

Final Report

The impact of the rollout of the NDIS on metropolitan local governments in South Australia

Prepared for the

Community Managers Network

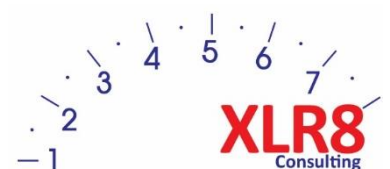


This project has been assisted by the Local Government Association of SA Research and Development Scheme

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Executive Summary

Introduction

In early 2018, the Community Managers Network of LG Professionals Australia, SA engaged XLR8 Consulting to undertake a research project that would examine the impact of the rollout of the NDIS on metropolitan local governments in South Australia. The research project was supported by a grant from the Local Government Association of South Australia Research and Development Scheme.

The NDIS was being heralded by the Federal Government as a program that would create new and expanded opportunities for people with disabilities to access innovative and personalised supports. It was considered to be a transformational approach to disability supports and services that would create a vastly different disability 'marketplace' into the future.

We have already seen that the NDIS rollout which commenced in SA in February 2016 has had a significant impact on local communities, including people with disability, their carers and families, general and specialised service providers, community organisations and disability services workers. This impact has not necessarily always been universally positive.

This research project was initiated by the Community Managers Network to provide Adelaide councils with evidence-based data to assist them in responding to the rollout of NDIS within their communities.

Prior to the commencement of this project, the Legatus Group (Legatus Group is the trading name of the Central Local Government Region) commenced a similar project in their region. This project was completed in May 2018. Whilst the Legatus research was based around the experience of rural and regional Councils north of Adelaide, the findings and recommendations of that project are complementary to the findings and recommendations of this study.

Methodology

The research study was conducted in three stages

1. Literature review
2. Qualitative research
3. Quantitative research

The qualitative research comprised key stakeholder interviews and case studies of SA and interstate councils where the NDIS had already rolled out.

For the quantitative stage an online survey was sent to all the metropolitan councils and a few rural/regional councils. The survey was sent to 24 councils and 19 responded (a response rate of 80%).

Research Themes and Findings

The findings from the research have been summarised into a series of themes that address the research objectives:

- Direct service provision by local councils and other impacts

- Scheme participation and outcomes (including service gaps)
- Access to information and data
- The role of councils in disability service provision and NDIS
- Service providers, workers and economic/market considerations
- Role and effectiveness of the LACs
- Impact of the SA Disability Inclusion Bill
- Impact of rate capping on disability service provision by Councils
- Early learnings

The findings are outlined in detail later in the report.

Recommendations

A comprehensive set of recommendations have been developed under the following areas to address the findings of the report:

- Governance
- Access to Information and Data
- Economic Development
- Communications and Managing Expectations
- Service Delivery
- Integration

These recommendations are provided later in the report and also presented within a matrix (Appendix 1) which has been developed as a complementary resource to the report. The matrix includes for each recommendation:

- Full recommendation
- Aim of the recommendation (what is it trying to achieve)
- Issues the recommendation addresses (from the research findings)
- Whether it is a sector recommendation or a local council recommendation
- Who is responsible for implementation (this column will be populated by the working group for the Project)
- The corresponding/complementary Legatus report recommendation (where applicable)

Key Issues and Findings

It's clear from the literature research, the interviews, case studies and survey feedback that the NDIS rollout has caused councils a degree of concern.

Principally, the delays and issues in the rollout have hamstrung councils from being able to see clearly how they may fit in with the scheme and what services they may provide to complement those delivered by NDIS providers.

Councils are the closest level of government to the communities they serve – and as such have a well-earned reputation for delivering on the ground, useful community services to those in need.

By the same token, councils are also good at knowing when the private sector can better provide services to their communities – and to step out of the way and act as a broker or catalyst to bring about positive change.

So not surprisingly, many councils (Elected Members and staff) feel uncomfortable about whether people with a disability in their communities will be left worse off under the new scheme – and if so, will they be somewhat powerless to assist?

Demand for NDIS Services

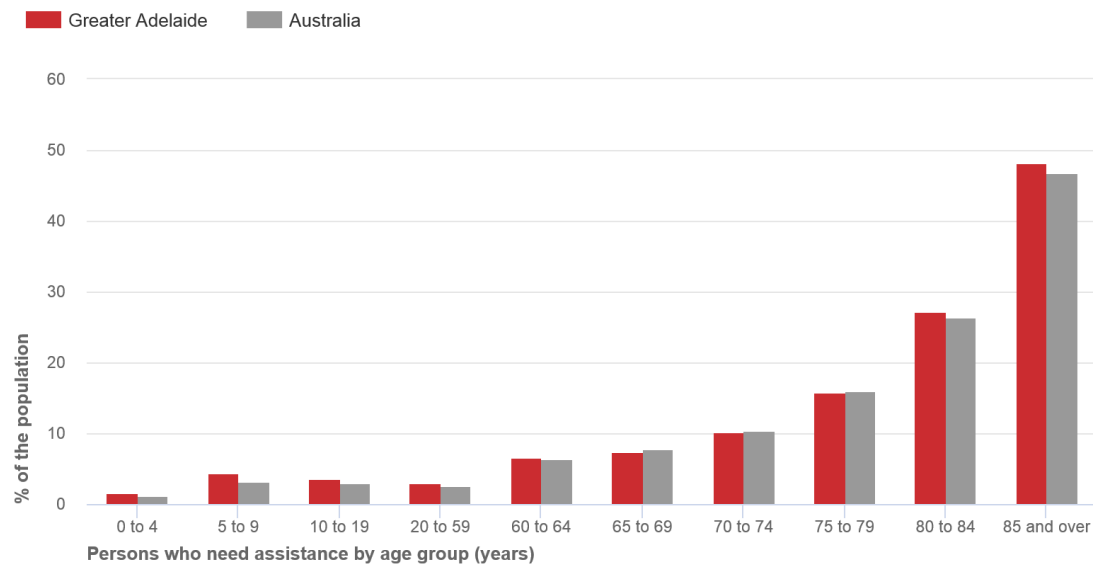
The ABS “need for assistance with core activities” measure from the Census of Population and Housing is not a perfect indicator of demand for the NDIS, but it can serve to illustrate a broad growth in need in the Adelaide Metropolitan area.

It can be seen from the charts below that the population of Greater Adelaide shows a higher propensity for need for assistance with core activities than the Australian benchmark – in all age ranges subject to the NDIS eligibility (under 65), as well as real and percentage growth in those age cohorts.

Need for assistance with core activities by age

Greater Adelaide - Persons (Usual residence)	2016			2011			Change
Assistance needed by age group (years)	Number	% of total age group	Australia %	Number	% of total age group	Australia %	2011 to 2016
0 to 4	1,180	1.5	1.1	970	1.3	1.0	+210
5 to 9	3,432	4.4	3.2	2,316	3.3	2.6	+1,116
10 to 19	5,349	3.5	3.0	3,926	2.6	2.2	+1,423
20 to 59	20,916	3.0	2.6	17,859	2.7	2.3	+3,057
60 to 64	4,947	6.7	6.5	4,447	6.2	6.3	+500

Need for assistance with core activities, 2016



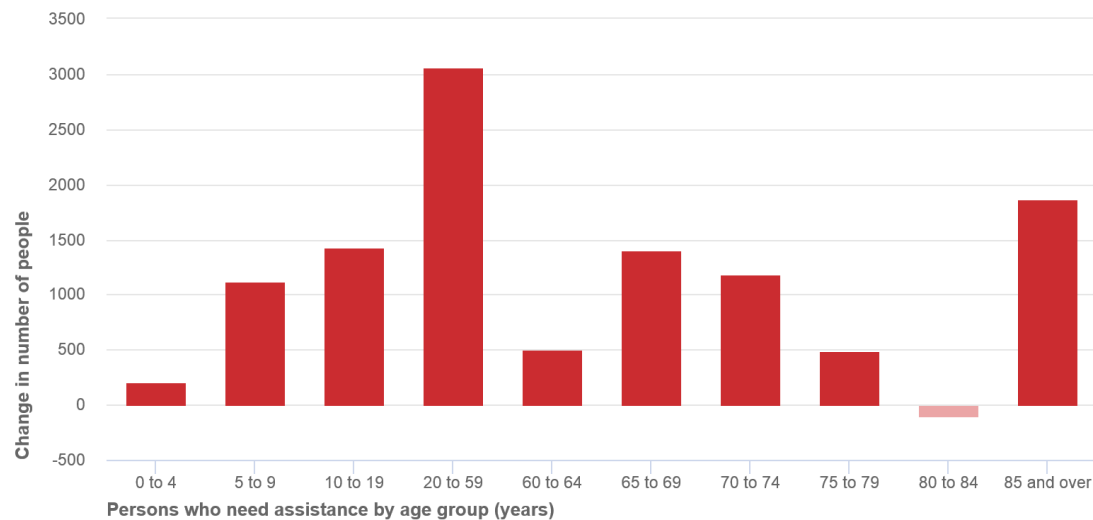
Source: Australian Bureau of Statistics, Census of Population and Housing, 2016 (Usual residence data). Compiled and presented in profile.id by .id, the population experts.

