 28 seconds, versus 4 minutes 16 seconds previously; abandonment rates have decreased from 17.5% to 1.5%; and email resolution for the first response has risen from 70% to 80%. Results for providers are not dissimilar.

3.7 Signs are emerging of improving participant engagement

The NDIA is committed to obtaining feedback from each participant at each stage of their engagement with the NDIA. Currently, participant satisfaction surveys are undertaken on a sample basis. Until each person is surveyed, the new survey remains a work-in-progress. The long-standing survey that has been used by the NDIS is also done on a sample basis.

The overall satisfaction rate, based on the long-standing survey stood at 84% for the quarter, which is consistent with results for six out of nine prior periods. In the other three of nine quarters, the results were 88% in two quarters and 93% in the previous quarter. More detailed

feedback shows very high levels of satisfaction for the planner listening to the participant; the participants' having enough time to tell their story; and the overall planning meeting going well. Additional emphasis is being put on training planners so that they can add greater value in the planning process and provide greater guidance as to next steps.

Other signs of improvement exist around the steady decrease in unscheduled reviews, which despite significantly increasing volume, now stands at the lowest percent (13.4%) since September 2016.

The percent of participant complaints has reduced to 6.6%, showing a reduction over the past year.

Similarly, the percent of AAT cases, which stood at 0.38% of all access decisions in December 2018, has marginally reduced over the past six months.

4. Outcomes for participants are increasingly positive

Most importantly, the Scheme is showing improved outcomes for participants in most, but not all, areas. This is what the Scheme is all about: improving outcomes for participants.

This is evidenced by strong longitudinal results after one year, which have continued to improve after a second year. Improvements up to 9% can be seen in almost all categories between the first and second year of a participant's time in the Scheme. For instance, 94% of parents said that the NDIS had improved their child's development, up 3% on the prior year; and 80% of participants aged 25 years and over considered that the NDIS had helped them with their daily living activities, up 9% on the prior year. These trends are encouraging.

One area of greater focus over the coming year will be in relation to employment outcomes for participants. While employment participation rates vary markedly by disability (ranging from 57% for those with a hearing impairment to 5% for those who have had a stroke), the overall percent of participants in work is static at 21%,

Executive Summary *continued*

notwithstanding an improvement from 13% to 21% for those aged between 15 and 24 years. The NDIA is working proactively with the Department of Social Services, participants and providers to find an approach that will address this issue. It is recognised that the key to living an ordinary life is to find gainful paid employment, wherever it is possible.

On the other hand, the results for the level of social and community engagement of people with disability has increased markedly from 35% to 46%, exceeding the internal target of 41% for 2018-19. This is encouraging.

5. The provider market continues to grow

Growth of a vibrant provider market is fundamental to the success of the Scheme and a participant's ability to exercise choice and control.

The overall number of registered providers has now reached 19,075, representing a 6% increase for the quarter, and 55% over the past year. Encouragingly, the growth rate of active providers was higher at 9.1% for the quarter and 68.7% for the past year.

The highest quarterly growth rate for active providers was 22% for Specialist Disability Accommodation (SDA); 19% for innovative community participation, and 18% for community nursing care for high needs participants.

The NDIA is committed to providing more granular information on both demand and supply to deepen and broaden markets. Additional material contained in this report, particularly on SDA and on participant numbers by broad type of support is part of that commitment, as are ongoing improvements to the Provider Finder tool that is designed to assist participants connect with providers.

6. The Scheme remains financially sustainable

The Scheme remains within budget, and has done so every year of its operation. It is projected to remain within budget for the rest of the financial year.

As an insurance Scheme, the NDIS takes a lifelong approach, investing in people with disability early to improve their outcomes later in life. The NDIA closely monitors cost pressures to detect and respond to risks to Scheme sustainability as they emerge. It does this in a way that is consistent with the principles of the Scheme and the purpose for which it was created. Equally, it is recognised that maintaining Scheme sustainability is in the short and long-term interests of all participants.

7. Sector engagement is increasing

The NDIA is committed to working with the sector more broadly. That is being evidenced through the active involvement of disability organisations and participants in the comprehensive work undertaken and underway in relation to the pathways. It has been reflected in engagement with the hearing sector, Mental Health Australia, and with those that support participants with complex needs. The NDIA is also actively engaging with the Autism Advisory Group to better understand and meet the needs of those with autism.

The NDIA has also released a revised ILC Investment Strategy, with the objective of enhancing the support for individuals and communities that proactively work with people with disability.

In conclusion

In addition to the rapid progress made on the Scheme's roll-out over the last year, the comprehensive program of work that has been undertaken to address initial implementation challenges with the Scheme is having a positive impact.

This work, which continues, has been undertaken with the active engagement of participants and the sector. That work is essential to ensure an NDIS which meets the needs of participants, that creates a vibrant and innovative provider market, and that ensures the financial sustainability of the Scheme over the long haul.

Introduction

This report is a summary of the performance and operations of the National Disability Insurance Agency (NDIA) for Quarter 2 of 2018-19 (1 October – 31 December 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.



“Since Tiana joined the NDIS two months ago, she has been able to spend two days a week at work. It’s been the best thing. She loves working with the kids and when I pick her up, she’s in a happy mood. Before we joined the NDIS we were running out of funding. I was getting very stressed but now she’s done so well and we’ve seen so much improvement.”

- Marilyn Dillon, mum of NDIS participant Tiana Dillon (pictured), who works two days a week at a primary school

Part One: Participants and their plans

More participants from diverse geographies experience improved outcomes with support from the NDIS.

1.1 Roll-out

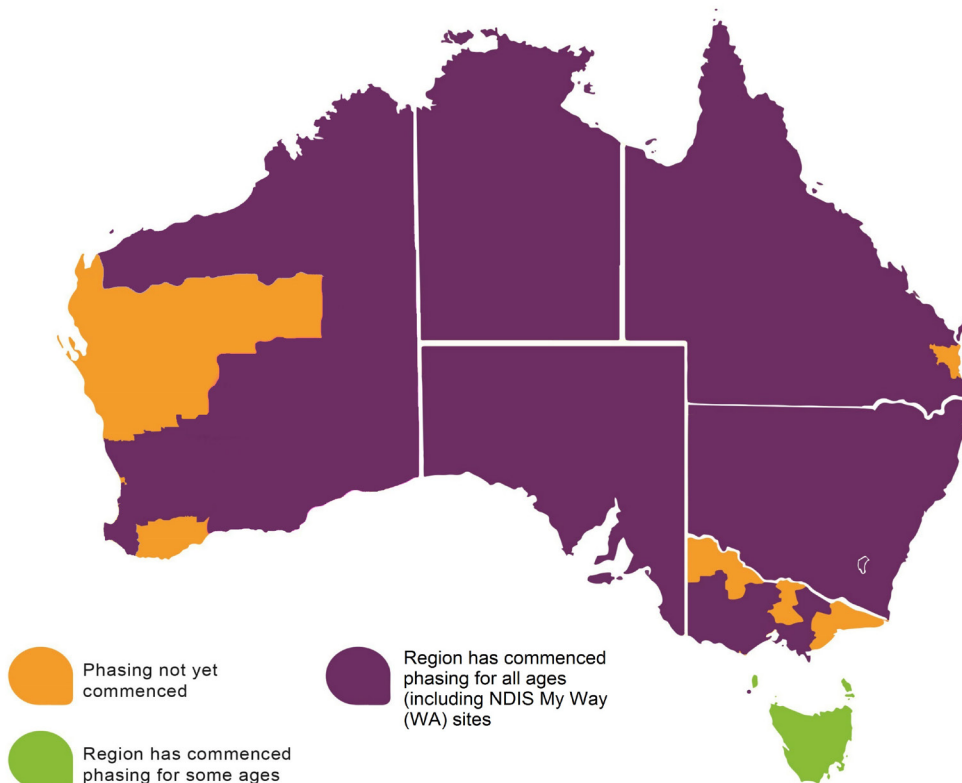
More participants are receiving support as the NDIS transitions into the remaining areas of Australia.

In October 2018 the NDIS began operating in the Victorian areas of Brimbank Melton and Western Melbourne. Western Australia continued its transition from the state-operated NDIS My Way to the national Scheme this quarter, and since October 2018 has been operating in the areas of Goldfields-Esperance, North Metro and Kimberley-Pilbara. At 31 December 2018, the NDIS was fully available in New South Wales, South Australia, the Northern Territory and the Australian Capital Territory, with more people in these States/Territories expected to phase into the Scheme beyond 31 December 2018.

The Commonwealth and Western Australian Governments have agreed to provide additional time for people to transfer from Western Australia's state-based NDIS to the nationwide NDIS, to allow state-based participants to be appropriately supported and transitioned.

As of 1 January 2019, all Queenslanders, Victorians and Tasmanians will be able to apply for access to the NDIS, with the Scheme rolling-out in the remaining regions of these States.

