



COAG Disability Reform Council  
Quarterly Report  
30 June 2018

**ndis**

[ndis.gov.au](http://ndis.gov.au)

# Contents

---

Executive Summary	4
Introduction	5
<b>Part One: Participants and outcomes</b>	<b>7</b>
1.1 Roll-out	7
1.2 Number of participants	8
1.3 Operational progress	9
1.4 Participant characteristics	10
1.5 Participant outcomes	11
<b>Part Two: Participant experience</b>	<b>12</b>
2.1 Participant satisfaction	12
2.2 Unscheduled plan reviews and complaints	14
2.3 Administrative Appeals Tribunal (AAT) appeals	14
2.4 Actions to improve participant satisfaction	15
<b>Part Three: Providers and the growing market</b>	<b>17</b>
3.1 Growth of providers	17
3.2 Diversity of providers	17
3.3 Initiatives to grow the market	18
<b>Part Four: Information, Linkages and Capacity Building (ILC)</b>	<b>19</b>
4.1 Building inclusive communities	19
<b>Part Five: Financial sustainability</b>	<b>20</b>
5.1 Delivering within budget	20
5.2 Addressing Scheme pressures	21
<b>Part Six: A growing Agency</b>	<b>22</b>
6.1 Building a high performing NDIA	22



<b>Appendix A: Key definitions</b>	<b>24</b>
<b>Appendix B: Scheme roll-out: Timing and locations</b>	<b>26</b>
<b>Appendix C: Operational progress</b>	<b>28</b>
<b>Appendix D: Outcomes framework questionnaires</b>	<b>30</b>
<b>Appendix E: National</b>	<b>31</b>
<b>Appendix F - M: States/Territories</b>	<b>53</b>

# Executive Summary

The National Disability Insurance Scheme (NDIS) is a world leading reform for all Australians. The Scheme's purpose is to support people with disability to achieve their goals, helping them to realise their full potential, participate in and contribute to society and exercise choice and control over their lives and futures.

The Scheme is phasing in rapidly around Australia. At 30 June 2018, the NDIS was supporting 183,965 participants (including children in the ECEI gateway), with an additional 24,228 participants receiving approved plans this quarter. This 13% growth is inclusive of participants from an increasingly diverse range of geographies, extending to rural and remote areas of the country.

The NDIS is now fully operational in all regions of New South Wales, South Australia and Australian Capital Territory. The first regions of Western Australia entered the Scheme this quarter, and this expansion will continue in the second half of 2018. With these successes, there is still progress the NDIA needs to make on the path to full Scheme. Delivering on the speed of the roll-out as outlined in the bilateral agreements has been challenging, and significant actions are being taken to address the issues that have impacted the Scheme to date.

The NDIA is committed to providing participants and their families, carers and providers with a high quality service. The experience of those participating in the Scheme improved by four percentage points this quarter, with 88% of participants rating their overall experience with the Agency as either 'Good' or 'Very Good'. Participants have reported improved outcomes across multiple life domains, with the highest impact felt within the domains of Choice and Control, Daily Living Activities and Health and Wellbeing. Higher satisfaction rates and improved outcomes demonstrate the positive effect the participant pathway reform is having on the participant experience. As the new pathway improvements continue to roll-out, and as participants engage with the Scheme over longer periods of time, positive outcomes across all life domains are expected to grow.

A vibrant and competitive provider market is integral to supporting participants to achieve their goals. At 30 June 2018 there were a total of 16,755 providers across the country offering a range of supports, representing a 17% increase on last quarter.

A number of initiatives are underway to further grow the market, and following recommendations of McKinsey & Company's 2017 Independent Pricing Review (IPR), the Agency has announced a series of key additional supports for providers implemented as of 1 July 2018. The proportion of complaints by registered service providers decreased significantly from 6.5% in previous quarters to 4.8% in this quarter, and the NDIA is looking to continue to improve the provider experience through ongoing enhancements to the provider pathway.

The Information, Linkages and Capacity Building (ILC) policy is a commitment made by the NDIA to connect people with disability to their community. As the Agency's investment in ILC has grown, so too has the geographic diversity and scope of the community projects being delivered. Since the first jurisdictional allocation of close to \$3 million of ILC funding was made in Australian Capital Territory on 1 July 2017, \$28.5 million has been awarded through 104 grants to community organisations in New South Wales, South Australia and Australian Capital Territory.

The key to the success of the NDIS is ensuring its long-term financial sustainability. The NDIS has been within budget in each year of its operation, including the 2017-18 financial year. In line with the Scheme's insurance approach, the NDIA has identified factors influencing financial sustainability and is managing them proactively. The best estimate of the longer-term cost of a well-managed NDIS remains at \$22 billion a year at full Scheme, consistent with the Productivity Commission's Report released on 19 October 2017. To further the advancement of a high performing Agency, the NDIA is increasing staff and partner capacity by attracting skilled professionals, refining systems and processes to better support staff, and instilling the NDIA values across the organisation.

The NDIA is dedicated to providing positive experiences and meaningful outcomes for participants, and to the development of a robust provider market. This report demonstrates the increasing number and diversity of participants and providers in the NDIS, the improved outcomes for stakeholders, and the positive steps the NDIA is taking to better understand the impact of the Scheme. By July 2020, the NDIS aims to deliver life-changing support to an estimated 460,000 eligible Australians.

# Introduction

This report is a summary of the performance and operations of the National Disability Insurance Agency (NDIA) for Quarter 4 of 2017-18 (1 April – 30 June 2018), as required in the NDIS Act 2013 (Section 174).<sup>1</sup>

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.