.id the population experts

The need for assistance is growing in the NDIS target age ranges (in real terms, and as a percentage of population) in the Greater Adelaide Metro area as can be seen from the following charts:

Change in need for assistance with core activities, 2011 to 2016

Greater Adelaide - Total persons

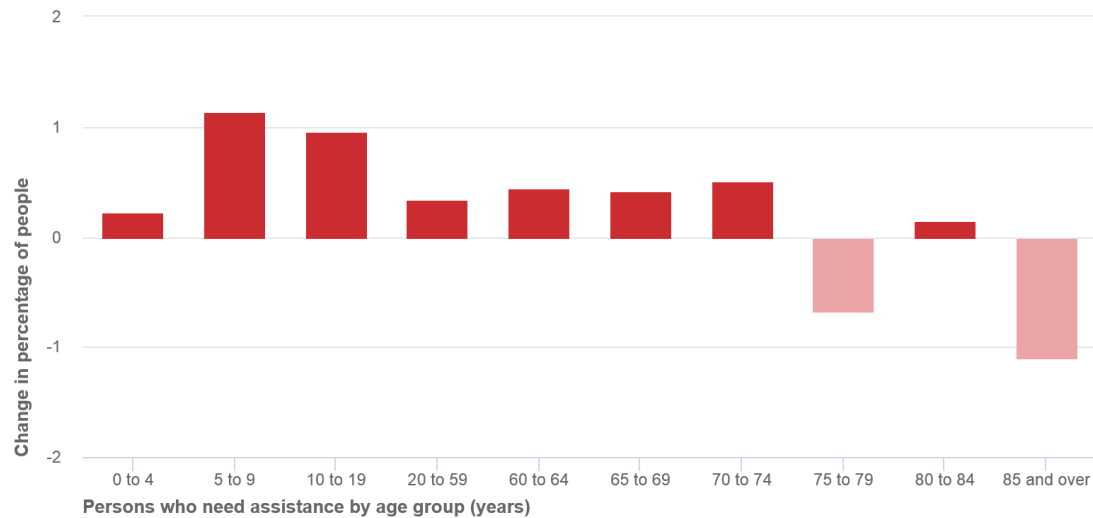


Source: Australian Bureau of Statistics, Census of Population and Housing, 2011 and 2016 (Usual residence data). Compiled and presented in profile.id by .id, the population experts.

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Change in need for assistance with core activities, 2011 to 2016

Greater Adelaide - Total persons



Source: Australian Bureau of Statistics, Census of Population and Housing, 2011 and 2016 (Usual residence data). Compiled and presented in profile.id by .id, the population experts.

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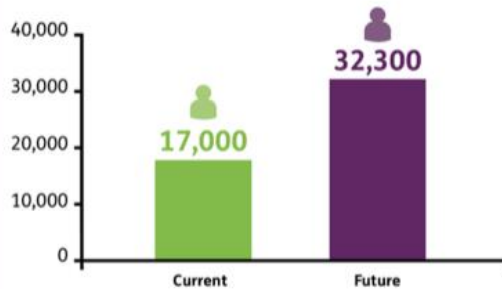
The NDIS Market Position Statement for South Australia (extract provided below) that was released in June 2016 projected significant growth in demand for services and a corresponding increase in the market size that would have implications for providers and the NDIS workforce. The Position Statement also indicated that the Northern Adelaide, Southern Adelaide and Western Adelaide service regions would experience the largest growth in the number of people receiving supports and total funding for supports as well as requiring the largest increase in workforce, in terms of increase in FTE jobs.

The estimates in the Market Position Statement are now over two years old and as at the time of writing this report there had been no indication as to when an updated Market Position Statement will be released.

Forecast increase in demand

+ 15,300 participants

The South Australian market for disability supports is estimated to grow from 17,000 people accessing supports in 2016 to 32,300 in 2019.

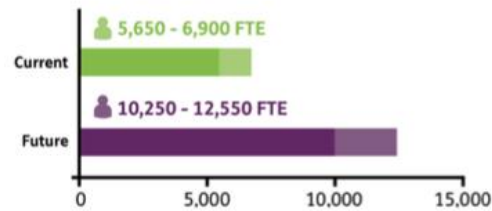


Growth required to meet demand

+ \$760m in supports

is the estimated growth in supply required across South Australia to meet demand at full scheme.

Growth in workforce at full scheme



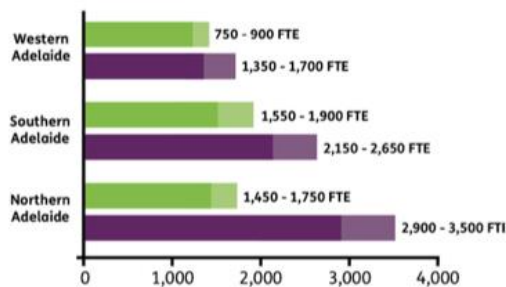
The workforce required to service this demand is estimated to grow from 5,650 – 6,900 FTE to 10,250 – 12,550 FTE in 2019.

Market size (\$ value)

The level of annual expenditure is estimated to grow from \$760 million to \$1.5 billion in 2019.



Workforce – current supply vs estimated demand



The **Western Adelaide**, **Southern Adelaide** and **Northern Adelaide** service districts are estimated to require the largest increase in workforce, in terms of increase in FTE jobs.

Growth by service region



The **Northern Adelaide**, **Southern Adelaide** and **Western Adelaide** service regions will experience the largest growth in terms of the number of people receiving supports and total funding for supports.

The vast majority of council interviews and surveys have indicated that their councils have decided that they will not be providing services under the new NDIS scheme. Of the councils surveyed 89% provided services to people with disability prior to NDIS while only 26% have registered as NDIS providers. For organisations that exist solely for the care of their communities – it's interesting to consider why this might be the case. Certainly, under previous schemes (Disability SA, HACC, Community transport) the vast majority of councils participated.

However, under the new NDIS Client-choice model (rather than block funding) councils cannot any more rely on a certain income and allocate resources as in the past. To participate they would need to fund and resource the service, with ratepayers funds – and they may not be confident that their participation will be a success. The reasons for this are twofold:

- They don't know the full extent of the local demand
- They don't know (even if the demand is there) if the financial return will be sufficient to cover the costs.

With the increase scrutiny over council spending on discretionary services – this is too big a hurdle to jump (for most)

The councils that withdraw from service delivery will need to manage client and community expectations, particularly in instances where people with disability who once received services through the council are not eligible for NDIS. Also, in areas where there are market failures and service gaps, communities may look to the council to fill the gaps.

The NDIA are moving away from the funding of targeted social programs to the integration of people with disability into mainstream programs. Councils have already started to see more people with disability presenting at their facilities (libraries, community centres, recreation centres) to participate in general programs and activities. Staff are reporting that in many instances people with disability are being left there alone by their care workers without support. As this becomes more prevalent councils will need to ensure staff are trained and equipped to:

- Manage the transition of more diverse participants into Council programs who will have, in many instances, support needs which are new to these programs
- Distinguish the difference between a person with disability's choice to participate independently with some assistance from staff and other participants and neglect by a personal assistant funded by the persons NDIS plan
- Develop knowledge and skills about making reasonable adjustments to enable participation by people with disability
- Negotiate with the person with disability and their funded support provider about unreasonable adjustments expected of program staff and participants
- Respectfully discuss examples where the person with disability may need to develop new skills and attitudes supported by the capacity building part of their NDIS plan
- Seek feedback about barriers (physical, communication, attitudinal) experienced by the participant with disability in the program/service/event.