Figure 1: Phasing regions



1.2 Number of participants

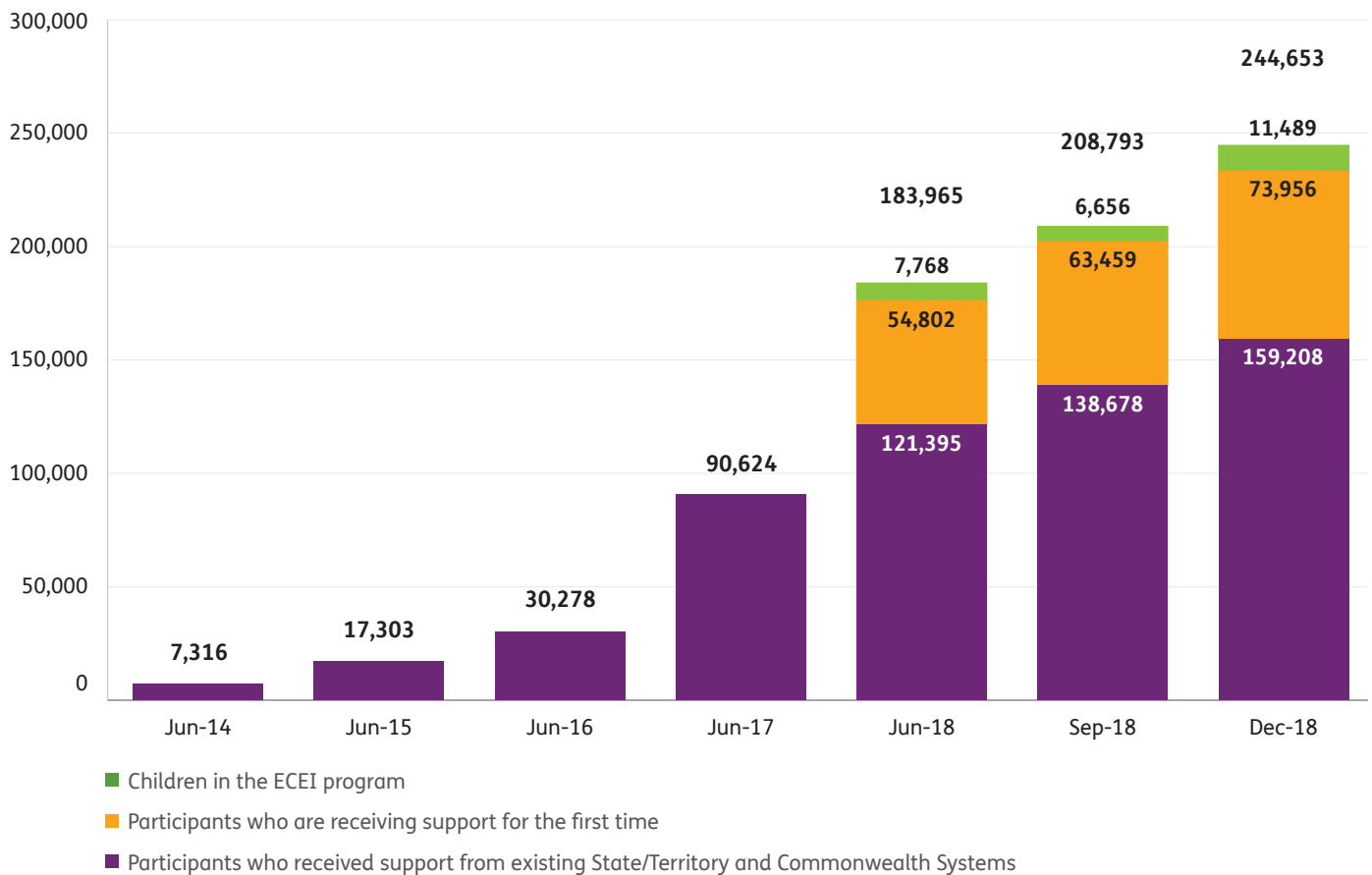
Almost 250,000 Australians with disabilities are now being supported by the NDIS, with close to one third of participants receiving support for the first time.

At 31 December 2018, 244,653 people with disabilities, including children in the ECEI program, were being supported by the NDIS. This represents a 17% increase in the number of participants over last quarter. An additional 31,026 participants, excluding children in the ECEI program, received approved plans this quarter.²

Importantly, the Scheme is supporting both people from existing State/Territory and Commonwealth systems and people who have not previously received support. Of the 244,653 participants currently supported by the Scheme, 159,208 previously received support from existing State/Territory or Commonwealth programs and 73,956 are now receiving support for the first time. In the December quarter, 36.6% of participants gained support for the first time, compared with 31.0% in previous quarters combined, excluding children supported in the ECEI program.

The number of children in the ECEI program has grown significantly from 6,656 in 2018-19 Q1 to 11,489 in Q2, which is due to an increased effort from the National Access Team to ensure all children were correctly matched with Early Childhood Partners prior to 31 December 2018.

Figure 2: Growth in participants



² The difference in the number of children in ECEI between quarters does not represent additional children being supported in the ECEI program. Children in the ECEI program can exit from the program, remain in the program or go on to receive an NDIS plan. This means that simple addition will not produce total amounts of Scheme participants.

1.3 Operational progress

The NDIA performed strongly this quarter, achieving 88% of its operational target.

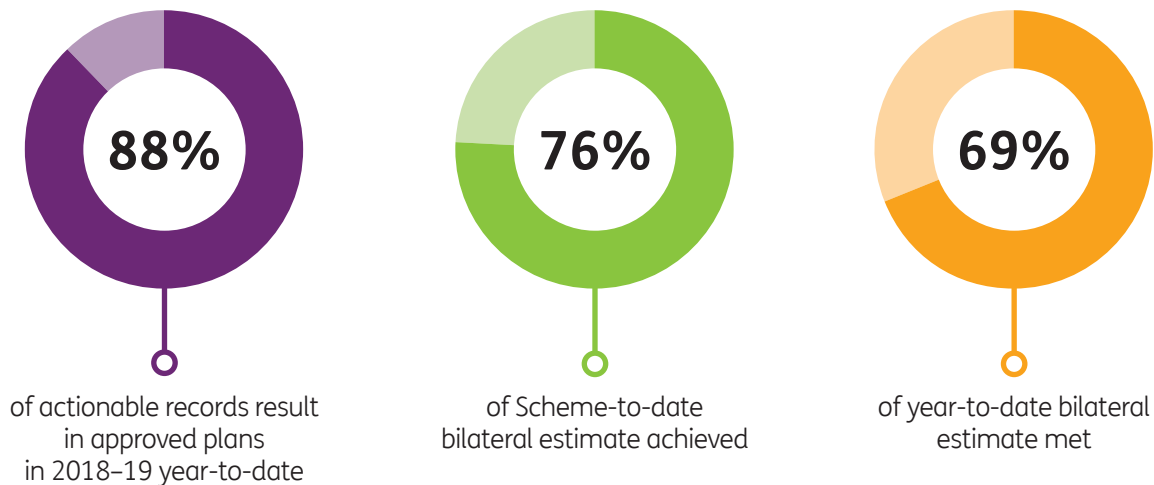
The NDIS is transitioning in sites across Australia in line with phasing schedules bilaterally agreed by State/Territory and Commonwealth governments. The bilateral agreements outline an estimate of the number of people who were predicted to participate in the NDIS from each State/Territory at particular 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 year-to-date, the Agency has achieved 88% 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, 88% received approved plans. Queensland reached 96% of its operational target, while Tasmania achieved 100%.

At 31 December 2018, 76% of the Scheme-to-date bilateral estimate was reached and 69% of the 2018–19 year-to-date bilateral estimate was met.³ The availability of data and difficulties contacting transitioning participants from State/Territory and Commonwealth programs are the primary challenges impacting progress against bilateral estimates. Other reasons include some individuals making a decision not to apply to the Scheme, and others no longer requiring support.⁴

Of the 58,818 actionable records available to the Agency, 51,933 (88%) resulted in approved plans and 6,885 (12%) remained as ‘access in progress’ at the end of the quarter. The Agency is undertaking a number of initiatives to ensure the Scheme is progressing towards bilateral estimates of all actionable records. As well as significant improvements to the participant and provider pathway, which will advance the consistency and efficiency of plan approvals, the NDIA continues to monitor the key performance metrics of each regional service delivery team.

Figure 3: Progress against bilateral estimates



³ Detail on the bilateral estimates is included in Appendix C.

⁴ 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

Diversity increases with higher numbers of Culturally and Linguistically Diverse (CALD) participants and people with psychosocial disability joining the Scheme.

Over the transition period, there has been a steady increase in the diversity of participants, specifically:

- **Culturally and Linguistically Diverse (CALD):** From **6.7%** of participants at 31 December 2016, to **7.2%** at 31 December 2017, to **8.0%** at 31 December 2018.
- **Psychosocial disability:** From **6.6%** of participants at 31 December 2016, to **7.1%** at 31 December 2017, to **8.2%** at 31 December 2018.

The profiles of current participants vary depending on the phasing schedule for their region. The increase in CALD participants this quarter is due in part to the Scheme phasing in new metropolitan areas of Victoria. Considering the areas in which the NDIS has rolled out across Australia, the proportion of participants who are Aboriginal and/or Torres Strait Islander (5.4% total and 5.7% this quarter) is in line with expectations.

The proportion of children aged 0-6 years receiving support from the NDIS has increased from 7.1% of participants at 31 December 2016 to 12.6% of participants at 31 December 2018. Similarly, there has been a steady growth in the proportion of adults aged 45 years and over receiving support from the NDIS, increasing from 22.3% of participants at 31 December 2016, to 26.2% of participants at 31 December 2018. The proportion of participants in each age group reflects the phasing schedules outlined in some bilateral agreements which prioritise age group and/or people in existing State/Territory disability systems.

The number of Younger People in Residential Aged Care (YPIRAC) receiving support from the NDIS increased by 16% in the quarter, and 91% in the year. Of the 3,626 active participants with approved plans in residential aged care, 143 (3.9%) are under the age of 45 years, and 638 (17.6%) are over the age of 65 years.⁵ The initial priority for the NDIA is to bring this group of participants into the Scheme efficiently, ensuring they receive appropriate plans. Once in the Scheme and receiving the appropriate support, the NDIA will work sensitively with each participant and their family/carer to explore alternative housing options that may better suit their needs.