<sup>1</sup> 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.



“The NDIS has changed Benjamin’s life. It has brought him the supports he needs to be happy, and it has changed our whole family’s lives too. We no longer have to dream about what Benjamin could have to make his life better, it’s now possible.”

— Janine Scott, mum of Benjamin Scott  
(pictured), QLD NDIS participant



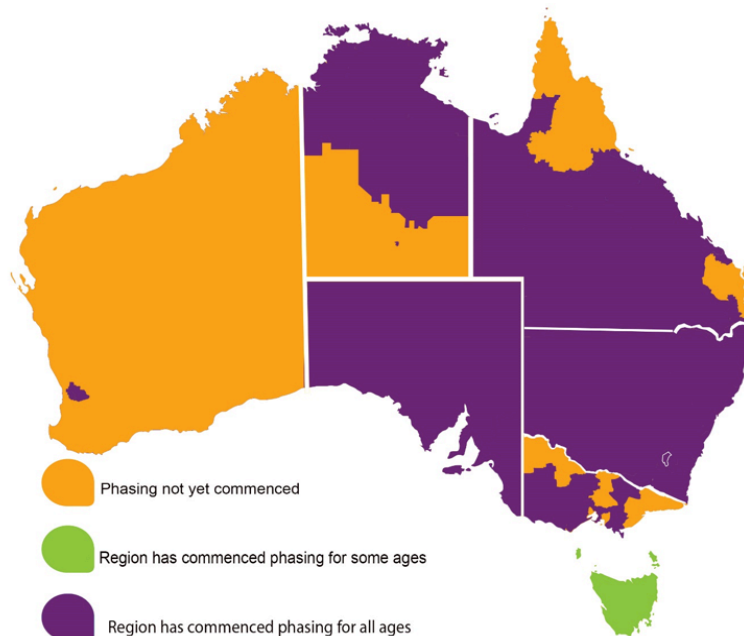
## Part One: Participants and outcomes

More participants from diverse geographies are experiencing better outcomes.

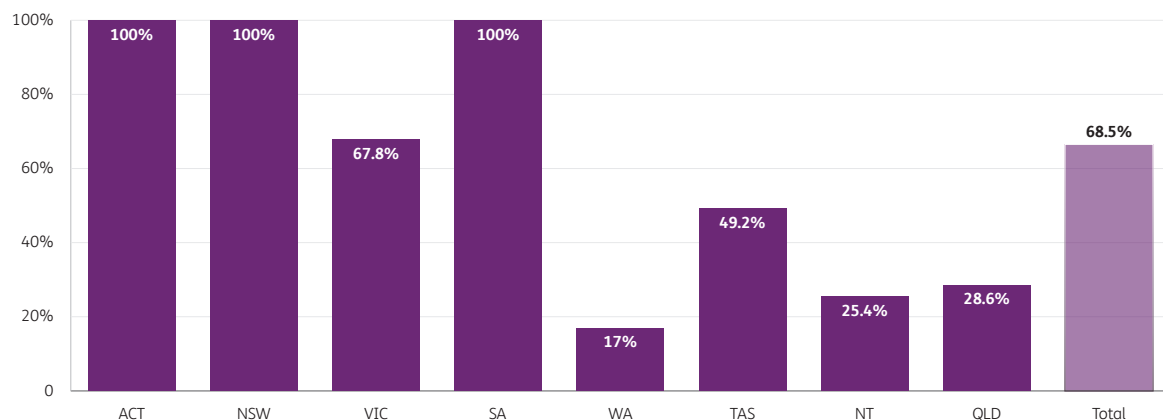
### 1.1 Roll-out

The Scheme is phasing in rapidly around Australia and is achieving good outcomes for participants in diverse rural, remote, regional and metropolitan locations. The NDIS is now fully operational in New South Wales, South Australia and Australian Capital Territory and further progress was made this quarter with Western Australia entering the Scheme. The NDIS aims to be supporting all eligible Australians by July 2020.

**Figure 1** shows the regions in Australia where the NDIS has commenced phasing, where phasing has commenced for some age groups, and where phasing is yet to commence.



**Figure 2** shows the proportion of each State/Territory population who are now able to seek access to the NDIS, if eligible.<sup>2</sup>



<sup>2</sup>While recognising that there are some participants within these areas that are waiting for plans to be approved.