The NDIS rollout has also not been ideal from the person with disability's perspective. There have been delays in getting LACs appointed so some people who are eligible for NDIS have not been able to get access in a timely manner. The bilateral agreement stated that by the end of June 2017 all youth Disability SA clients should have transitioned, but this didn't happen. This then delayed the timing for the remaining groups to come across. As a result, funding for HACC and Disability SA Programs was extended.

The research indicates that there have been a range of problems with the LACs that have impacted on participant outcomes. The LACs have been late to commence, are poorly resourced and have experienced significant staff turnover since commencement. As a result, plan development has been slow, plan quality is variable, plan reviews are taking up to 12 months and there has been inadequate attention to community capacity building by the LACs. Other related issues are that some NDIS participants are over supported by their plans whilst others are under supported, the plans lack innovation. Research by Flinders University released in February 2018 (Evaluation of the NDIS) found that those NDID participants who have a better ability to advocate for themselves (or have a family and friends who can advocate for them) are often better served by the system. Further children with well-educated or well-resourced parent are particularly well included in the scheme.

The NDIS Quarterly Report for June 2018 provides the following insights into participant outcomes and experience with the NDIS:

- There are currently 183,965 participants in the Scheme (nationwide)– this is just 74% of the bilateral estimates for this time
- Plan utilisation is sitting at 64% (plan utilisation refers to the percentage of funds that get written into plans that actually get spent). This is far short of the 80-95% recommended by the Productivity Commission
- Whilst 88% of surveyed participants rate their satisfaction with the Agency planning process as “good” or “very good”, only 71% of participants said that they understood what was in the Plan. NDIA are making enhancements to the participant pathway process to improve the experience for participants in the future.

Service Gaps

There were gaps in service delivery prior to NDIS, but these are likely to be exacerbated by the rollout, at least in the short to medium term. The survey respondents reported to us that the gaps prior to NDIS fell mainly into the following categories:

- Social, sport and recreation
- Support services and case management
- Direct program
- Transport

Post NDIS it is anticipated that these gaps will continue to be an issue but in addition there would be issues for people with a disability that are ineligible and availability of information and support to access NDIS.

It is worth highlighting transport as a particularly problematic service gap. The research has indicated that NDIS participant plans are not being funded adequately for transport. Also, in some cases where NDIS participant plans are more globally underfunded they will use their transport

allowance to access other services. The problem is further exacerbated as the Community Passenger Network can't assist people eligible for NDIS except in limited circumstances.

The Role of Local Government in Disability Services and NDIS

So – if councils are not willing to take the option of being direct service providers as earlier discussed, what is their role?

The majority of councils we surveyed hadn't seriously considered their future role in Disability Services and NDIS at the time the survey was undertaken. Of those surveyed 8 (42%) had done some initial research, 3 (16%) were not doing anything until they saw what happens with the NDIS rollout and 1 council (5%) hadn't yet considered their role in NDIS. There was a small proportion of councils that had done some serious planning about NDIS, but not made any final decisions (5 councils, 26%). Only 2 of the councils (11%) were clear about their involvement in NDIS and the role council will play.

However, whilst many councils hadn't fully decided on their own future role in NDIS, the general consensus from the stakeholders and the councils we spoke to in our research was that councils have three primary roles:

- Information provision
- Community capacity building and,
- Lobbying and advocacy

The councils that were surveyed identified the following issues as being important to lobby on behalf of the community about:

- Reinforcing that Local Government isn't seen as the 'unfunded provider' of last resort where there are market failures
- Transport issues
- Provision of better information about the NDIS market

Some also suggest that council has an important role in assisting in the development of the NDIS provider market. Like they do with other needed services, councils can assist in the development of their council areas from an economic development perspective by highlighting potential gaps in services and attracting investment (and jobs) to the region.

Again however, councils are hamstrung in this by a lack of hard market data. Usually, the council will assist a potential investor to look at local demand factors, such as target markets, potential growth, potential revenue, profit (or surplus in the case of non-profits) and cost of operation.

With the NDIS, it's hard to find this information. Most don't know if it exists and some refer to a study conducted by KPMG in 2017 that had some of the information at local level. (NDIS South Australian Market Analysis Tool). However, this work was done early in the rollout and has not been updated.

It's well known that markets are at their most efficient when there is very little information asymmetry (simply put, when all parties have easy access to market information.)

In the case of the NDIS, there is significant information asymmetry, in that the councils (and existing or potential providers) don't know the exact numbers of NDIS participants, their package dollars or

their individual package inclusions. Likewise, the participants don't have (as yet) a full picture of the providers in their region and what they can provide.

Certainly, most councils will assist by providing general information about the NDIS scheme and will answer basic questions. But there is a sense of frustration that more could be done, if only there was more clear and useful information.

The councils surveyed provide general information and advice about the NDIS in a number of ways. It still is primarily a responsibility of the Community Services departments with 16 councils (84%) indicating that Community Services staff provide general advice and information, whilst only 6 councils (32%) responded that Customer Services staff provide general advice and information. Only a few councils (3, 16%) are providing more specialised advice and information through their Community Services staff.

It is worth noting that in a number of cases the Community Services staff who are assisting customers with NDIS enquiries are HACC funded by the Commonwealth to provide entry level aged care services. The aged care reforms do not currently support any form of integration with the NDIS. Into the future councils will need to decide what sort of enquiry service they provide to their residents.

Information and Data

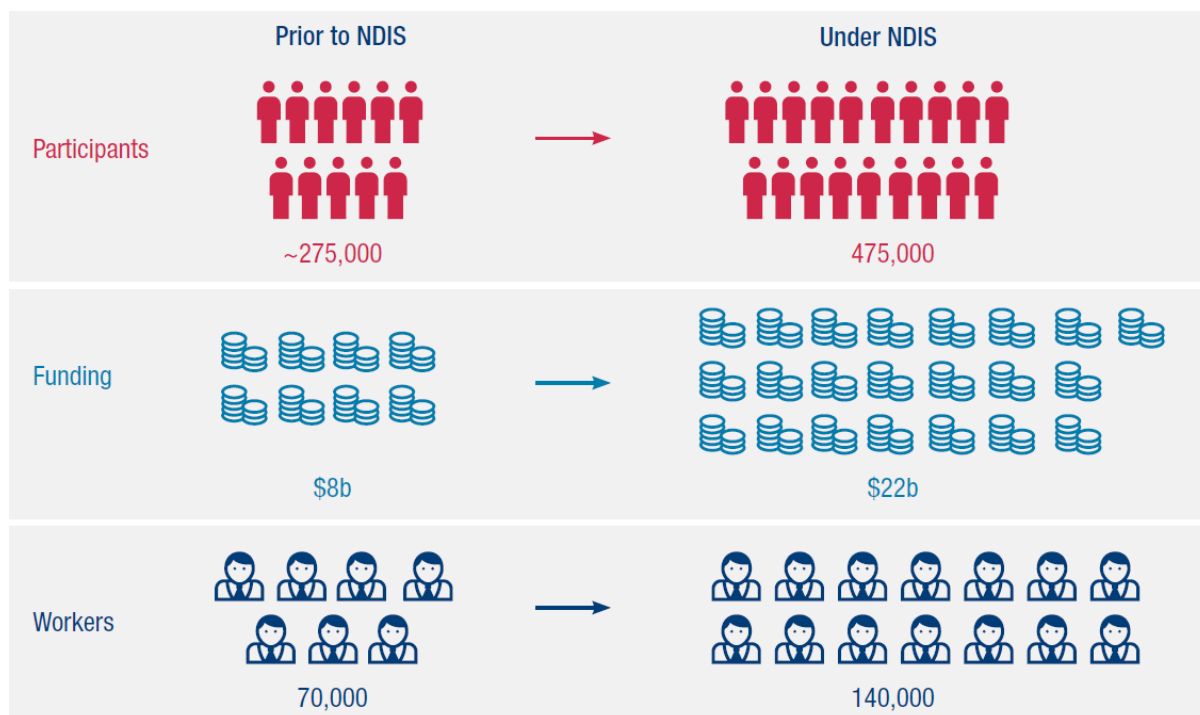
One of the fundamental issues with the NDIS rollout is the lack of information available. Only 21% of the councils surveyed believed that their council currently has enough information about NDIS and what it means for local government.