⁵ Participants aged over 65 years entered the Scheme prior to turning 65.

Figures 4 - 8 outline key participant characteristic trends from trial through to 31 December 2018.

Figure 4: Number of participants that identify as CALD

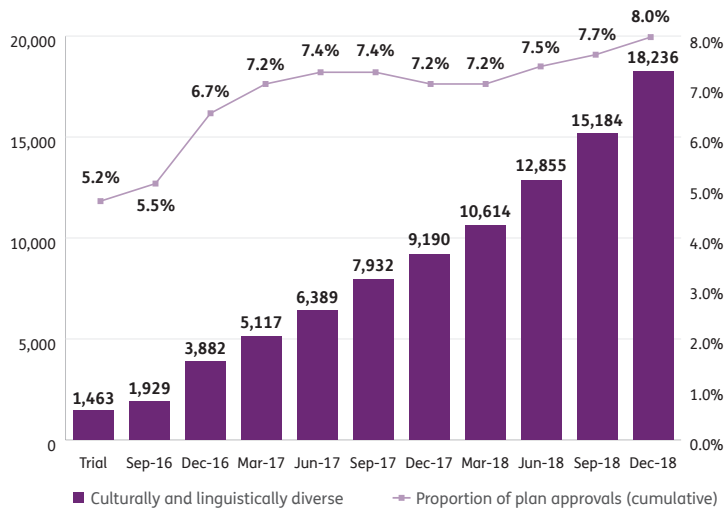


Figure 5: Number of Aboriginal and/or Torres Strait Islander participants

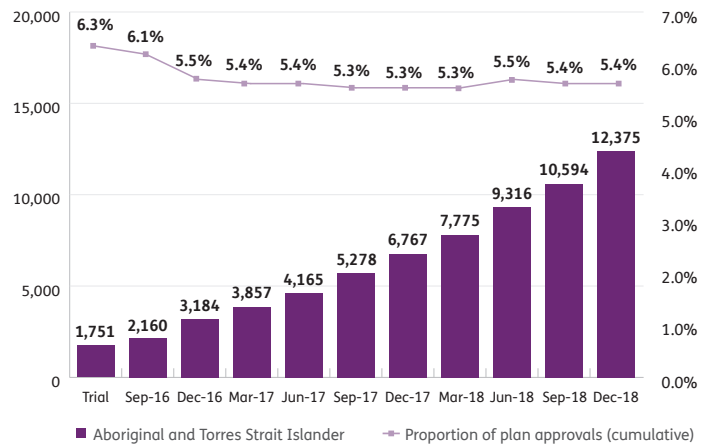


Figure 6: Number of participants by disability type⁶

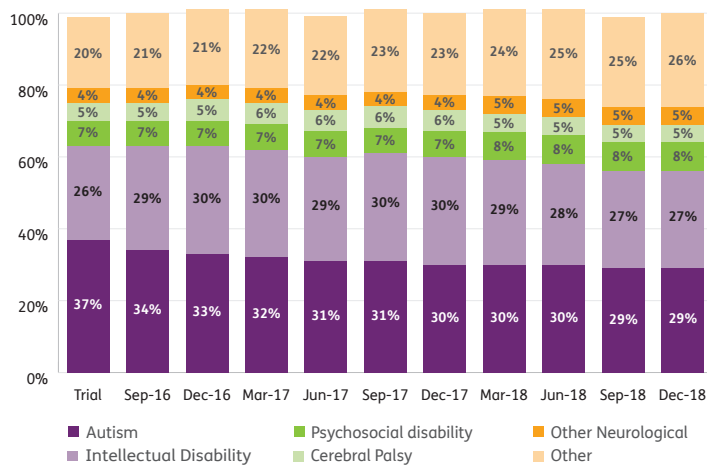


Figure 7: Number of participants by age group⁶

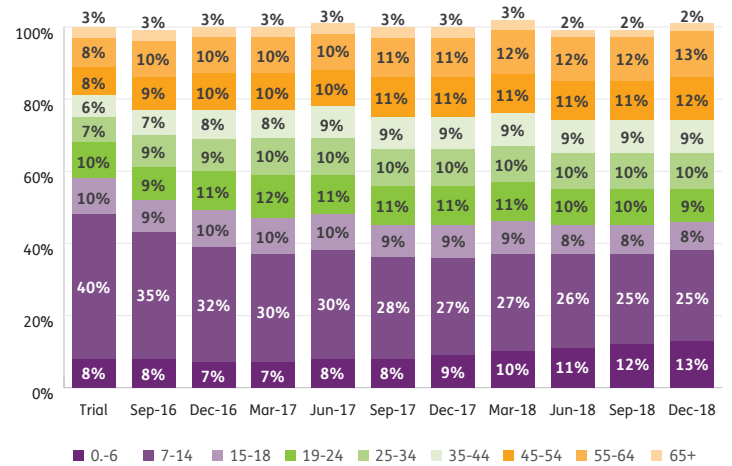


Figure 8: Number of YPIRAC participants

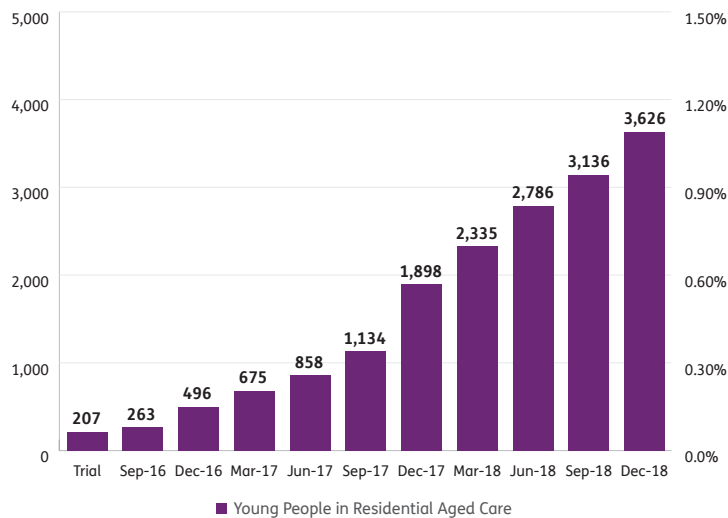
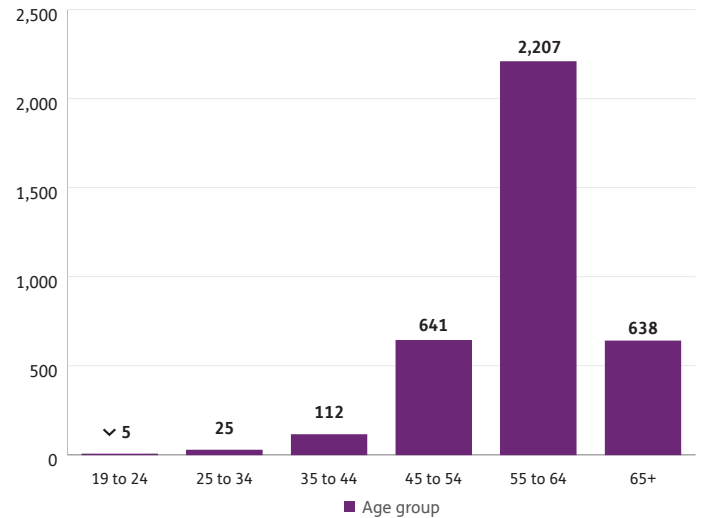


Figure 9: Number of current YPIRAC participants by age group



⁶ For Figures 6 and 7, percentage figures have been rounded, therefore totals may not add up to one hundred percent.



“Since the NDIS came to Rockhampton, Mynissa and her husband Matthew have received their own individualised funding, which means they now have a lot more independence from us than previously. The NDIS has helped us all tremendously. We are very proud.”

- Henry, dad of NDIS participant Mynissa Cope (pictured right)

“Matthew has always had that vision of being independent. Mynissa and Matthew together now have a lot more independence from us as their parents, and Matthew has been able to achieve his dream. Living independently has completely broadened his social life.”

- Loraine, mum of NDIS participant Matthew Fox (pictured left)

Part Two: Participant experience and outcomes

New data this quarter shows participant outcomes continue to improve over time.

2.1 Participants in community and social activities

Participation in community and social activities grows with more time spent in the Scheme.

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 (see page 18) and the number of participants involved in community and social activities, with baseline results collected as a participant enters the Scheme.

For people who entered in 2016-17 Q1 and Q2, participation in community and social activities is increasing with time spent in the Scheme. Following two years in the NDIS, participants aged 15 to 24 years increased their involvement in community and social activities from the 32% baseline to 43%, two percentage points in excess of the 2018-19 target of 41%. A similar increase was experienced by the 25 and over age group, which saw a 10 percentage point increase from 37% to 47%, six percentage points in excess of the 2018-19 target of 41%.⁷ The NDIA will be engaging with participants to better understand how participation in the NDIS has increased engagement in social and community activities.

Figure 10: Participants in community and social activities at 2016-17 Q1 and Q2 (Baseline), and 2017-18 Q2 (Year 2) against the 2018-19 Target

Participants in community and social activities	Baseline ⁷	Year 2	2018-19 Target
Aged 15 to 24 years	32%	43%	41%
Aged 25+	37%	47%	
Aged 15+ (average)	35%	46%	

⁷ Changes in baseline percentages between 2018/19 Q1 and Q2 are a result of new participants entering the Scheme this quarter.

2.2 Participants in employment

The NDIA commits to improving employment rates for Australians with disabilities.