## 1.2 Number of participants

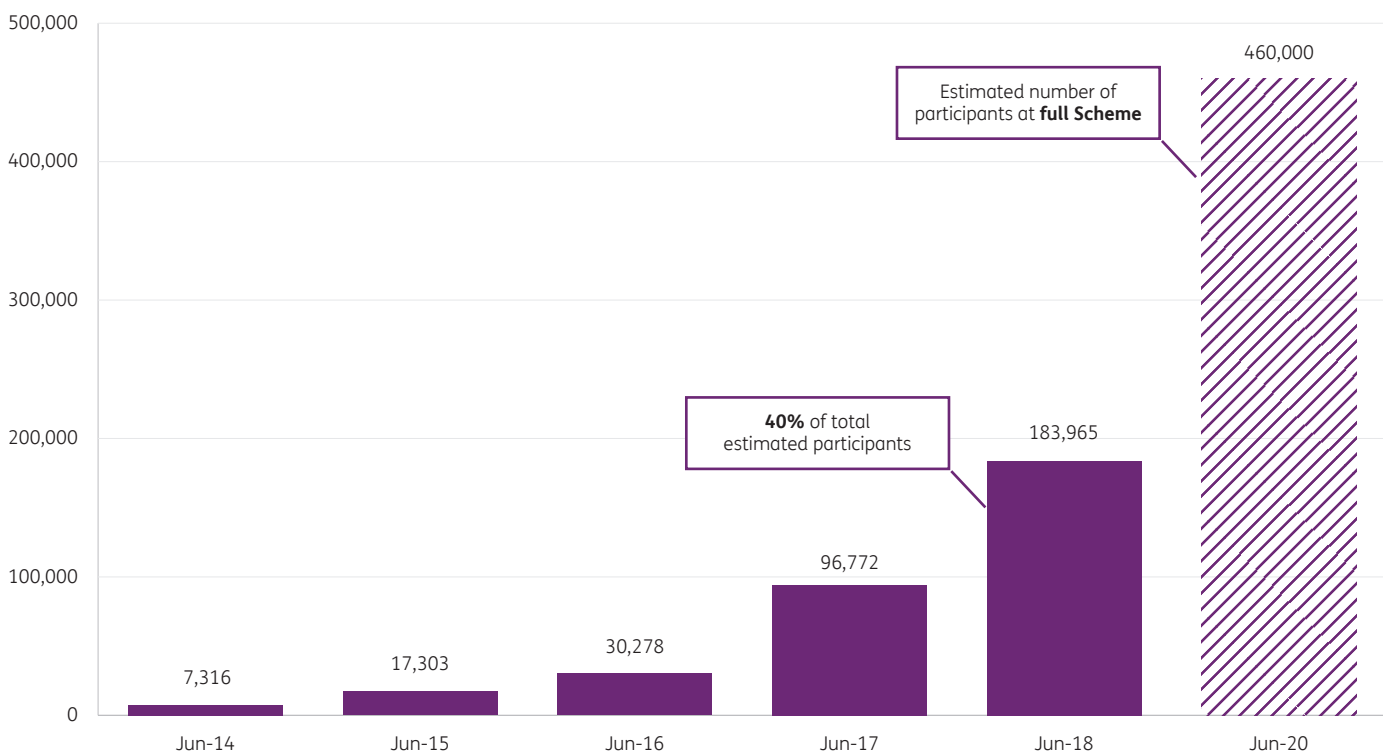
The NDIS supports Australians under the age of 65 who have a permanent or significant disability, and their families and carers. Together with the NDIA and their Local Area Coordinator (LAC) partners, participants develop a plan that suits their individual needs, provides access to reasonable and necessary supports, and helps them to achieve their goals.

An additional 24,228 participants received approved plans this quarter. At 30 June 2018, there were a total of **183,965** participants across Australia with approved plans (including children in the ECEI gateway), representing a 13% increase on last quarter.

The NDIS aims to support an estimated 460,000 Australians with disability by July 2020, hence the Scheme is currently supporting 40% of the participants expected by the end of the transition period.

Importantly, the Scheme is supporting a combination of people from existing systems and people who haven't previously received services. Of the 183,965 participants being supported by the Scheme, 121,395 received supports in existing State/Territory or Commonwealth programs, 54,802 have never previously received supports, and 7,768 are being supported in the ECEI gateway.

**Figure 3** shows the annual growth in participants (including children in the ECEI gateway) since Scheme inception, through to the estimated number of participants anticipated at full Scheme.





### 1.3 Operational progress

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 received support from the existing State/Territory systems and those that haven't previously received any support.

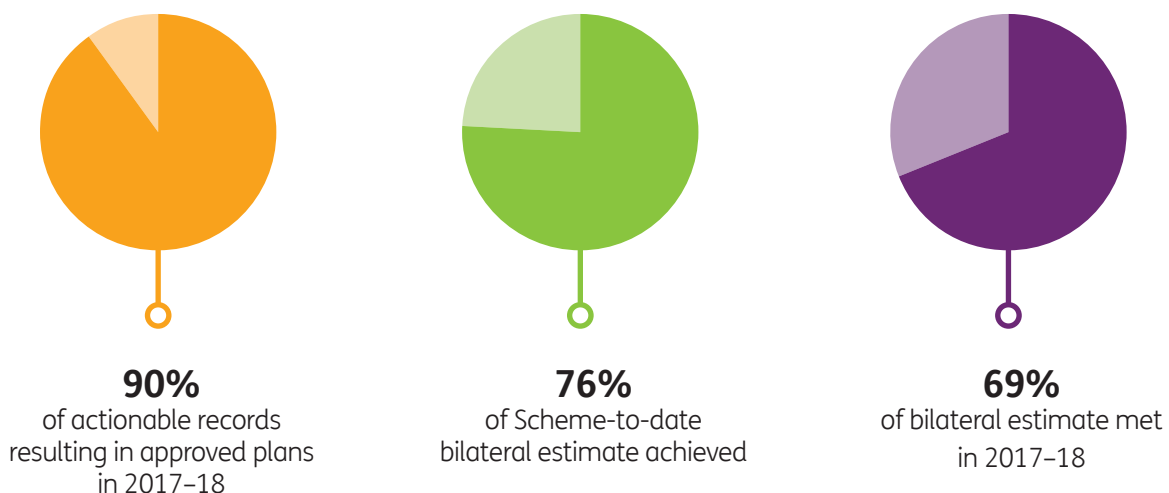
In 2017-18, the Agency achieved 90% of the operational target, meaning that of the participants who could be contacted, who met the access requirements and whose records were provided to the Agency, 90% received approved plans.

At 30 June 2018, 76% of the Scheme-to-date bilateral estimate was reached, and 69% of the 2017-18 bilateral estimate met.<sup>3</sup> The progress against bilateral estimates reflects existing challenges within the Scheme, including the rapid growth and geographical diversity of participants, and the challenges associated with transitioning clients from State/Territory-based programs into a national Scheme.