Survey respondents indicated that their most preferred method for receiving information about the NDIS were newsletters/emails, personal visits from NDIS staff, information sessions/workshop and online via a website.

Whilst personal visits from NDIA staff was a preferred method of communication, councils have reported that the NDIA is hard to access. Interestingly, the NDIA believe that they are very approachable and happy to engage with councils and further reported that they sometimes find it hard to identify the right person to talk to within individual Councils. There is a role for the Community Managers Network to foster more open communication between the Agency and councils.

Service Providers, Workers and Economic/Market Considerations

The large numbers announced by NDIA when launching the scheme galvanised many providers into "initial" action – to make sure they didn't miss the boat. Such predictions as "participants in the scheme will almost double from current levels" or "funding will triple" or "employment growth will see another 70,000 jobs" raised the interest of many organisations and potential workers. Many were keen to understand how they could be a part of this new "wave" and become involved.



This led to a rush of provider registrations (16,755 providers were registered nationwide at the end of June 2018) - but only 50% are active. They are simply lying dormant, waiting for the market demand to arrive...

Similarly, the promised workforce hasn't yet fully materialised and in fact is one of the major limiting factors in the ongoing success of the scheme.

The jobs offered by providers, to date are often very part time in nature – with no guarantee of hours. It's hard for job seekers to prioritise this type of work when alternatives exist that may be more lucrative or secure.

The uncertainty of reasonable hours has made it difficult for councils to assist in promoting training programs or forming alliances with local training providers because often, the job seekers don't want to invest time and money in training that would only lead them to a job with limited hours.

SA Disability Inclusion Act

The SA Disability Inclusion Act became operational on the 1 July 2018. The Act is intended to ensure all South Australians with a disability have the opportunity to live a fulfilling life as equal members of the community.

The Act is focussed on ensuring that mainstream services are accessible to South Australians with a disability so that they can participate fully in their community.

Under the Act a State Disability Plan will be developed and councils will be required to develop Disability Access and Inclusion Plans in consultation with people with a disability.

Of those councils surveyed 9 (50%) reported that they already have a plan in place. However, a number of respondents also commented that while they do have a plan in place they will now need

to update it. A further 8 councils (44%) reported they do not have a plan in place so will need to prepare one.

Impact of Rate Capping on Disability Service Provision by Councils

There is a possibility that rate capping may be introduced in South Australia. Under rate capping council spending is even more limited so discretionary services, where possible, will be left to the private sector.

The council survey respondents were asked to comment on the impact of rate capping on councils capacity to support people with disability. Over half of the respondents reported that they weren't sure what the impact would be whilst 35% respectively indicated that rate capping would impact the councils ability to undertake advocacy, to facilitate access and inclusion to councils services, facilities and infrastructure and to provide information resources and advice.

Recommendations

The following recommendations have been developed in response to the issues and findings identified through the research. The recommendations are identified below as being for the sector (LGA / Community Managers Network) or individual Councils.

Governance

LGA and Community Managers Network to work with NDS, NDIA and the metropolitan LACs, (skilled and supported) people with disability and other relevant agencies/stakeholder to set up a formalised group that meets regularly to discuss NDIS rollout and implementation issues including the interface with Local Government's social and physical infrastructure provision, regulatory roles, general programs, services and other operations. **Sector Recommendation**

Councils to set up formalised local groups with LACs, providers and people with disability supported by capacity building and other measures where required, to share information and discuss local issues and concerns. **Council Recommendation**

Access to Information and Data

Local Government (LGA) to form a consolidated position with NDS and DHS to lobby NDIA to provide better market information. **Sector Recommendation**

Economic Development

Invite the City of Charles Sturt to present on their Regional Project (for workers and providers) to EDA and the Community Managers network. **Sector Recommendation**

Community Managers Network to seek funding through the LGA Research and Development Grant Scheme to replicate the Charles Sturt model across metro Adelaide. **Sector Recommendation**

Deploy market information (once available) to assist in the economic development of the region through attraction of NDIS providers to address local service needs. **Council Recommendation**

Facilitate delivery of training programs for NDIS provider staff through relationships and partnerships with TAFE or other training providers. **Council Recommendation**

Communications and Managing Expectations

Develop and implement a State-wide campaign to inform the community of the changes to disability services as a result of NDIS, what they can expect and who to call/contact for details of the new scheme. **Sector Recommendation**

Provide information to the local community about specific changes to funding and service delivery in the community and who to contact. **Council Recommendation**

Develop a standard training package for council staff (in particular customer service staff) to ensure they have a good understanding of the NDIS Scheme, so they can direct enquiries to the right party. They staff should have a clear knowledge of where councils' responsibility starts and finishes. **Sector Recommendation**

Develop a standard presentation for council officers to present to Elected Members to inform them about the NDIS rollout, the SA Disability Inclusion Act 2018 and the potential role of councils under

the new system. The presentation would include information on the risks and considerations in determining their role. **Sector Recommendation**

Service Delivery

In the event there is a market failure the local council should investigate costs and potential revenue of service provision under the scheme (especially in country areas where other providers may not be present). With some negotiation with NDIA in these cases, the income may be sufficient to deliver a service, especially with the assistance of volunteers. **Council Recommendation**

Integration

Advocate to NDIA for the introduction of specific ILC grants for councils to fund programs that will assist with the integration of NDIS participants and other people with disability into general council services (e.g. libraries, recreation centres and community centres. Potential outcomes could be:

- the development of a training package for facilities staff and volunteers to deal with a more diverse customer base as well as community education programs
- the establishment of volunteers as community change agents (working with councils and LACs). **Sector Recommendation**

Advocate to NDIA, SA and Commonwealth Governments for funding to extend peer networks with local support groups facilitated by user-led Disability Support Organisations with a national mentoring and support program building on the 2015 – 2017 DSS-administered pilot program. Outcomes relevant to local government are:

- Local residents experience supportive and accelerated learning about the NDIS and how to develop and implement their plans
- Local advocacy from peer networks about access and inclusion will provide higher quality feedback for Disability Access and Inclusion Plan development and implementation
- A more connected community will be easier to inform about Council and community programs, services, events, consultations and other opportunities. **Sector Recommendation**

Seek information from NDIA on (1) the KPIs that are being used to evaluate the LACs performance in community capacity building and (2) an assessment of the SA metro LACs performance against these KPIs. **Sector Recommendation**

LGA and CMN advocate to NDIA, State and Commonwealth governments for a revision of the current Local Area Coordination model especially:

- Removal of the pre-planning role
- Focus on the information, referrals and capacity-building roles
- or
- Changing the current requirement that only one agency can apply for Partners in Community grants to allow equal partnerships between planning focussed agencies and community development focussed local government. **Sector Recommendation**

LGA and CMN develop a position on the suitability of Councils seeking grants to deliver the community capacity building element of Local Area Coordination (not available to NDIS service providers) either through:

- A revised LAC model mentioned in the previous recommendation
- A partnership rather than a sub-contracting arrangement with a planning focussed agency if the current LAC model remains. **Sector Recommendation**

Introduction

In early 2018, the Community Managers Network of LG Professionals Australia, SA engaged XLR8 Consulting to undertake a research project that would examine the impact of the rollout of the NDIS on metropolitan local governments in South Australia. The research project was supported by a grant from the Local Government Association of South Australia Research and Development Scheme.

The NDIS was being heralded by the Federal Government as a program that would create new and expanded opportunities for people with disabilities to access innovative and personalised supports. It was considered to be a transformational approach to disability supports and services that would create a vastly different disability 'marketplace' into the future.

However, the NDIS – the largest social reform since Medicare was being implemented at an extremely rapid rate in comparison with the introduction of other major government policies and programs such as national competition policy reform, employment service reform and utility reform. Further, whilst the rollout was happening quickly the corresponding supports were not necessarily keeping pace. In particular the NDIS's key implementation partners, the Local Area Coordinators commenced late in many areas, were poorly resourced and were lagging behind in the development and review of client plans.

We have already seen that the NDIS rollout which commenced in SA in February 2016 has had a significant impact on local communities, including people with disability, their carers and families, general and specialised service providers, community organisations and disability services workers. This impact has not necessarily always been universally positive.

There will be significant opportunities in the future, but as with the Aged Care Reforms, there has been much confusion and a lack of information particularly for the participants and service organisations.

This research project was initiated by the Community Managers Network to provide Adelaide councils with evidence-based data to assist them in responding to the rollout of NDIS within their communities.