Among the Organisation for Economic Co-operation and Development (OECD) countries, Australia ranks 21 out of 29 for employment rates among people with disabilities relative to the population, with a 39.8% employment-to-population ratio of people with disabilities, compared to the OECD average of 44%.⁸

The NDIA recognises the enormous value of working, enabling people to be stimulated and valued, while encouraging self-confidence, a sense of purpose and social opportunities. Paid employment provides independence and security, enabling individuals to support themselves and lead a life they want to live. The NDIA is hence committed to increasing employment rates for people with disabilities and assisting to bring employment levels up to at least the OECD average.

There are also significant economic benefits to increased employment rates among people with a disability. It has been proposed that if employment rates were increased to the OECD average, an additional 117,000 people would be employed, including people with disabilities and their carers, representing an increase of approximately 0.8%, and \$11.9 billion would be added to real GDP, an increase of approximately 0.5%.⁹

2.2.1 Employment at baseline

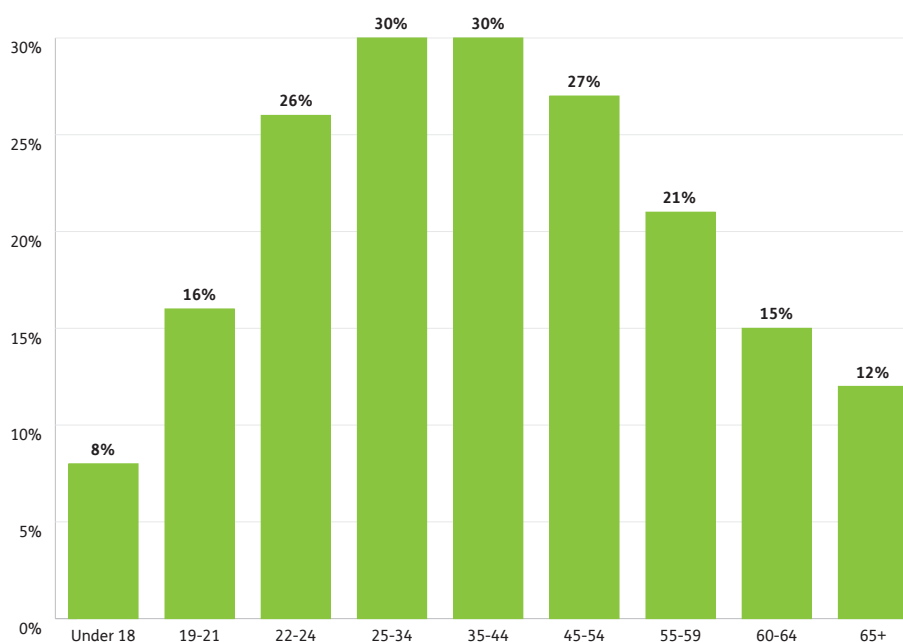
The highest rates of employment are recorded for participants aged 25 to 44 years.

The NDIS asked participants who joined the Scheme between 1 July 2016 and 30 June 2018 the question “Are you currently working in a paid job?” The data presented here relates to participant responses to this question at the point in which they entered the Scheme, noting that over the period of time they have spent in the NDIS their circumstances may have changed.

Number of participants in employment by age

The number of participants working in a paid job rises from 8% for those aged 15-18 years old, to 30% for those aged 25-44 years old. For participants aged 45-54 years old, this percentage decreases to 27%, before declining rapidly as participants approach retirement age, to 12% for those aged 65 or older.

Figure 11: Employment rates by age for participants who entered the Scheme in 2016-17 and 2017-18



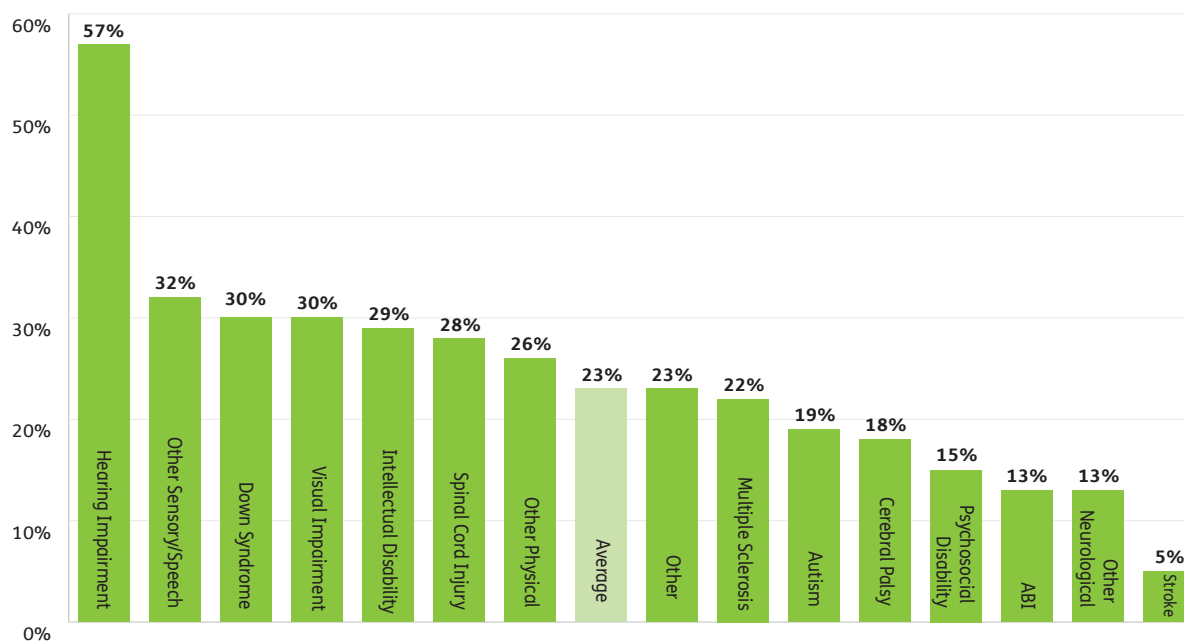
⁸ Source: *Sickness, Disability and Work: Breaking the Barriers*, OECD (2010).

⁹ Source: Deloitte Access Economics 2018. *Increased labour force engagement among Australians with a disability*. Report prepared for the NDIA, September 2018.

Number of participants employed by disability type

The average employment rate for participants aged 15 or more by disability type is 23%. The highest employment rates occur in participants with a hearing impairment at 57%, and other sensory or speech disabilities at 32%. Participants with an acquired brain injury (ABI) and other neurological disabilities are among those least likely to be employed, with baseline employment levels at 13%. The lowest percentage of employment by disability type is at 5% for people who have had a stroke, explained in part by age.

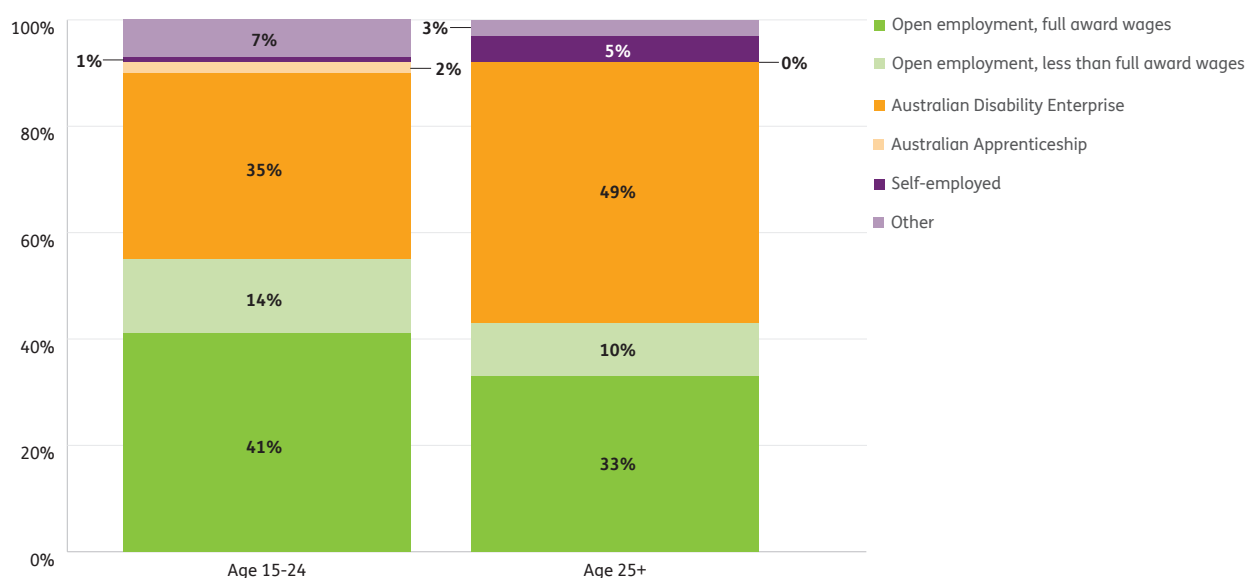
Figure 12: Employment rates of participants aged 15 years and over who entered the Scheme in 2016-17 and 2017-18, by disability type



Types of employment

Fifty-five percent (55%) of participants with a paid job aged 15-24 years old are in open employment. Thirty-three percent (33%) of participants with a paid job aged 25 and over are in open employment with full award wages, and a further 10% are in open employment earning less than full award wages. Forty-nine percent (49%) of older adults are working in an Australian Disability Enterprise, compared to 35% of younger adults.

Figure 13: Types of employment for participants who entered the Scheme in 2016-17 and 2017-18



2.2.2 Longitudinal trend in employment outcomes

The NDIA analyses factors that may influence employment success for participants.