For transitioning State/Territory and Commonwealth clients, participant estimates were based on existing client data. There are multiple reasons why a client might not enter the Scheme, including difficulties in contacting potential participants; some individuals not wanting to enter the Scheme; insufficient records and some individuals being ineligible or no longer requiring support. Since transition, there have been 20,483 people who could not be contacted, declined to enter the Scheme, or withdrew from the access process. The NDIA is undertaking a number of initiatives to connect with as many of those potential participants as possible, including proactively working with the State/Territory governments.

There were 7,291 participants from existing State/Territory systems who had met NDIS access requirements prior to 30 June 2018, but were unable to progress to planning before the end of this 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 the regional service delivery team.

**Figure 4** highlights three key statistics related to progress against bilateral estimates.



<sup>3</sup>Detail on the bilateral estimates is included in Appendix C.

## 1.4 Participant characteristics

Of the 24,228 participants joining the Scheme this quarter, there was an increase in the diversity of the participants, specifically:

- **Aboriginal and/or Torres Strait Islanders: 6.4%** of participants who received a plan in the quarter, compared with 5.2% in previous quarters combined.
- **Culturally and Linguistically Diverse (CALD): 9.3%** of participants who received a plan in the quarter, compared with 7.2% in previous quarters combined.
- **Self-managing or partly self-managing their plan: 24%** of participants who received a plan in the quarter, compared with 21% in previous quarters combined.
- **Remote / very remote: 1.5%** of participants who received a plan in the June quarter, compared with 1.1% in previous quarters combined.
- **Psychosocial disability: 10%** of participants who received a plan in the June quarter, compared with 7% in previous quarters combined.
- **Support coordination: 41%** of participants received support coordination in their plan in the June quarter, compared with 37% in previous quarters combined.

Given that the NDIS has not fully phased across all regions of Australia, the profiles of current participants vary depending on how far their region is in the phasing schedule. 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 proportion of participants who are CALD and the proportion of participants who have a psychosocial disability is lower than expected. As part of the work underway on tailored pathways, the Agency is looking to increase these numbers. As phasing continues in urban areas of Queensland and Victoria, the proportion of CALD participants is expected to increase. The proportion of participants with psychosocial disability is also expected to increase as Commonwealth programs continue to phase into the Scheme.

## 1.5 Participant outcomes

The NDIA is committed to building positive outcomes for participants and their families and carers. The Agency uses the NDIS outcomes framework questionnaires<sup>4</sup> as one of the key tools to assess the medium and long-term benefits of the Scheme.

Whilst it is relatively new to many, the NDIS has already shown to be helping different age groups across multiple life domains. From transition to 30 June 2018, the following outcomes have been recorded<sup>5</sup>:

### For child participants aged 0 to before starting school:



- **91%** of parents and carers consider the NDIS to have helped with their child's development.
- **89%** thought the NDIS had improved their child's access to specialist services.
- **82%** thought the NDIS had increased their child's ability to communicate what they want.

### For participants aged 25 and over:



- **71%** indicated that the NDIS had helped them with their Daily Living Activities.
- **67%** indicated that the NDIS had helped them with Choice and Control.
- **59%** considered the NDIS had helped them with Social, Community and Civic Participation.

### For families and carers of participants aged 0 to 14:



- **69%** felt that the NDIS had improved their ability/capacity to help their child develop and learn.
- **64%** thought that the NDIS had improved their access to services, programs and activities in the community.
- **61%** considered that the NDIS had improved the level of support for their family.

There are also areas for improvement in the outcomes for participants. Only 36% of participants aged 25 and over have been actively involved in a community, cultural or religious group in the last 12 months, and only 25% of the same cohort report having a paid job. While this will improve as participants gain longer exposure and experience with the NDIS, the NDIA is committed to focusing on capacity building and community support through ILC investment, and is working closely with the Department of Social Services to progress employment initiatives for participants.

<sup>4</sup> Detail on the outcomes framework is included in Appendix D.

<sup>5</sup> Results are for participants who entered the Scheme in 2016-17 and had a plan review in 2017-18 (approximately one year after entering the Scheme).



## Part Two: Participant experience

The participant experience is strong, with further improvement work underway.

### 2.1 Participant satisfaction

Plan development is a key milestone on the participant pathway. In order to better understand the impact of the NDIS on participants and their families and carers, and to ensure the delivery of a high quality service, the Agency conducts satisfaction surveys on the planning process each quarter.

Following feedback, significant improvements to the participant pathway are underway. This quarter, the proportion of participants who rated their overall experience with the planning process as either 'Good' or 'Very Good' increased from 84% to 88%, indicating that the Agency's progress with the pathway experience is having a positive impact.

In addition, 95% of participants indicated that their planner listened to them, and 94% of participants indicated that they had enough time to tell their story. Seventy-one percent (71%) of participants indicated that they knew what was in their plan. The NDIA is looking to improve this figure via the development of the participant pathway, including introducing improved tools for planners to help them better connect participants with the right services to achieve their goals.

**Figure 5** highlights the key statistics related to participant satisfaction this quarter.



The planning process is one aspect of the NDIA's operations, and the Agency is implementing a more detailed participant satisfaction survey to be progressively rolled out in coming quarters. The survey will include participant interactions with the NDIA throughout the access, plan implementation and plan review processes, as well as the initial planning phase.





"I love my job. I'm getting to learn about the industry and there's talk I could go full-time! Prior to the NDIS, I was getting into a lot of trouble...but now I am an NDIS participant, I've been able to use my funding to help me find a job and settle down. The NDIS has changed my life!"