Prior to the commencement of this project, the Legatus Group (Legatus Group is the trading name of the Central Local Government Region) commenced a similar project in their region. This project was completed in May 2018. Whilst the Legatus research was based around the experience of rural and regional Councils north of Adelaide, the findings and recommendations of that project are complementary to the findings and recommendations of this study.

Methodology

The research study was conducted in three stages

4. Literature review
5. Qualitative research
6. Quantitative research

Literature Review

A literature review was undertaken of key sources of information pertaining to the NDIS rollout. The findings from the literature review and list of sources is contained at Appendices 1 and 2.

Qualitative Research

The qualitative research comprised key stakeholder interviews and case studies of SA and interstate councils where the NDIS had already rolled out.

Stakeholder interviews were conducted in person with:

- Kylie Hutchinson - National Disability Services
- Courtney Hoffman - National Disability Insurance Agency
- Mike Taggart - Department of Human Services
- Victoria Brown - Local Government Association
- Dr Wendy Riemens Department of Industry and Skills

Case study interviews were conducted in person or over the phone (for interstate Councils) with:

- City of Playford and City of Salisbury – SA (NDIS commenced July 2017)
- City of Charles Sturt – SA (NDIS commenced April 2018)
- City of Whittlesea – Vic (NDIS commenced July 2016)
- Toowoomba Regional Council – QLD (NDIS commenced late 2017)
- Lake Macquarie City Council – NSW (NDIS commenced July 2016)

Quantitative Research

An online survey was sent to all the metropolitan councils and a few rural/regional councils. The survey was sent to 24 councils and 19 responded (a response rate of 80%). The participating councils were:

- The Barossa Council
- City of Tea Tree Gully
- City of Salisbury
- City of Marion
- City of Victor Harbor
- City of Onkaparinga
- Light Regional Council
- Alexandrina Council
- City of Burnside
- City of Holdfast Bay
- District Council of Yankalilla
- City of Norwood, Payneham and St Peters
- Town of Gawler

- City of Playford
- Campbelltown City Council
- City of Port Adelaide Enfield
- City of Unley
- Adelaide Hills Council
- City of Charles Sturt

Research Themes and Findings

The findings from the research have been summarised into a series of themes that address the research objectives:

- Direct service provision by local councils and other impacts
- Scheme participation and outcomes (including service gaps)
- Access to information and data
- The role of councils in disability service provision and NDIS
- Service providers, workers and economic/market considerations
- Role and effectiveness of the LACs
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- Early learnings

Direct Service Provision by Local Councils and other Impacts on Councils

Local councils have had and will continue to have (post NDIS) a responsibility to facilitate access and inclusion for people with a disability within their local communities. This responsibility has been further reinforced with the passing of the Disability Inclusion Act 2018, which has legislated that all councils must now have a Disability Access and Inclusion Plan in place.

Prior to NDIS, most councils (to varying extents) also provided direct services to people with disability. These services were primarily supported through external block funding provided by SA HACC, Disability SA and the Community Passenger Transport Network. In addition, most councils supplemented these programs with council funding and in-kind support. Volunteers also played a significant role in supporting the delivery of these services to people with a disability.

Following the rollout of NDIS, the primary funding source for disability services will be client centred through their plans. This provides a level of uncertainty for service providers, including councils as they will need to compete in the market to attract NDIS participants to take up their services. The majority of councils will choose not to operate in this environment, as they will no longer have guaranteed funding to pay for staff salaries and other costs. NDIS also brings with it an extra administrative burden that reduces the return councils can expect to receive on delivering services through the system.

In July 2018 the NDIS Quality and Safeguards Commission was established in SA. The Commission is responsible for the registration of all NDIS service providers. There is a significant amount of additional work required from providers to meet the registration requirements of the Commission. The purpose of this is to ensure that there is national consistency and to promote safety and quality services, resolve problems and identify areas for improvement. However, these additional requirements and subsequent costs will be another barrier to providers (including Councils) to remain in or enter the market.

The councils that withdraw from service delivery will need to manage community expectations, particularly in instances where a person with disability who once received services through the Council is no longer eligible for NDIS. Also, in areas where there are market failures and service gaps, communities may look to the Council to fill the gaps.

The NDIA are moving away from the funding of targeted social programs to the integration of participants into mainstream programs. Councils have already started to see more people with disability presenting at their facilities (libraries, community centres, recreation centres) to participate in general programs and activities. Staff are reporting that in many instances, the people with disability are being left there alone by their care workers without support. As this becomes more prevalent councils will need to ensure staff are trained and equipped to:

- Manage the transition of more diverse participants into Council programs who will have, in many instances, support needs which are new to these programs
- Distinguish the difference between a person with disability's choice to participate independently with some assistance from staff and other participants and neglect by a personal assistant funded by the persons NDIS plan
- Develop knowledge and skills about making reasonable adjustments to enable participation by people with disability
- Negotiate with the person with disability and their funded support provider about unreasonable adjustments expected of program staff and participants
- Respectfully discuss examples where the person with disability may need to develop new skills and attitudes supported by the capacity building part of their NDIS plan

- Seek feedback about barriers (physical, communication, attitudinal) experienced by the participant with disability in the program/service/event.

Stakeholder Interviews

The Stakeholders that we interviewed had differing perspectives on the role of councils in direct service provision of disability services.

- The NDIA, LGA and NDS were very clear that councils should only provide services if it was financially viable for them to do so. The decision needs to be based on the individual circumstances of each council. They did not believe that councils should be seen as a provider of last resort where there were market failures. However, where it fits the Councils model of business it is a practical solution.
- The Department of Industry and Skills stated in their interview that they believed that councils do have a role to play in providing services where the market hasn't responded.

Case Study Perspectives

Whilst undertaking the Case Studies, we found that the interstate councils did not have as a great a role in the direct provision of services as the SA councils we talked to and/or they were not continuing to provide these services post NDIS.

Interstate Councils

- NDIS was introduced in the **Whittlesea** Council area in July 2016. The City of Whittlesea provided services pre NDIS via HACC to about 160 residents. These program participants have all subsequently transitioned to NDIS. Council decided not to participate in NDIS as it wasn't going to be affordable. They felt that staff costs would be too high and they also didn't want to get in the way of the market.
- NDIS was introduced in the **Lake Macquarie** Council area in July 2016. At that time the Council was not a direct provider of disability services. Council did provide information about available services and did run a program called 'me too' which included free activities, hobbies and interests for people in the community with a disability. There were no HACC funded services.
- NDIS was introduced in the **Toowoomba** Council area in late 2017. At that time the Toowoomba Council was only providing limited services through HACC (lawnmowing only) and some limited housing support. At the time of the interview both of these services were being phased out.

SA Councils

- NDIS was introduced into the **Playford** council area in July 2017 (for adults). In 2017/18 the City of Playford supported 173 clients via HACC and 56 clients via Disability SA funding. The City of Playford has decided to continue to provide direct services into the future. The Council is a registered NDIS provider and expects to provide services to 56 NDIS participants in the 2018/19 financial year
- NDIS was introduced into the **Salisbury** Council area in July 2017 (for adults). In 2017/18 the City of Salisbury supported 292 clients via HACC and 3 centre based disability programs through Disability SA funding. At the time of the interview, City of Salisbury was continuing to provide these services, however their longer term future in the provision of direct disability services was yet to be determined.
- NDIS was introduced into the **Charles Sturt** Council area in April 2018 (for adults). In 2017/18 the City of Charles Sturt supported 200 clients via HACC. The Council will continue

to provide these services whilst funding is still available but do not plan to enter the NDIS environment as a direct service provider. Council considers its ongoing role will be lobbying and advocacy but not direct service provision.

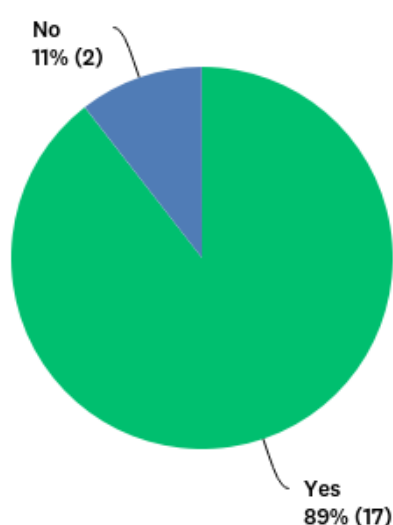
Survey Responses

The council survey included a series of questions about direct service provision of disability services.