Since baseline measures were recorded in 2016-17 Q1 and Q2, overall participant employment rates have remained static. While some participants have been successful in gaining employment over this period, others have left their positions. Of those who had a job when they entered the NDIS, 81% had a job two years later, 11% were seeking another job two years later, and the remaining 8% were not seeking another job. Of those who were looking for a job when they entered the NDIS, 14% had a job two years later.

Figure 14: Participants in work at 2016-17 Q1 and Q2 (Baseline), and 2017-18 Q2 (Year 2) against the 2018-19 Target

Participants in work	Baseline	Year 2	2018-19 Target
Aged 15 to 24 years	13%	21%	26%
Aged 25+	23%	21%	
Aged 15+ (average)	20%	21%	

To better understand the factors influencing employment success for participants aged 15 years and over, the NDIA investigated baseline participant characteristics, such as entry age, gender, level of function, Aboriginal and/or Torres Strait Islander status, education and geographical characteristics, as well as plan characteristics, including work goals and employment funding. Changes in participant outcomes between when a person entered the Scheme and review were also investigated.

Key insights positively associated with having a paid job at review, but not at Scheme entry:

- ↑ A work goal has been identified, and/or employment funding is included in a participant's NDIS plan
- ↑ Increased independence, indicated by the number of daily living activities where the participant does not require support
- ↑ Positive interaction with the community, where participants are socially engaged and included in their community
- ↑ Engaged or previously experienced in a volunteer role
- ↑ Improved health, indicated by a participant's self-assessment of their own health
- ↑ University educated

Key insights negatively associated with having a paid job at review:

- ↓ Higher support needs, indicated by a high number of daily living activities where the participant requires support
- ↓ Reduced independence, indicated by an increase of two or more daily activities where the participant requires support at review
- ↓ High unemployment rate of 8% or more in the local government area where the participant resides
- ↓ Higher entry age, with participants aged 55-59 years least likely to have a paid job at review
- ↓ Low interaction with the community

2.2.3 Employment initiatives

A Participant Employment Taskforce has been established to enhance economic independence and social opportunities for participants.

With the Department of Social Services (DSS), the NDIA is supporting a new initiative to improve employment rates for people with disability. Launched this quarter, the aim of the Taskforce is to find ways to support NDIS participants seek and obtain employment.

The Taskforce consists of senior members of the DSS and the NDIA. Targeted consultations will be conducted by the Taskforce, including roundtables with participants, families, Australian Disability Enterprises, Disability Employment Services¹⁰ and other employment providers and stakeholders. As part of this initiative, new Economic Participation grants will be made as part of the 2019 ILC program by helping to build the capacity of people with disability to enable them to participate in the workforce, as well as assisting employers create opportunities for people with disability.

In addition, a principle focus will be on understanding barriers to economic participation at different stages of life; prioritising employment conversations in the NDIS planning processes; ensuring adequate supports are in place for participants by the time they obtain employment; and improving communication to ensure there is a broader appreciation of the employment supports available for people with disability.



¹⁰ Disability Employment Services operates under the Department of Social Services, and helps people with disability, injury or a health condition prepare for, find and maintain a job.

2.3 Two-year analysis of participant outcomes

Analysis of participant outcomes over two years demonstrates the long-term impact of the NDIS.

To assess the longitudinal impact of the NDIS, participants who entered the Scheme in 2016-17 Q1 were asked 'Has the NDIS helped?' when they first joined, and again a year later. During the December quarter, participants who entered the Scheme in 2016-17 Q2, who have now been in the Scheme for two years, were also asked this question. Survey results from this new group of participants have built on the results of the previous quarter, supporting the trend that outcomes are improving as participants spend more time in the Scheme. The responses to 'Has the NDIS helped?' allow the NDIA to gain a better understanding of the longer-term impact of the Scheme.

From transition to 31 December 2018, for participants that have been in the Scheme for two years, the following outcomes have been recorded:

For children aged 0 to before starting school:



- **86%** of parents and carers thought the NDIS helped increase their child's ability to communicate what they want, compared to **82%** in their first year.
- **86%** of parents and carers thought the NDIS improved how their child fits into family life, compared to **82%** in their first year.

For children starting school to 14 years:



- **65%** 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 **55%** in their first year.
- **50%** 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 **45%** in their first year.

For young adults aged 15 to 24 years:



- **66%** of participants said the NDIS had helped them with daily living activities in their second year of participation, compared to **59%** in their first year.
- **60%** of participants felt the NDIS had helped them improve their participation in community and social activities, compared to **56%** in their first year.

For adults aged 25 and over:



- **74%** 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 **67%** in their first year.
- **80%** of participants believed the NDIS helped them with daily living activities in their second year of participation, compared to **71%** in their first year.

There are also areas for improvement in the outcomes for participants. Only 18% of participants aged 25 and over felt involvement in the NDIS had helped them to find a job that was right for them, compared to 20% in their first year. Employment outcomes for participants have been prioritised within the NDIA and a Participant Employment Taskforce (see page 21) has been established to help address some of the challenges facing people with disability who are seeking and maintaining employment.

2.4 Participant satisfaction

Participant satisfaction remains high.

Plan development is a key milestone on the participant pathway. To better understand the impact of the NDIS on participants and their families and carers, the Agency conducts satisfaction surveys during the planning process each quarter.

This quarter, 84% of participants rated their overall experience with the NDIS planning process as either 'Very good' or 'Good', a rate consistent with overall participant satisfaction in six out of nine previous quarters. The participant satisfaction rate was 88% for two of the remaining three quarters, and 93% last quarter. Of the participants surveyed this quarter, 93% felt their planner listened to them, 90% considered that they had enough time to tell their story, and 89% reported their planning meeting to have gone well. Additional emphasis is being put on training planners so that they can add greater value in the planning process and provide greater guidance as to next steps.

Figure 15: Participant satisfaction in 2018-19 Q2¹¹

	Strongly agree / Agree	Neutral	Disagree / Strongly disagree
The planner listened to me	93%	4%	4%
I had enough time to tell my story and say what support I need	90%	4%	6%
The planner knows what I can do well	81%	12%	7%
The planner had some good ideas for my plan	81%	9%	9%
I know what is in my plan	75%	18%	7%
The planner helped me think about my future	77%	13%	11%
I think my plan will make my life better	83%	12%	6%
The planning meeting went well	89%	6%	5%

2.4.1 New participant satisfaction survey

New survey is introduced to give a comprehensive understanding of participant experience.

The planning process is one aspect of the NDIA's operations, and the Agency has been refining a detailed participant satisfaction survey that will allow for a more comprehensive understanding of the participant experience.

The NDIA is committed to obtaining feedback from each participant at each stage of their engagement with the NDIA. Currently, both the new and long-standing participant satisfaction surveys are undertaken on a sample basis. Until each person is surveyed, the new survey remains a work-in-progress.

The new satisfaction survey began roll-out on 1 September 2018. Designed to gather data at the four primary stages of the participant pathway – access, pre-planning, planning and plan review – the new survey enables a more comprehensive and robust study of participant satisfaction, when compared to the original survey that only gathers data at the planning stage. It also analyses the experience of different participant groups - for example differences in age and disability - and uses a random sample of participants, capturing a more detailed and dynamic picture 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.

¹¹ Survey results were collected from 548 randomly selected participants. This sample size meets the required level of precision for estimating satisfaction at a 95% confidence level.

From 1 September to 31 December 2018, the following initial results have been recorded¹²:

Stage One: Access

- 94% of respondents believed their NDIS contact to be respectful.
- 75% of respondents were happy with the process by which they entered the NDIS.
- 64% of respondents understood the next stage in their NDIS process.

Stage Two: Pre-planning

- 94% of respondents understood what information they had to provide to prepare for pre-planning.
- 85% of respondents believed their NDIS contact understood how disability impacts their life.
- 70% of respondents understood the next stage in their NDIS process.

Stage Three: Planning

- 95% of respondents understood what information they had to provide for their plan.
- 86% of respondents believed their NDIS contact understood how disability impacts their life.
- 73% of respondents understood the next stage in their NDIS process.

Stage Four: Plan Review

- 84% of respondents felt prepared for their plan review meeting.
- 79% of respondents believed their NDIS contact understood how disability impacts their life.
- 78% of respondents believed their NDIS plan was helping them progress with their goals.

These early insights positively demonstrate that participants understand what they had to prepare for pre-planning (94%) and what information they had to provide for their plan (95%). Feedback from the 'planning' stage of the pathway process is the most encouraging overall, and the results show that NDIA contacts and planners are respectful and understanding of an individual's situation, with 94% of respondents believing the NDIA to be respectful at access stage, and 85% of respondents believing their NDIA contact understands how disability impacts their life.

There is work required to improve participant understanding of the NDIS process and what happens next for individuals at each stage. New online and printed booklets have been designed as one initiative to help create clearer pathways for participants.

¹² Survey results were collected from 1,966 randomly selected participants made up of 461 participants at access, 417 at pre-planning, 637 at planning, and 451 at plan review. The number of respondents at each of the four stages of the participant pathway were sufficient to meet the required level of precision for estimating satisfaction at a 95% confidence level.

2.5 Unscheduled plan reviews and complaints

The proportion of unscheduled plan reviews continues to decrease.

There was a decrease in the proportion of unscheduled plan reviews, with 13.4% this quarter compared to 14.6% last quarter, and 18.1% 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 has reduced to 6.6%, showing a reduction over the past year. Of the 5,920 complaints received by or on behalf of participants in the quarter, 4,812 were made during the planning stage, with timeliness and reasonable and necessary supports reported as the most common issues.¹³ There were a total of 1,080 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 (see pages 26–28).