— Jonathon Brimfield (pictured, right), TAS NDIS participant



## 2.2 Unscheduled plan reviews and complaints

There was a significant reduction in the number of completed unscheduled plan reviews, with 13.9% this quarter, compared to 20.4% in previous quarters.

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 6.5%, with timeliness and reasonable and necessary supports reported as the most common issues. The proportion of complaints by registered service providers decreased significantly from 6.5% in previous quarters to 4.8% in the June quarter, with timeliness the leading issue, resulting in 40% of complaints.

Since transition commenced, there has been a total of 20,510 complaints made by 13,568 participants or those who have sought access to the Scheme. The planning phase has been a central point of the participant pathway review, with enhancements focusing on improving access to reasonable and necessary supports. The Agency's new NDIS Contact Centre will be an important point of call for Scheme stakeholders who require fast and effective support to understand and navigate the NDIS.

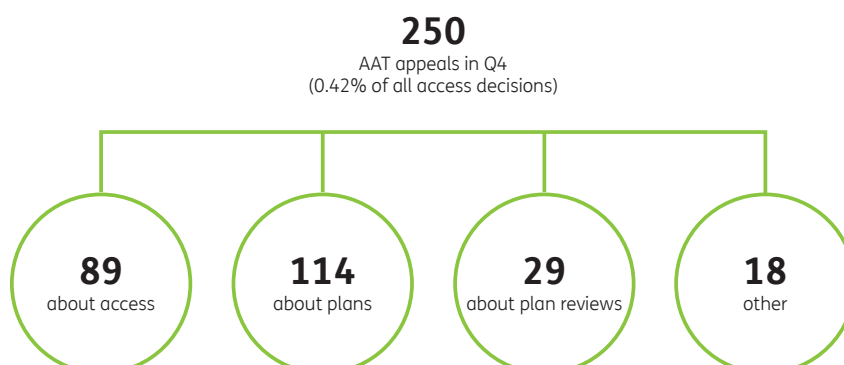
**Figure 6** shows the number of complaints made by or on behalf of participants or those who have sought access, registered service providers and other in Quarter 4.



## 2.3 Administrative Appeals Tribunal (AAT) appeals

Appeals to the AAT increased in the quarter relative to the proportion of access decisions made. Of the 250 appeals made this quarter, 46% of appeals were in relation to the participant's initial plan and 36% were in relation to the access decision.

**Figure 7** shows the number of AAT appeals made by or on behalf of participants or those who have sought access in Quarter 4.





## 2.4 Actions to improve participant satisfaction

### 2.4.1 Participant pathway improvements

The NDIA is committed to providing participants with a high quality experience and is making significant progress with pathway reform to ensure smooth and supportive engagement with the NDIS. Following a successful initial pilot that focused on the planning phase, some pathway enhancements have now been implemented with further improvements scheduled to roll-out across Australia in the second half of 2018.

Developments to the participant pathway include:

- Clearer links to other service systems, including housing, education and health systems.
- Clear information provided in Easy English and multiple languages.
- Stronger connections between LACs and NDIA planners.
- An easy-to-understand and accessible plan.
- Face-to-face planning support.
- Skilled planning and improved training, with a focus on disability awareness and cultural competency.
- Better connections between participants and providers, including improvements to the provider finder.
- Improvements to systems, including updates to the participant and provider portals and NDIS website.

The NDIA has held 37 workshops across Australia and engaged with over 1,100 stakeholders to better understand how the NDIS can be improved to meet the specific needs and characteristics of all its participants. A participant reference group has been established as a mechanism to provide additional engagement for the development and roll-out of pathway advancements, and the group continues to meet monthly to provide feedback and input on improvements to the NDIS.

In addition, the NDIA has been working closely with stakeholder groups to ensure that advancements to 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, with a focus on community programs pathways and access to reasonable and necessary supports.
- Until 30 June 2020, **Australian Hearing** will act as the Agency's national ECEI partner for early intervention hearing services for families of deaf and hard of hearing children.
- An **Autism Advisory Group** has been established to provide feedback and advice to the Agency on improving the NDIS experience for participants with autism.

Lastly, since the Agency transitioned the operation of the NDIS Contact Centre to a new service delivery partner in June, a significant reduction in the percentage of abandoned calls has been recorded, and key targets relating to call answer rates are being exceeded.



“As a parent, it has been hard to learn to trust alternative sources of support, especially when your children are extremely vulnerable but being part of the NDIS, and having choice and control, has definitely helped to make those decisions easier.”

— John Coyle, father of Bridget and Riley, TAS NDIS participants.  
Pictured: Bridget and Riley (centre) with their father John (right) and sister Fianna (left) with their dog.