As the chart below shows, nearly all the councils surveyed provided services to people with disability prior to the introduction of NDIS (17 Councils out of the 19 surveyed).

Prior to the introduction of NDIS did your council directly provide any services to people with disability?

Answered: 19 Skipped: 0

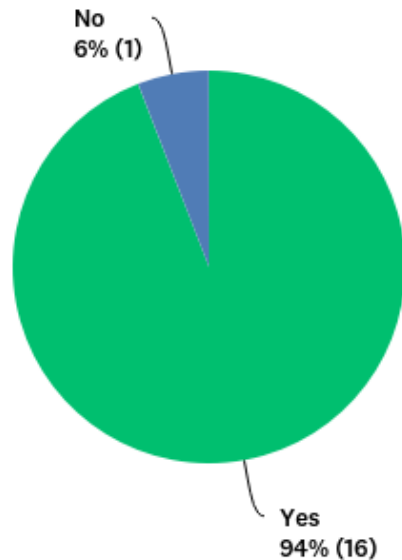


SA HACC

SA HACC was the main funding source for these programs, with 16 out of the 19 councils surveyed providing services under SA HACC.

Prior to the introduction of NDIS did you directly provide services funded by SA HACC to people with disability?

Answered: 17 Skipped: 2



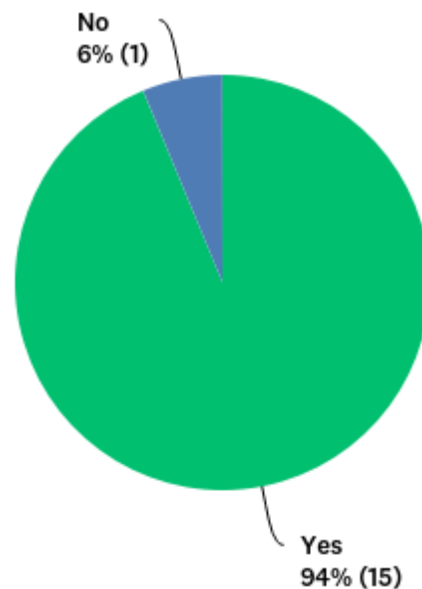
The level of funding received by Councils to provide HACC services was quite varied, with the majority of Councils receiving less than \$200,000 in 2017/18 to provide HACC services.

- Less than \$50,00 – 2 councils
- \$50,000 to \$99,000 – 5 councils
- \$100,000 to \$199,000 – 4 councils
- \$200,000 to \$299,000 – 0 councils
- \$300,000 to \$399,000 – 1 council
- \$400,000 to \$499,00 – 1 council
- \$500,000 to \$599,000 – 1 council

Of the 16 councils providing HACC services, 15 provided additional funding or in-kind support to the program.

Did Council provide any in kind support or funding to support the delivery of the Program?

Answered: 16 Skipped: 3



About 5 of the councils responded that they put in additional direct funds (mostly in smaller amounts ranging from \$12,000 to \$40,000). One respondent did not provide a dollar figure but indicated that the Council contributed an additional 25% funding to support the HACC services.

Other in-kind support provided to these programs included computers, phones, workstations, bus/car transport, printing, corporate support (administration, management, IT, HR, procurement), facility hire and volunteers.

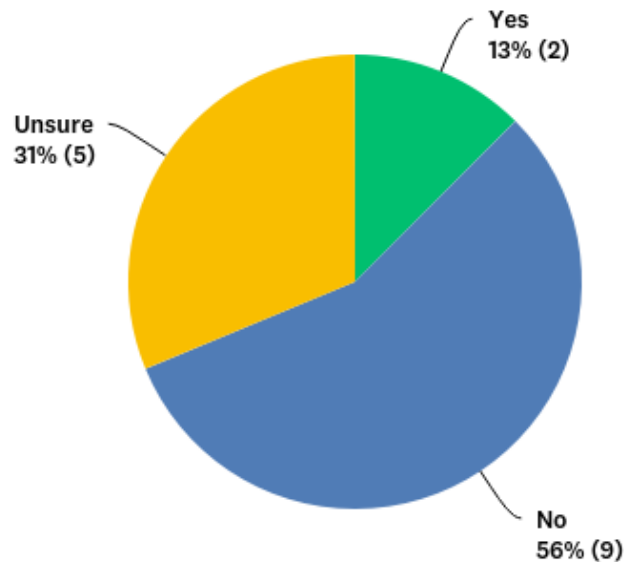
The number of clients that participated in HACC programs by council can be summarised as follows:

- Less than 50 – 1 council
- 50 to 99 – 4 councils
- 100 to 199 – 3 councils
- 200 to 299 – 5 councils
- 300+ - 1 council

Of those councils providing HACC services only 2 (13%) will definitely continue to provide this service under the NDIS whilst 9 (56%) wouldn't, with the remaining 5 (31%) unsure.

Do you plan to continue providing this Service/Program under the NDIS as an NDIS service provider? (when SA HACC funding ceases)

Answered: 16 Skipped: 3



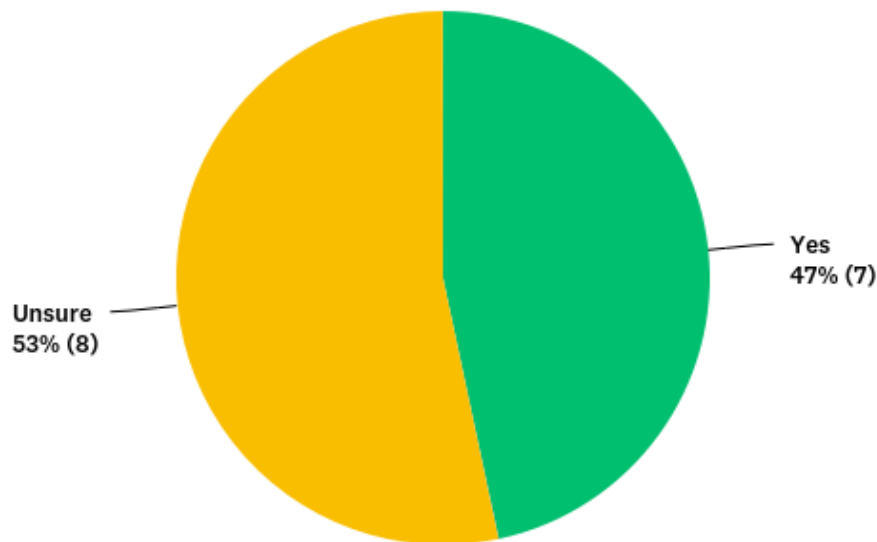
Those that responded “no” or “unsure” provided the following verbatim comments:

- Management of individual budgets too messy and council considers its position after funding to be information and advocacy
- We transitioned out of disability services in the lead up to the NDIS rollout as it is not council's core business and the NDIS will create new market opportunities for service providers.
- Currently we are providing NDIS services, however the longer-term delivery is still to be determined
- Current funding agreement with state government is to 30 June 2020
- First of all, the SA govt is committed to delivering a continued Community Care program from 2019. We are already an NDIS provider as we felt it was important to support through a transitional period. What happens after this is unclear, but there does appear to be a consensus from government that people should not fall through the gaps
- The Barossa Council will continue to deliver Home Assist and Community Transport services, however Leisure Options programs ceased from 1 July 2017
- Most of these clients won't be eligible for NDIS. For those that are we will provide services.
- No decision has been made
- Not registered as a provider - councils preferred position

Of those councils providing HACC services only 7 (47%) would continue to provide the service if SA HACC funding were to continue and the remaining 8 (53%) were unsure.

If SA HACC funding were to continue will you continue to provide the Service/Program under SA HACC?