The proportion of complaints made by registered service providers experienced a slight decrease this quarter, with 5.7% of the total number of providers lodging complaints, compared with 5.9% in the previous quarter. Timeliness was recorded as the leading issue for providers this quarter, resulting in 27% of complaints.

Complaints are now beginning to be tracked across all stages of the pathway. 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 for participant and provider concerns will allow the NDIA to make specific improvements to business operations, improving satisfaction rates for all NDIS stakeholders.

Figure 16: Number and proportion of participant complaints (incremental)

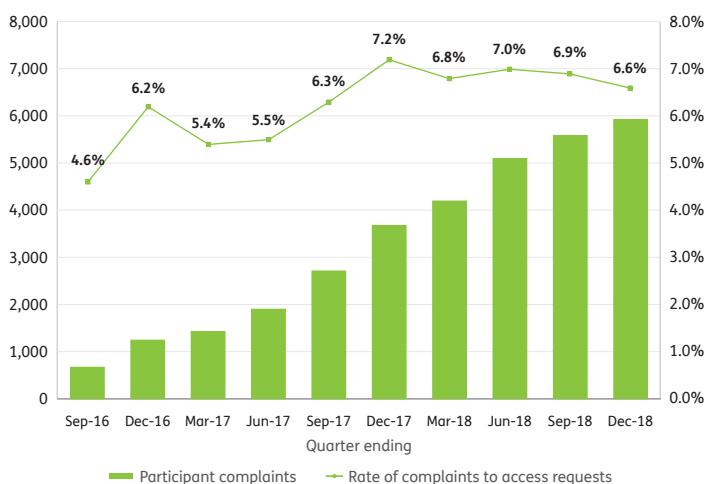


Figure 17: Number and proportion of provider complaints (incremental)¹⁴



¹³ Of the total complaints received by or on behalf of participants in the quarter, 4,667 were complaints about the Agency, with timeliness (38%) and reasonable and necessary supports (14%) the most common issues.

¹⁴ The sharp increase in provider complaints in September 2017 is due to improvements in data processes and back-capturing of data.

2.6 Actions to improve participant experience

The NDIA makes improvements across different areas of the participant pathway to improve experience and outcomes for participants.

2.6.1 Participant Pathway

New specialised pathways are rolled-out progressively across the country.

Based on extensive consultation with participants, families, carers, providers and sector representatives, the NDIA has been making significant improvements to the participant pathway to deliver quality plans.

The new general pathway experience began rolling out in Western Australia and the Australian Capital Territory in September 2018, followed by New South Wales from October 2018, and Tasmania and Victoria from November 2018. Changes to the participant pathway have focused on embedding a more individualised approach with participants, and an emphasis on clearer communication to better support people with disability to achieve their goals.

Specific developments this quarter include:

- **A new-look NDIS participant plan** to provide participants with a clearer and easier-to-use plan. The new plan includes an improved layout and clearer definitions of funding, and also shows how a participant's supports are linked to their goals.
- **A new complex support needs pathway** to support participants with disability who have other challenges impacting their lives and require dedicated support to navigate the NDIS. This approach includes specialised planning teams, NDIA staff with extensive experience in complex support coordination, and the introduction of liaison officers and support coordinators who have the networks, skills and knowledge to support participants with complex support needs.
- **Improvements to better support people with psychosocial disability**, including the recruitment of specialised planners and Local Area Coordinators (LACs), better links between mental health services and NDIS staff and partners, and a focus on recovery-based planning. The new psychosocial pathway also provides better assistance to participants with episodic support requirements.

The new complex support needs pathway was introduced in specific locations in Victoria and New South Wales in November 2018, and will progressively roll-out across the country.

Improvements to the psychosocial disability stream were introduced in specific locations in Tasmania and South Australia in November 2018, followed by Victoria and New South Wales in conjunction with the implementation of the complex support needs pathway. These improvements will continue to roll-out nationally.

2.6.2 Assistive Technology

Improved delivery of Assistive Technology supports participants' economic and community participation.

Assistive Technology (AT) is any device or system that allows individuals to perform tasks they would otherwise be unable to do, or increases the ease and safety with which tasks can be performed. Assistive technologies can also be referred to as 'aids' or 'equipment'.

For people who require it, the right AT can have a transformative impact on their lives. Based on feedback from participants and the disability sector, the NDIA recognises that improvements need to be made in the way the NDIS delivers AT funding and supports to participants.

Previously, multiple professional assessments and quotes, as well as internal technical advice were required to implement most AT requests. To enhance participant access to AT supports and make the process simpler and quicker, the Agency has:

- **Reduced the need for quotes for all AT**, including eliminating the need for quotes of \$1,500 or less
- **Dedicated a team** to addressing outstanding AT plan approvals

The NDIA is working on further initiatives to improve access to and delivery of AT in the long term, including:

- **Strengthening support for timely repairs and replacement** of AT by including appropriate funding in plans
- **Piloting a new pathway** process for complex and non-standard AT, drawing on the experience of specialised assessors who will work with participants and the NDIA during planning
- **Working with existing Assistive Technology programs** across States and Territories to better understand and identify opportunities for improved outcomes for participants who require AT

AT is constantly evolving, offering new and improved ways for people with disability to live a fuller life and increase their participation in work, education and the community. The NDIA is committed to supporting participants more consistently with their AT needs, and improving access to AT supports.

Figure 18: AT supports in active plans (\$m)

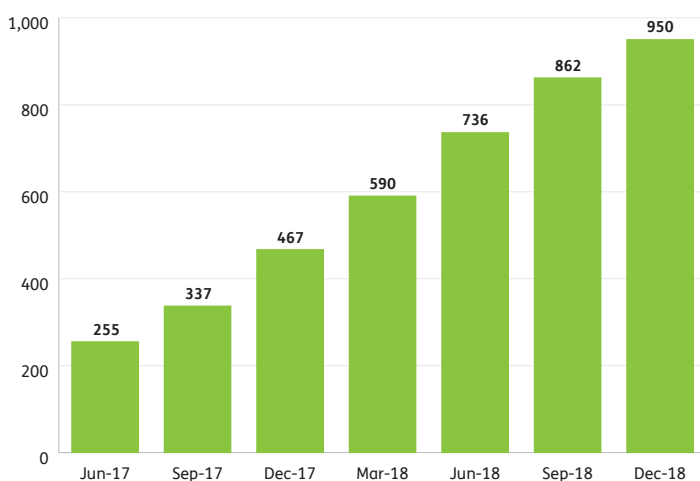
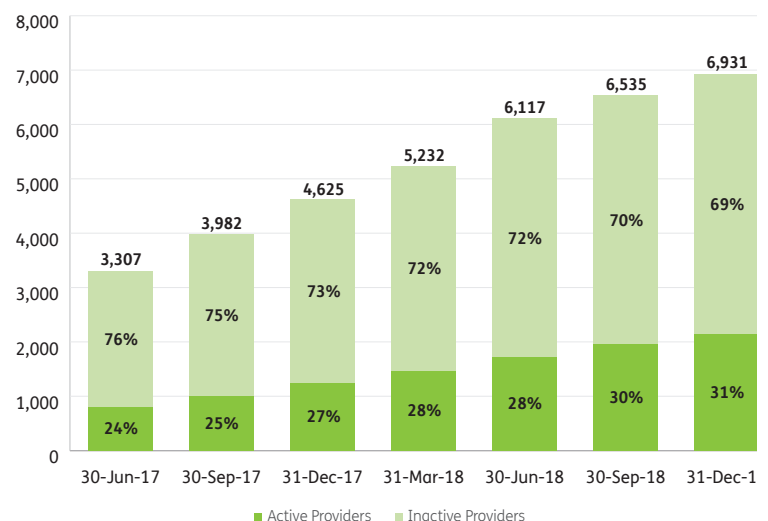


Figure 19: Growth in registered AT providers



2.6.3 Independent Assessment Pilot

A new pilot was launched to generate greater consistency and reliability in access and planning decisions for participants.

In November 2018, the NDIA launched a new Independent Assessment Pilot in areas of New South Wales to better understand and assess the impact of disability for people with autism spectrum disorder, intellectual disability and psychosocial disability.

Individuals who volunteer to participate in the pilot undertake an observation session and a functional impact assessment with a qualified independent professional, using standardised assessment tools to measure the impact of their disability on their daily lives. The pilot aims to improve consistency, accuracy and reliability in decision-making, delivering fair plan outcomes and access decisions for all participants.

Who is participating?

The pilot is offered to people with a diagnosis of autism, psychosocial or intellectual disability, who are aged between 7 and 64 years and have either applied to the NDIS and are waiting on an access decision, or who have had an 'access met' decision but do not yet have a plan.

Participants are offered several feedback opportunities throughout the pilot, which is being used to shape improvements to the NDIS access and planning process. So far, responses to the pilot have been positive, with a very high percentage of survey respondents reporting they are 'Very Satisfied' or 'Satisfied' with the process.

Reinforcing the NDIA's commitment to support prospective and current participants with autism spectrum disorder, the pilot is just one project currently being implemented by the NDIA to help deliver high-quality, appropriate supports for this group of participants. Other projects include the recent development of Australia's first National Guidelines for the assessment and diagnosis of autism spectrum disorder, and the study of the specialised assessment tool PEDI-CAT (ASD). All projects are aimed at ensuring the NDIS is providing positive experiences and meaningful outcomes for all participants.

The Independent Assessment Pilot, together with the new psychosocial pathway (see page 26), are two initiatives the Agency is implementing to ensure participants with psychosocial disability are appropriately supported throughout their engagement with the Scheme.