## Part Three: Providers and the growing market

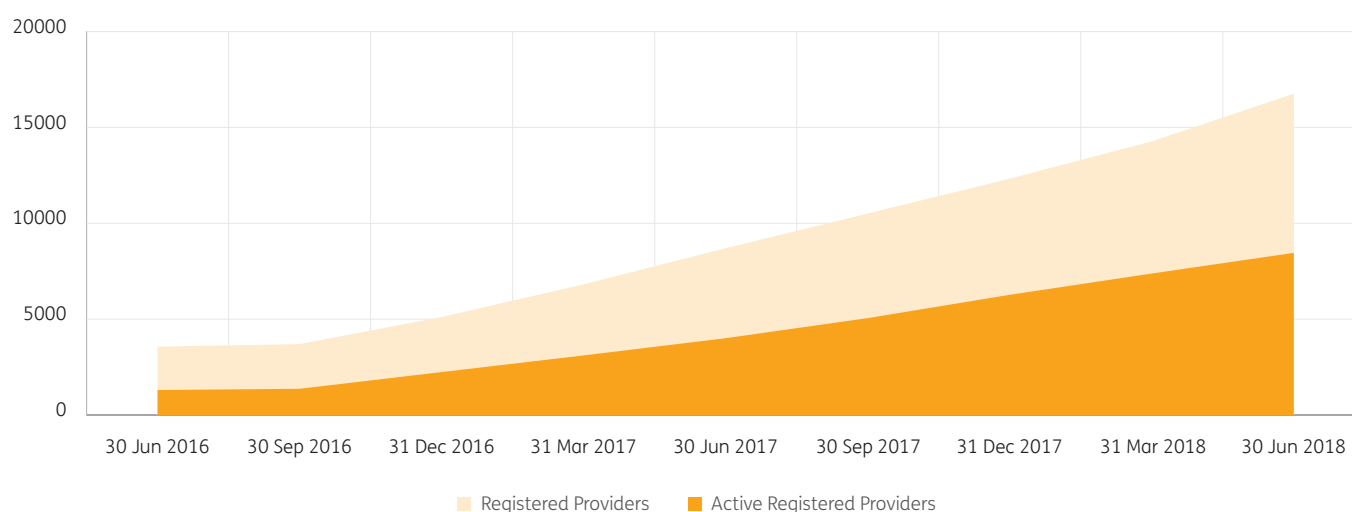
The number and diversity of providers is increasing with new initiatives underway.

### 3.1 Growth of providers

There were a total of 16,755 registered providers this quarter, representing a 17% increase on last quarter. Of the 16,755 providers, 2,618 were new to the Scheme this quarter. Fifty percent (50%) of the cumulative total number of providers were active at 30 June 2018, remaining consistent with previous quarters. The growth of the provider market is shared amongst the States/Territories, with Queensland experiencing a 24% increase in the number of providers, followed by 19% growth in New South Wales and Northern Territory, 18% in Victoria, 16% in South Australia and Tasmania and 3.6% in Western Australia, where the Scheme has only recently begun operating.

There have been 134 (0.8% of registered providers) provider revocations during the quarter, inclusive of providers that have deregistered with the Agency. The NDIS Quality and Safeguards Commission, a new independent Commonwealth body, has been established to oversee the delivery of quality supports and services, and to regulate the registration and compliance of providers. The Commission commenced operations on 1 July 2018.

**Figure 8** shows the growth in registered and active registered service providers from 30 June 2016 to 30 June 2018.



### 3.2 Diversity of providers

Access to a growing, vibrant and competitive provider market is vital to participants achieving their desired outcomes. Each of the registration groups experienced an increase in provider numbers this quarter, with the most significant growth occurring in:

- Specialist Disability Accommodation – **31%**
- Innovative Community Participation – **29%**
- Vision Equipment – **28%**
- Interpreting and Translation – **25%**

The substantial growth and increasing diversity of the market builds participants' capacity to exercise choice and control, allowing them to select the best services to suit their individual needs.



### 3.3 Initiatives to grow the market

The Agency is progressing initiatives to further develop a competitive and innovative provider market. This quarter the NDIA enhanced the provider finder tool and participant and provider portal, established a dedicated National Provider Payments Team, and released information on the new NDIS price guide.

The modifications made to the provider finder tool this quarter included improvements in search functionality, added information about providers, and the introduction of a mapping tool that helps participants better understand the locations of different providers. The tool experienced a 26% increase in hits this quarter, indicating that the changes implemented are having a positive impact. Improvements have also been made to the portal, giving both participants and providers the opportunity to amend service bookings, as well as providing step-by-step guides that better enable users to operate the platform.

The National Provider Payments Team acts as a single point of contact for providers who are having difficulty making claims. It also supports regional staff to resolve issues, ensuring there is national consistency in claiming approvals. When a plan rebuild or review is required, the team will pass this work on to the relevant region.

The NDIA recognises the integral role a vibrant market has in supporting participants to achieve their goals. Following recommendations of the 2017 Independent Pricing Review (IPR) undertaken by McKinsey & Company, as commissioned by the NDIA Board, the Agency has announced a new price guide effective as of 1 July 2018.

#### Changes implemented on 1 July 2018 include:

- **7.6% price increase** for standard intensity attendant care representing a combination of:
  - A new **2.5% Temporary Support Overhead (TSO)** loading, intended to support providers with their overhead costs during 2018–19, reducing to 1.25% in 2019–20.
  - **5.14% increase** in prices to take into account increases in the SCHADS Award (3.50%) and the Equal Remuneration Order (2.27%).
- **5.14% price increase** for high intensity attendant care, as the TSO does not apply.
- **2.1% increase** for capacity building support based on national Wage Price Index.
- **\$2 per hour increase** for centre-based group supports, to support providers meeting increased costs associated with delivering care in a specialist centre.
- **1:3 support worker to participant ratio** for participants in Short Term Accommodation (STA), remaining consistent with existing STA price limits.
- **90% service booking price** is now billable by providers for short notice cancellations (up to 12 times per year for core supports and six hours per year for therapy).
- **1:4 and 1:5 ratios** for standard and high intensity community-based group supports.
- **Providers can negotiate with participants** to pay for the cost of their transport in addition to the support worker's time.
- **Therapists may now charge up to 45 minutes of travel time** in rural areas against the appointment they are travelling to. Outside of rural areas, this limit is 20 minutes.