Answered: 15 Skipped: 4



Those that responded unsure provided the following verbatim comments:

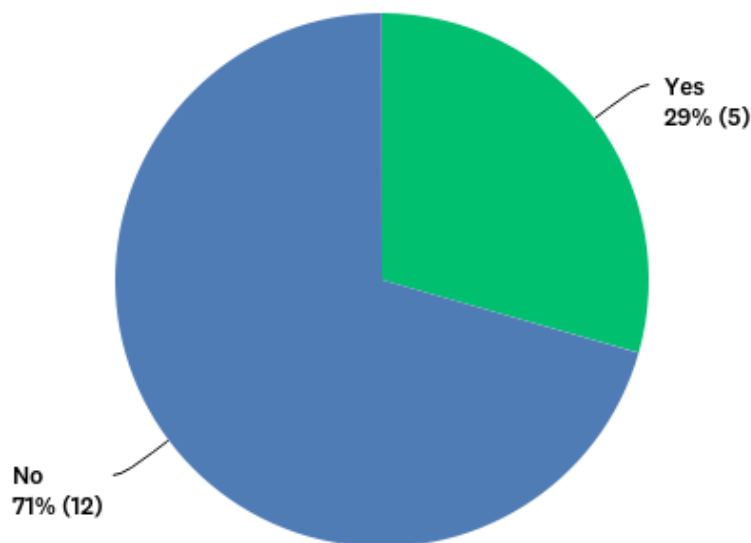
- It would need to be a Council decision
- Council is yet to decide if it wishes to continue to service those under 65's who are not eligible for the NDIS
- Depends on the future determination of being a service provider in the aged and disability sector.
- I need to make a comment as to eligibility for current SA HACC. It is not a logical process. The eligibility guidelines on DHS website do not align with funding agreements
- This would be a decision for The Barossa Council to make, and LRC would support their decision
- This is a decision for Elected Members. However, the likelihood is if funding remained as block funding, SA HACC would likely continue
- Still to be determined by Council
- Council has previously made a decision to cease services based on discontinuation of funding. If funding was available council would need to reconsider their position.
- Outcome unknown.

Disability SA

The other primary funding source for direct programs for people with a disability was Disability SA. Of the Councils that responded to the survey only 5 (29%) provided services through Disability SA Funding.

Prior to the introduction of NDIS did you directly provide services funded by Disability SA to people with a disability?

Answered: 17 Skipped: 2



During 2017/18 clients were transitioning from the Disability SA funded programs to NDIS. The funding received by councils was therefore lower than in previous years. Only 3 of the 5 councils received funding, ranging in amount from \$33,000 to \$89,000. In previous years funding had been in excess of \$100,000 for 2 of these councils.

The number of clients participating in these programs ranged between 50-70 per council in 2017/18.

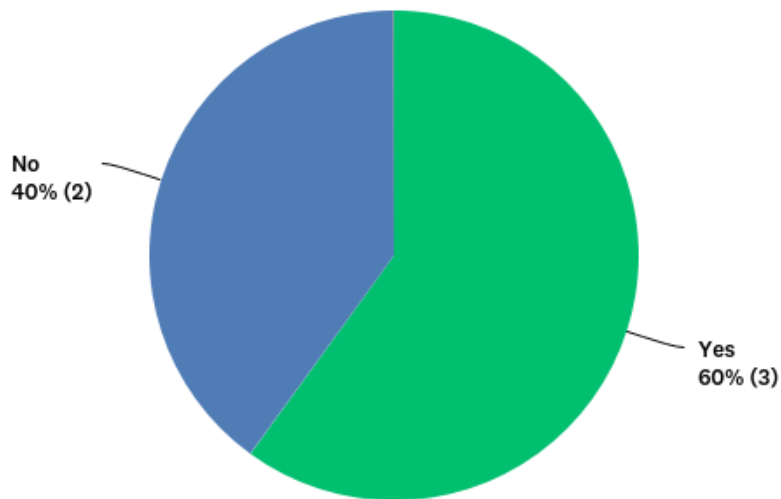
Of those Councils that provided services through Disability SA funding, 4 (80%) provided additional in-kind support or funding.

The additional direct funding ranged from \$60,000 to \$125,000 with one respondent not providing a dollar amount but indicating that their Council provided approximately 60% additional funding to the program.

Of those Councils providing services through Disability SA funding, 3 (60%) indicated that they plan to continue providing this service under the NDIS as an NDIS service provider.

Do you plan to continue providing this service/program under the NDIS as an NDIS service provider?

Answered: 5 Skipped: 14

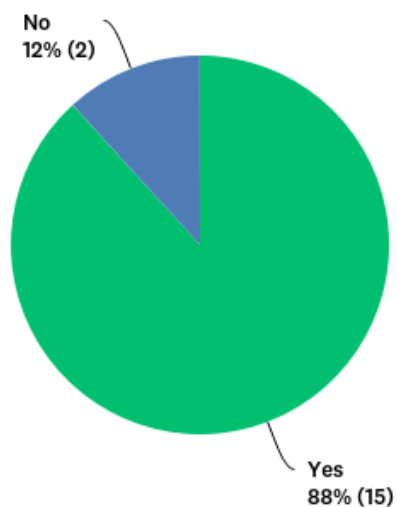


Transport Services

Of the councils who participated in the survey, 15 (88%) provided transport in some form to the community.

Do you provide transport for the community? (even though this is not currently funded through NDIS)

Answered: 17 Skipped: 2



Respondents provided the following verbatim comments regarding the types of transport they provided.

- Community Bus, provide transport to shopping centres and community centres for program, transport to CHSP Social programs, Getting out and about program through Taxi's
- Cars and buses for shopping, medical appointments, social support for over and under 65 year olds. Also CPN.
- Medical transport, door to door shopping bus, transport to social programs, one to one shopping with a volunteer
- Community Passenger Network
- Community transport services for CHSP clients and transport for disadvantaged people.
- We have external funded transport programs and a Council funded Community Bus program that supports transport disadvantaged clients
- Under The Barossa Council, Community Transport program includes a Personal Car Service, Community Shopping Bus service, and Flashcab service for people using a wheelchair. Volunteer drivers managed by Barossa Council
- Community bus transport for shopping and transport to library
- Transport to medical and allied health appointments - Community Bus
- Community Passenger Network and through our HACC and CHSP funded transport programs
- Community Bus, State HACC Transport
- Transport to Social Programs, and Shopping
- Bus and individual
- Community bus, 1:1 volunteer assisted personal transport
- Door to door community bus service (with disability access), Volunteer drivers for eligible clients for medical appointments

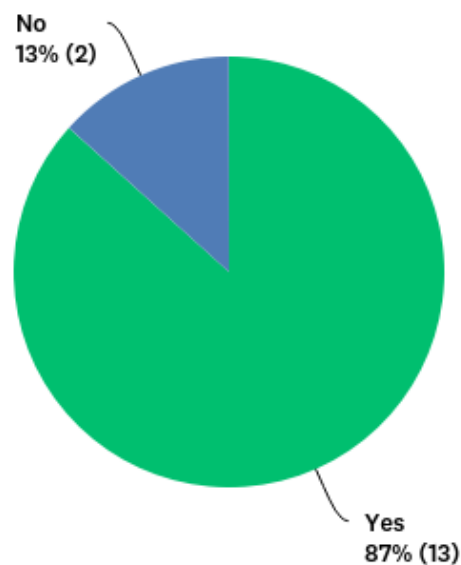
The level of external funding received by councils to provide transport was varied, with the majority of councils receiving less than \$200,000 in 2017/18.

- Less than \$50,00 – 4 councils
- \$50,000 to \$99,000 – 3 councils
- \$100,000 to \$199,000 – 4 councils
- \$200,000 to \$299,000 – 1 council
- \$300,000 to \$399,000 – 0 councils
- \$400,000 to \$499,00 – 0 councils
- \$500,000 to \$599,000 – 1 council

Of the 15 councils providing transport services to the community, 13 (87%) also put in additional funding or provided in kind support.

Did Council provide any in kind support or funding to support the delivery of transport services for the community?

Answered: 15 Skipped: 4



Additional funding ranged from \$10,000 to \$170,000. One of the respondents didn't provide a dollar figure but reported that the Council contributed 25% of the running costs of the Community Bus service.

The in-kind support included, staffing, admin support, corporate support (HR, finance etc), vehicles and maintenance, subsidised fares, accommodation for staff and vehicles, program management.