“Em waters plants, delivers mail and shops for office supplies 10 to 12 hours per week for her micro enterprise, Go Get Em. Her job feeds into her self-esteem, her sense of community and being involved. It’s lifted her confidence to be able to take on more things, which is building her independence and loosening her reliance on us as parents, which is moving her to her ultimate goal of moving out of home. It’s not just something she does during the day – it’s a vehicle for her to realise her independence goals that the NDIS is also helping her to achieve.”

- Mark Gardner, dad of NDIS participant Emily Gardner (pictured) who has established her own micro enterprise, Go Get Em

Part Three: Providers and the growing market

Providers are delivering quality, person-centered supports that help participants achieve their goals.

3.1 Growth and diversity of providers

The provider network grows, increasing participants' capacity to exercise choice and control.

Access to a growing, vibrant and competitive provider market is vital to participants achieving their goals. At 31 December 2018, there were a total of 19,075 registered providers, representing 6% market growth on last quarter. Of the total number of providers, 55% were active at 31 December 2018.

An active provider is an individual or organisation that has been registered with the NDIS and is offering services to participants. An inactive provider is an individual or organisation who has registered with the NDIS, but is not currently offering services to participants.

The jurisdictions that experienced the highest level of growth in active providers included Queensland with a 24% increase, the Northern Territory with a 23% increase and Western Australia with a 12% increase.

The largest registration groups in the NDIS, which include both **active** and **inactive** providers, experienced growth this quarter:

- **Therapeutic supports** from 8,701 to 9,247 (6% increase)
- **Household tasks** from 4,977 to 5,381 (8% increase)
- **Assistance with travel/transport arrangements** from 3,723 to 3,994 (7% increase)
- **Early Intervention supports for early childhood** from 2,940 to 3,051 (4% increase)
- **Innovative Community Participation** from 2,760 to 2,997 (9% increase)

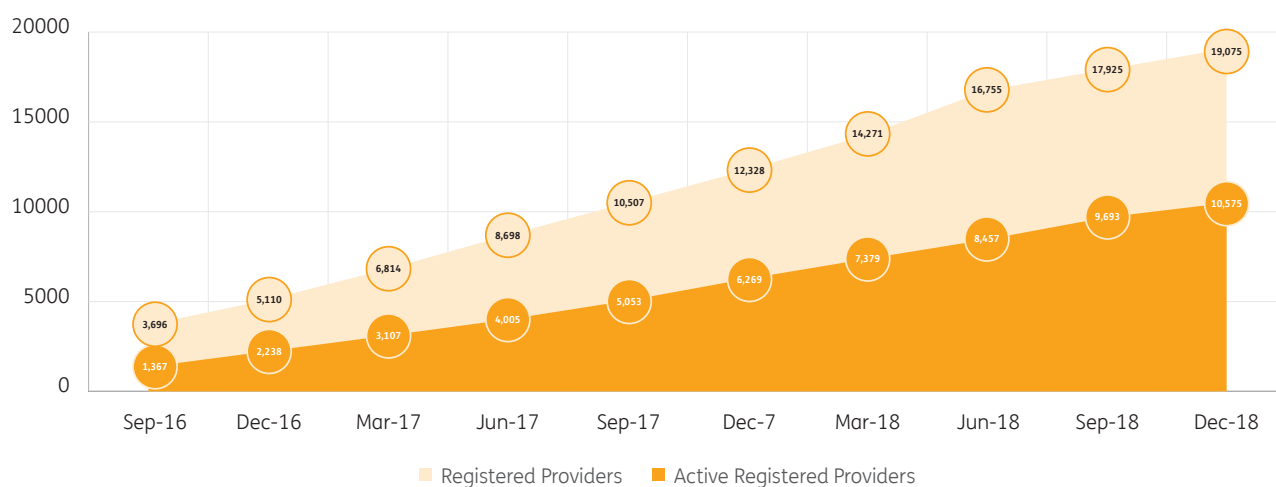
Of the total number of registered providers, 45% are individual / sole traders and 55% are organisations / companies.

The highest level of growth in **active** providers was demonstrated in the following registration groups:

- **Specialist Disability Accommodation** from 97 to 118 (22% increase)
- **Innovative Community Participation** from 266 to 317 (19% increase)
- **Community Nursing Care for high needs** from 305 to 359 (18% increase)

Specialist Disability Accommodation (SDA) is a fast growing and significant provider registration group. There are currently 10,975 participants with SDA in their plan, representing an increase of 15% since last quarter. There are 16,880 participants who have Supported Independent Living (SIL) in their plans. This demonstrates that there are 5,905 people in SIL that do not have SDA in their plans. This difference is likely due to the process of transition from State/Territory services to the NDIS.

Figure 20: Growth in registered providers



The NDIA recognises the integral role a safe and competitive provider market has in the success of the Scheme. From 1 January 2018 to 31 December 2018, the NDIA has revoked 316 provider registrations: 88 voluntary revocations due to a change in the business or personal circumstance of the provider; 39 revocations due to compliance action undertaken against the provider; and 189 other revocations that are not easily grouped under a single category, but are often a result of a voluntary revocation initiated by the provider.

The Agency is progressing a number of initiatives to improve the NDIS experience for providers, including reducing wait times on information through the NDIS Contact Centre and National Provider Payments Team, correcting systems via the Provider Portal and NDIS website, and furthering Pathway Reform, which aims to make engagement with the NDIS quicker and simpler for both providers and participants.

The NDIS Quality and Safeguards Commission, launched last quarter, continues to manage provider registrations in New South Wales and South Australia, and is expected to commence operations in each State/Territory by July 2020.

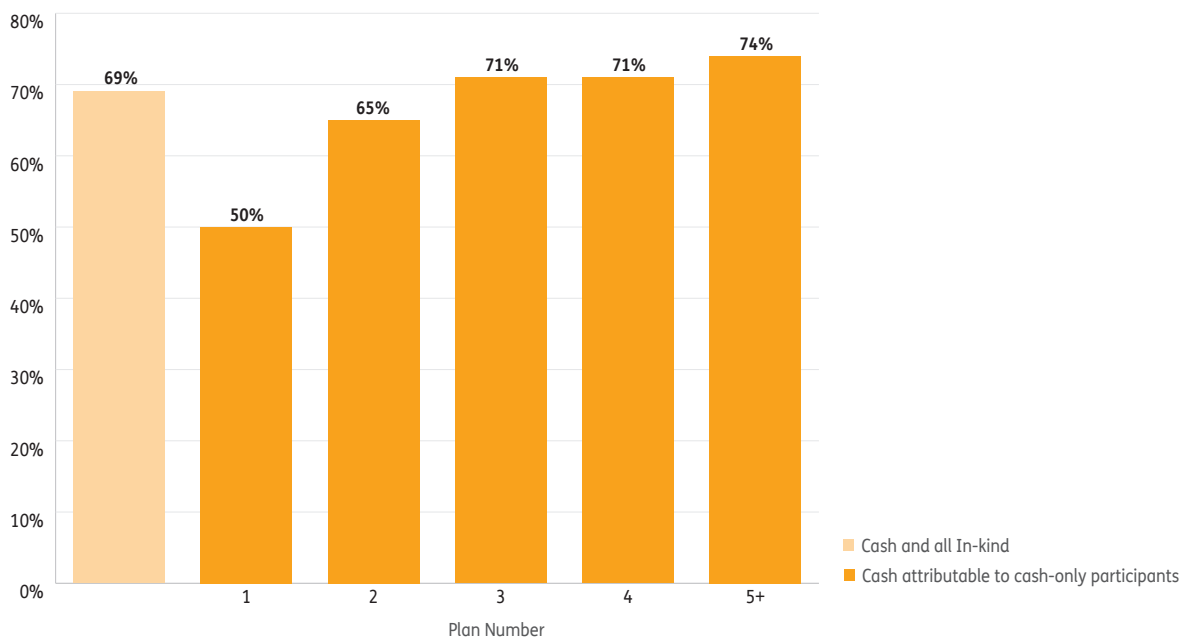
3.2 Plan utilisation

Plan utilisation increases as participants spend more time in the Scheme.

The plan utilisation rate at the end of the NDIS trial period in 2015-16 was 75%. This has since reduced to 67% in 2016-17, and 69% in 2017-18. The higher proportion of new participants who have entered the Scheme over the last two years explains this reduction: new participants and those who haven't received supports before are less familiar with their plan and the providers available to them, and hence do not utilise their supports as much. Once participants become more familiar with their plans and begin engaging with the provider market, their utilisation rate tends to increase.

During the 2017-18 support year, plan utilisation was at its highest for participants on their fifth plan or more at 74%, compared to a utilisation rate of 50% for participants on their first plan.

Figure 21: Utilisation rate by plan number in 2017-18





“All of the participants have benefited from being outdoors and being active in the garden. We have seen many smiles and had many laughs. The social aspect is also important; we’ve learned to work well together, support and assist each other and all of our participants have just flourished. The NDIS is opening people’s eyes up to the possibilities for people with a disability. That’s the approach we’ve taken here, it’s about engaging in the community, learning new skills and providing social inclusion.”

— Katrina Christensen and Craig Osborne from NDIS Provider Access Rec on the Paddock to Plate program, an initiative for people with disabilities to build, grow and maintain a sustainable vegetable and herb garden, while learning to cook and sell the produce locally.

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

New ILC grant rounds increase the capacity of Australian organisations to support people with disability.

4.1 Building inclusive communities

New Economic Participation grants announced to boost employment opportunities for people with disability.