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

The NDIS is supporting community organisations through ILC grants.

### 4.1 Building inclusive communities

The Information, Linkages and Capacity Building (ILC) policy is a commitment made by the NDIS to connect people with disability to their community. There are two primary areas identified to achieve this:

- **Personal capacity building:** Making sure people with disability have the skills, confidence and resources to participate in their community, and access the same opportunities and services as other people.
- **Community capacity building:** Building the capacity of the community to include people with disability, including mainstream services and community organisations.

Unlike the rest of the NDIS, ILC does not provide funding to participants. Instead, it provides grants to organisations to deliver activities in the community, benefiting people with disability and their families. It increases the capacity of communities to be more inclusive and diverse, and therefore benefits society at large. The investment policy also supports the financial sustainability of the NDIS by reducing the demand for individualised packages and the need for funded supports within packages.

The Agency's investment in ILC is growing and community organisations in diverse locations are delivering a varied scope of projects. Currently there are two main types of open, competitive ILC grant rounds: National Readiness grants and Jurisdictional Based grants.

Approximately \$14 million was allocated to 39 National Readiness grants in 2016-17, with a focus on mainstream services and community awareness. An additional \$28 million was allocated in June 2018 to 44 National Readiness grants with a focus on Information, Linkages and Referral activities across Australia.

Australian Capital Territory was the first jurisdiction to transition to ILC on 1 July 2017 and the NDIA awarded close to \$3 million to 22 organisations to deliver activities in the Territory. Recently, 104 grants worth a total of \$28.5 million were awarded to community organisations in New South Wales, South Australia and Australian Capital Territory.

A targeted Remote grant round ran in April 2018 to fund organisations to deliver activities in remote areas of South Australia, Northern Territory and Queensland. Grant winners will be announced in the first quarter of 2018-19.

The NDIA is currently developing an ILC Investment Strategy that will guide investment at full Scheme. As the NDIA continues to refine its approach to ILC, organisations will be advised of further opportunities to apply for funding.

## Part Five: Financial sustainability

The Scheme is financially sustainable.

### 5.1 Delivering within budget

The NDIS is an insurance-based Scheme for all Australians. It takes a lifetime approach to supporting people with disability, by investing in people early and building their capacity to achieve their desired social and economic outcomes. The NDIA is committed to delivering a financially sustainable Scheme that inspires community and stakeholder confidence.

The key to the success of the NDIS is ensuring its long-term financial sustainability, so that it can support future generations of Australians. The NDIS receives funding from both the State/Territory and Commonwealth governments for each participant that enters the Scheme. On this basis, the NDIS has been within budget in each year of its operation, including the 2016-17 target of \$3 billion and the 2017-18 target of \$6.7 billion. The best estimate of a well-managed NDIS remains at \$22 billion in 2019-20, when the NDIS is at full Scheme, consistent with the Productivity Commission's Report, which was released on 19 October 2017.

There was \$7.7 billion in committed supports in 2017-18, with \$4.9 billion paid to participants. Utilisation was at 64%. The proportion of utilisation reflects the increased amount of first plans approved in the quarter. Experience shows that as participants experience their second and third plans, utilisation tends to increase. The figure below shows committed support<sup>7</sup> and payments since the Scheme's inception.

**Figure 9** shows payments by financial year, compared to committed supports (\$m).

	2013-14	2014-15	2015-16	2016-17	2017-18	2019 and beyond	Total
<b>Total Committed</b>	132.8	496.8	939.3	3,238.5	7,723.1	5,669.7	18,200.3
<b>Total Paid</b>	86.2	370.8	703.2	2,164.7	4,912.9	3.0 <sup>6</sup>	8,240.9
<b>% utilised to date</b>	65%	75%	75%	67%	64%	-	66% <sup>7</sup>

<sup>6</sup> The \$3.0m paid in 2019 and beyond are payments that have been received for supports that are to be provided in 2019.

<sup>7</sup> Only committed supports expected to be used to 30 June 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.