ILC provides grants to organisations to carry out activities or programs in the community. Supported projects create connections between people with disability and the communities in which they live, encouraging inclusion and participation and promoting a diverse Australian society. To date, the NDIA has allocated 222 grants totalling \$85.9 million (excluding GST) to organisations across Australia to deliver a wide range of ILC initiatives.

The NDIA recently published a new ILC Investment Strategy which will guide the investment of almost \$400 million in ILC from 2019-20 to 2021-22. The Strategy will be implemented through four programs consistent with the original ILC policy that are designed to assist all people with disability:

- 1. Individual Capacity Building Program:** enabling systematic, nationwide access to peer support, mentoring and skills building for people with disability, carers, and families.
- 2. National Information Program:** linking people with disability to supports and services in their community.
- 3. Economic and Community Participation Program:** connecting people with disability to opportunities, and helping communities and employers to be inclusive.
- 4. Mainstream Capacity Building Program:** building the capacity, knowledge, skills, practices and cultures of mainstream services so they can meet the needs of people with disability.

In implementing the new programs, the NDIA recognises that people with disability are uniquely positioned to use their lived experience to assist others. This recognition will be given practical effect by investing in the establishment of a national network of Disabled Peoples Organisations and Families Organisations (DPOFO). A key priority for this national network will be to establish and facilitate peer support groups for people with disability across Australia. Because the DPOFO organisations and their peer support groups will be led by people with disabilities, they will be an important way of enabling people with disabilities to exercise choice and control over their lives.

To help lay the foundations of the ILC Investment Strategy, two ILC grant rounds were announced this quarter:

1. Disabled Peoples and Families Organisations – ILC Readiness Grant Round

This grant round supports the ILC Individual Capacity Building program, and will enable the delivery of activities that encourage people to develop their skills, knowledge, resources and individual capacity to achieve their goals, such as peer support. They will also support and build the organisational capacity of Disabled Peoples and Families Organisations across Australia. This grant round opened on 27 November 2018 and closed on the 21 December 2018. The outcome of the grant round is anticipated to be released in April 2019.

2. Economic Participation Grant Round

This grant round is designed to support the work of the recently established Participant Employment Taskforce (see page 21), and will help lay foundations for the Economic and Community Participation program. The grants will support innovative proposals that help build the aspirations, confidence and skills of people with disability to maximise their employment prospects, while also supporting employers to create opportunities for people with disability. The grant round was announced in December 2018 and is anticipated to open in early 2019.



“Moopster’s Munchies was developed to provide our daughter Ally, who has Down Syndrome and autism, with opportunities for an ordinary, good life and to be part of her local community. During her final two years of secondary school it became apparent Ally had a flair for selling. Ally has a small team who assist her to bake some of the goods, whilst her family offer support with the rest of the baking. Ally bakes from home, shops for the ingredients and packages the goods using labels she designed. On Tuesdays she does the deliveries to staff rooms in Geelong. Ally’s work week is organised into manageable chunks as this is how she works best. Ally’s resilience, persistence and capacity to learn and consolidate new skills through her enterprise is amazing. A recent highlight is feedback from businesses noticing how happy, confident and independent Ally has become. She is taking ownership of her business, which is now extending across many aspects of her life.”

– Kathy Deller, mum of NDIS participant Alexandra Deller (pictured) who has established her own micro enterprise, Moopster’s Munchies

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 second 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 \$5.3 billion paid. This represents a utilisation rate of 69% and reflects the increased amount of first plans approved in the year (see page 32).

Figure 22: Committed supports (\$m) and payments

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 Q1 & Q2	Total
Total Committed	132.8	496.9	939.4	3,235.7	7,722.5	6,273.0	18,800.2
Total Paid	85.8	370.8	703.6	2,174.9	5,315.9	3,679.8	12,330.8
% utilised to date	65%	75%	75%	67%	69%	-	66% ¹⁵

¹⁵ Only committed supports expected to be used by 31 December 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 primary drivers of costs to the NDIS include 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. It is the responsibility of the NDIA to monitor primary pressures, detect any associated risks and manage them appropriately, using the insurance-based structure as a means to evaluate emerging experience against expectations.

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 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:

Independent Assessment Pilot

The launch of the NDIA's Independent Assessment Pilot in November 2018 introduced standardised assessments to better understand and assess the impact of disability for people with autism, intellectual disability and psychosocial disability. Designed to generate equity and reliability in access and planning decisions, the assessments are undertaken by independent professionals for a more consistent evaluation of those seeking access to the NDIS (see page 28).

Participant Pathway Review

The NDIA is working on strengthening the 'outcomes focus' of the Participant Pathway Review to improve participant satisfaction and enable individuals to reach their goals, while also increasing the consistency and reliability of access and plan budget decisions.

Reference package and guided planning process

To better align a participant's support package with their level of function, the NDIA introduced the reference package and guided planning process, which works to ensure that the right assessment questions and tools 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.

The NDIA continues to monitor and address emerging pressures and implement strategies to combat risk. Improving data quality, tools and reporting supports the management team to make quick and efficient decisions. Consequently, the Scheme continues to remain financially sustainable and invested in the experience and outcomes of its participants.



“I do lawn mowing, weeding, planting and mulching at private houses. I’ve got about 35 regulars. My enterprise has been good because it gives me something to get up for in the mornings. Just before I was leaving school I was told a few things I could do, but I didn’t really want to do them. There wasn’t much money and I’d probably get bored. My own business gives me pleasure. When I started my business, I was taking a lot longer to do the jobs than I am now so I’ve got a lot quicker and developed my skills.”

– Tom Neale (pictured), NDIS participant who runs his own lawn mowing enterprise
Ground Control by Major Tom

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 improving participant experience with the support of the disability community.

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. Specific sector engagement activities that occurred during the quarter are outlined below.

- As part of the Agency's work to improve participant experience of the planning process, a number of training resources called **Disability Snapshots** have been developed for planners and Local Area Coordinators (LACs). This was conducted in partnership with **Disability Advocacy Network Australia (DANA)**, who engaged with approximately 38 stakeholders to provide disability specific communication and accessibility tips for NDIS Planners and LACs. The snapshots were provided by people with disability and their families and will improve the accessibility of the planning process, increase the disability expertise of NDIS staff and enhance understanding of the likely supports participants may need in their plans.
- The Agency worked with **Inclusion Australia** to support the design of the new NDIS complex support needs pathway, which commenced in November 2018.
- The Agency worked with Peak Organisations, including **First Voice, Deafness Forum Australia, Deaf Australia, Aussie Deaf Kids** and **Parents of Deaf Children** to support the development and design of the new NDIS Hearing pathway stream for children 0-6 years.
- The Agency has been working with **Mental Health Australia (MHA)** to improve the experience and outcomes of participants with psychosocial disability. Improvements have primarily focused on the 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.
- The Agency has been collaborating with **National Aboriginal Controlled Health Organisation (NACCHO)** and **Aboriginal Medical Services (AMS)** to enable community-controlled organisations to facilitate access to the NDIS, help collect evidence of disability and provide services to the community.
- The NDIA is working with local organisations in the Western Australia areas of Kimberley, Pilbara and Goldfields to improve facilitation of access, evidence and plan building for Aboriginal and Torres Strait Islander people with disability. Remote Community Connectors will assist with cultural brokerage, supporting individuals, families and the NDIA with the transition.

6.2 NDIS Contact Centre

Customer experience improves for those making first point of contact with the NDIS.

The new provider responsible for operating the NDIS Contact Centre has demonstrated substantial improvements in call response time, wait time and abandoned call rates of all general and specific phone and email enquiries made to the NDIS.

Since transition to the new provider in June 2018, the Contact Centre has answered over 560,000 calls, with the following outcomes achieved:

- **Average answer speed** has reduced significantly, from 4mins 16secs for the general queue and 6mins 18secs for the provider queue, to a new average of **28 seconds** for both queues.
- The provider is contracted to reach a **weekly service level** of 80% of calls answered within 60 seconds, and is currently achieving an average service level of just over **83%**.
- Average **abandonment rates** on calls have reduced significantly from 17.5% on the general queue and 15.4% on the provider queue, to **1.5%** for both queues.
- The rate of email enquiries being resolved within the **first response** to the sender has risen from 70% to **80%**.

Improving the first point of communication for those contacting the NDIS is integral to the overall customer experience and will enhance public engagement with the Scheme.

6.3 Building a high performing NDIA

The NDIA invests in staff training to support Agency growth.

Investment in the NDIA workforce supports the Agency's commitment to providing a Scheme of the highest quality to people across Australia, ensuring people with disability have choice and control over their lives. Since December 2017, the NDIA team has increased by over 65% to just under 1,000, and additional staff and partners will be hired throughout the coming months.

In June 2017, the NDIA implemented a Learning and Development framework to support the continuous improvement of the workforce across the NDIA and its Partners in the Community network. The framework includes an improved six-week induction program for new staff, which incorporates in-person and online learning activities, and an ongoing training curriculum that provides regular training to staff on key aspects of the Agency's service delivery approach. The program effectively builds the capabilities of staff, Planners and Local Area Coordinators (LACs) to deliver appropriate and consistent support to a highly diverse group of people with disabilities including those with psychosocial disability and complex support needs.

Since June 2018, over 1,000 Planners and LACs have gone through the new induction program, and an additional 1,000 Planners and LACs are expected to be trained before the end of the financial year.



“Dee found it difficult to find employment. With a vision for an inclusive life and assistance from a Circle of Support and the NDIS, Dee has been able to transform her passion for meeting people and craft into a small business. This has given her a valued role in her community and employment tailored to her needs.”

— Jackie Holmes, mum of NDIS participant Deearne Holmes (pictured), who has established her own greeting card micro enterprise, DeeZines