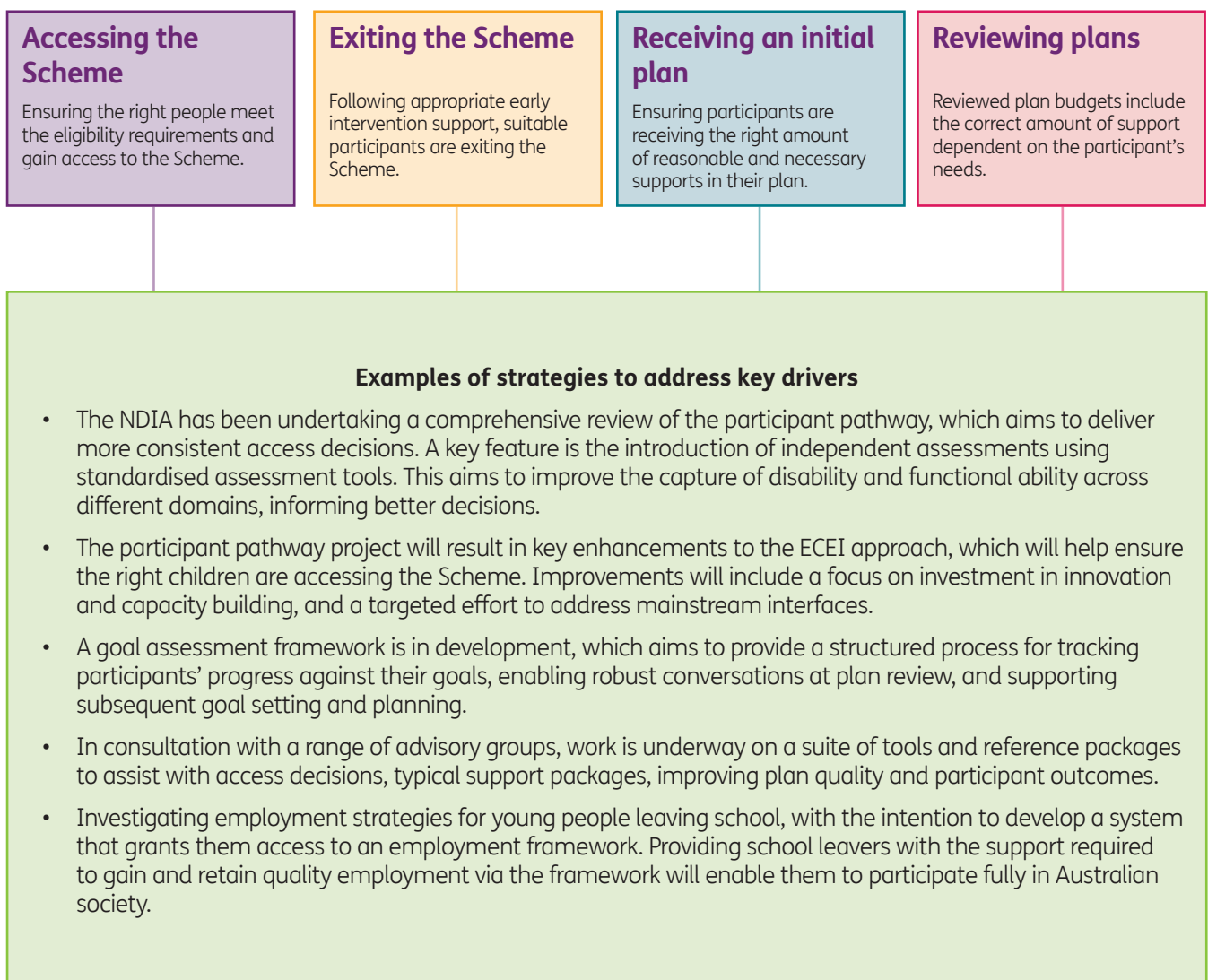
## 5.2 Addressing Scheme pressures

Financial sustainability is monitored by comparing emerging experience with expectations. The insurance approach allows any differences between emerging experience and expectations to be identified quickly, and management responses put in place if required. The Board recognises that pressures exist within the Scheme and in-line with the insurance approach, these pressures have been identified and are being proactively managed.

The cost of the NDIS is dependent on the number of people participating in the Scheme, the amount of reasonable and necessary support allocated in individual plans, how the amount allocated in individual plans changes over time, the utilisation of the support in each plan, and when participants exit the Scheme.

**Figure 10** demonstrates the current key drivers that influence financial sustainability and how the NDIA is managing them.

### Financial sustainability key drivers





## Part Six: A growing Agency

The NDIA is being resourced to meet the challenges of rapid growth and roll-out.

### 6.1 Building a high performing NDIA

The NDIS is phasing in rapidly across Australia. In 2019 participant numbers are set to double, and by July 2020 the NDIS will be supporting an estimated 460,000 participants. In order to deliver a national reform of this scale, the Agency must remain flexible and expand the skills of a capable and talented workforce as required.

This quarter, the following initiatives have been implemented to further the advancement of a high performing Agency:

- Enhanced the NDIA executive leadership team with new appointments.
- Furthered the Agency's commitment to cultural transformation by launching and embedding refreshed NDIA values.
- Invested in leaders, capabilities and training to develop NDIA staff.
- Refreshed the NDIA's performance review framework.

The NDIA is expanding its workforce in a way that balances short-term requirements with long-term capacity building. During transition this growth has included a mix of ongoing, non-ongoing and contracted NDIA staff, community partners as LACs and a small number of specialist advisers, led by an experienced and dedicated senior management team. The large scale and fast pace of the transition can pose recruitment challenges, however the NDIA is addressing these methodically.

The geographical diversity of NDIA staff and partners is increasing as the Scheme rolls out across Australia. Over 3,000 staff and partners are based in Victoria, including in the National Office based in Geelong. Nearly 150 staff and partners are working across Western Australia where the Scheme is starting to phase, and there are over 2,500 staff and partners in New South Wales and Australia Capital Territory. There are 750 NDIA staff and partners based in Queensland, 600 in South Australia, 400 in Northern Territory and 130 based in Tasmania.

The Agency is successfully operating within the budget outlined in the federal budget statements, which stipulates costs of \$692 million in 2016-17 and \$1 billion in 2017-18.





“It just goes to show you what early intervention can do. Billy has come along in leaps and bounds. At the start of the year, he literally didn’t speak – nothing, not a sound. All he did was cry but now with regular physio, speech and occupational therapies he is walking and he’s starting to say words.”

— Kim Childs (pictured, right), parent of Billy Childs (pictured, left),  
SA NDIS participant



The material in this document, with the exception of logos, trade marks, third party materials and other content as specified is licensed under Creative Commons CC-BY-NC-ND licence, version 4.0 International. You may share, copy and redistribute the document in any format. You must acknowledge the National Disability Insurance Agency as the owner of all intellectual property rights in the reproduced material by using '© National Disability Insurance Scheme Launch Transition Agency 2017' and you must not use the material for commercial purposes.

If you remix, transform or build upon the material contained in this document, you must not distribute the modified material.

The National Disability Insurance Agency expects that you will only use the information in this document to benefit people with disability.