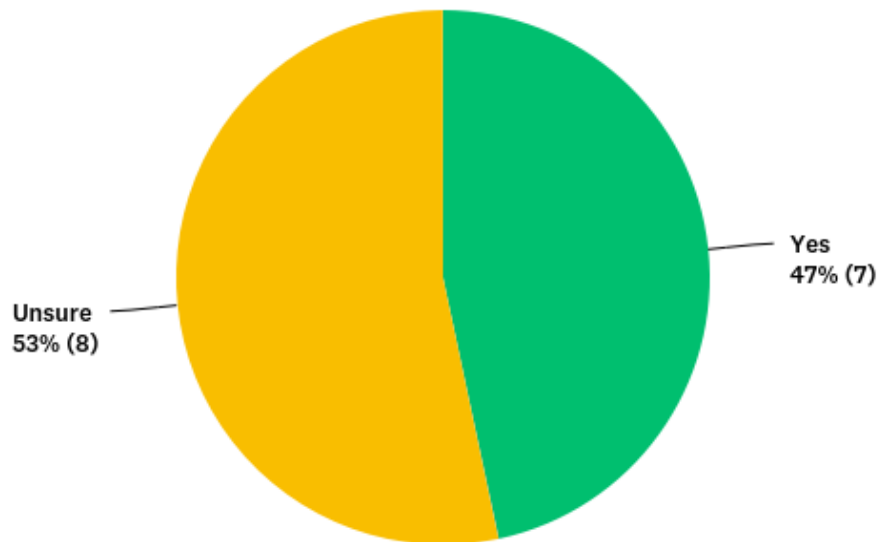
The numbers of clients with a disability that accessed the transport services provided by councils can be summarised as follows:

- 1-9 clients - 2 councils
- 10 – 19 clients – 3 councils
- 20 – 49 clients – 3 councils
- 50 – 99 clients – 2 councils
- 100+ clients – 1 council

Of those councils currently providing transport services 7 (47%) plan to continue to provide transport services for the community when NDIS is fully implemented whilst 8 (53%) are unsure.

Do you plan to continue to provide transport services for the community when NDIS is fully implemented?

Answered: 15 Skipped: 4



Those that indicated they were unsure provided the following verbatim comments.

- Council is yet to decide
- At a private full cost recovery fee
- Current funding agreements to 30 June 2020
- This is a decision for The Barossa Council, and LRC would support their decision
- Likely to in some capacity but depends on decision from the Council
- Community Bus - yes State HACC-No
- To be determined by Council
- Uncertain of demand for this given history of use
- Bus will continue. Volunteer drivers will no longer be able to take people with disabilities as service will be fully CHSP funded and only people eligible through My Age care will be able to access the service.

Other Programs

Survey participants were asked whether they provided any other services to people with a disability under any other funding programs (not already mentioned above) or funded directly by Council.

One respondent indicated that they did. They described the program as Social Adult Education Community Participation. The funding source for the Program is SA Government and Baptist Care. The Council contributes in kind support to the program (staff, HR, payroll and facilities) which supported 150 clients in 2017/18. The Council plans to continue providing this program in the future as an NDIS service provider.

Scheme Participation and Outcomes (including Service Gaps)

Stakeholder Interviews

The stakeholder interviews provided good insight into the progress of the NDIS rollout in SA

- NDS reported that:
 - There have been delays in getting LAC's appointed so some people who are eligible for NDIS haven't been able to yet get access. The bilateral agreement stated that by end of June 2017 all youth disability SA clients should have been transitioned but this didn't happen. Then, all the other groups were to come across, but this is also behind schedule. The adult transitions are especially slow in regional areas. So, the State had to extend funding to disability SA to continue for another 6 months.
 - There's been market failure in the regions. For example, there is a NDIS participant in Ceduna with over \$100,000 in NDIS funding but there are no services. Some people may need to move to get access to services
 - Prior to NDIS transport was a huge gap, and will only get worse. Getting transport included in a plan is complex and is often not enough. Mobility allowance typically ranges from \$1500 to \$3000 per year, which in many cases is not enough. As this allowance is simply paid into the client's account, they often end up using it for something else.
- DHS reported that:
 - There have been lots of crises as a result of a "speedy" rollout of the NDIS. LAC's have been coming on too late, and not concentrating on capacity building. NDIA should have funded peer support networks. They were funded initially then removed. This made it more difficult to raise awareness in the community.
 - Some people have had to wait up to 12 months to get their plans reviewed. Why do they need review? Because many were hurriedly prepared in the first place. The initial plans were poor because LAC's were inexperienced. As a result, some clients are over-supported (i.e. their plans were too generous) and many are under-supported by their plans.
 - There's a lack of innovation – most clients are simply coming over from Disability SA on very similar support.
- NDIA reported that:
 - Since the Regional Rollout in July 2017 the Agency has been focusing on community awareness and transitioning.
 - In the bilateral agreement SA should have transitioned all existing clients by 30 June 2018. This has now been extended to 30 December (this is for people currently receiving state funded support through disability SA)
 - From the time of interview, the program will start to bring on new people or those receiving Commonwealth funding (although still have to prioritise state funded clients).
 - 17,000 people received state funded support and there is an estimated extra 15,000 people to bring into the scheme. Note that most will already be on as they are children (who were part of the SA trial)
 - NDIA's primary role is focussing on participant readiness and community awareness.
 - Brand new entrants will have a more complex process to get access. It has been relatively simple for NDIS participants up until this point.

Survey Responses

Survey participants were asked to list the top 5 gaps in service delivery that they were aware of prior to the introduction of NDIS. Their responses have been collated into themes and tallied below.

- Social, sport and recreation – 8 respondents
- Support services and case management – 6 respondents
- Direct programs – 6 respondents
- Transport – 5 respondents
- Employment – 3 respondents
- Housing – 2 respondents

Respondents were then asked what they believed would be the service gaps after the rollout of NDIS that are unlikely to be addressed under current market conditions. Respondents indicated that the existing gaps would continue but in addition there would be issues for ineligible clients and availability of information and support to access NDIS.

- Social, sport and recreation – 9 respondents
- Support services and case management – 5 respondents
- Ineligible clients – 6 respondents
- Direct programs – 5 respondents
- Transport – 5 respondents
- Employment 4 respondents
- Housing – 4 respondents
- Information and support to access NDIS – 3 respondents

Access to Information and Data

Stakeholder Interviews

The stakeholders had differing views on the availability of market information for providers.

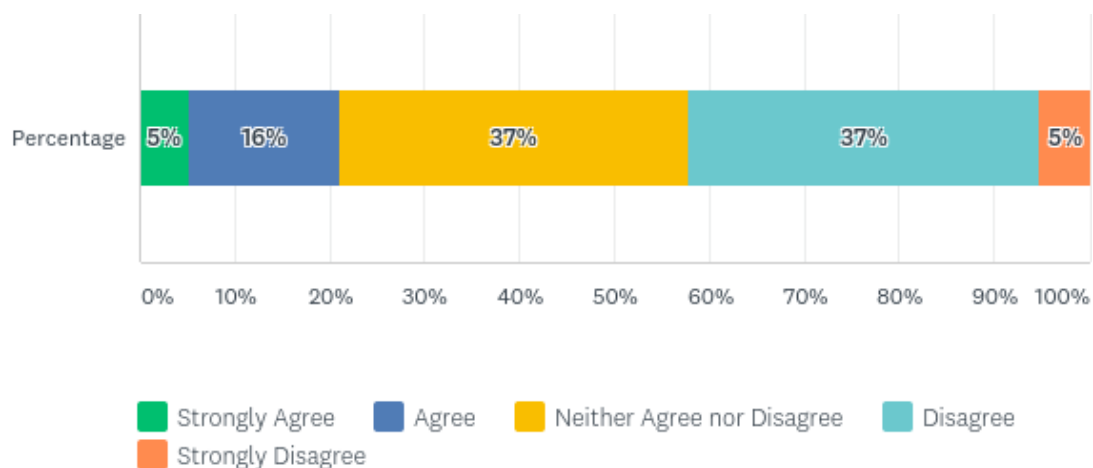
- DHS, NDS, DIS believed that there was a lack of market information available for providers. This makes it especially difficult for new entrants to know when to enter a market/region
- NDS also felt that there was a lack of information available for NDIS participants to make choices about providers
- NDIA believe they are accessible and working well with local government. They are very willing to engage face to face.

Survey Responses

Only 4 (21%) respondents believed that their Council currently has enough information about NDIS and what it means for local government. The remaining 15 respondents (79%) were either uncertain or disagreed with this statement.

Do you agree or disagree that your Council currently has enough information about the NDIS and what it means for local government?

Answered: 19 Skipped: 0



Those that disagreed were asked to comment on what information they are lacking. Their verbatim responses are included below.

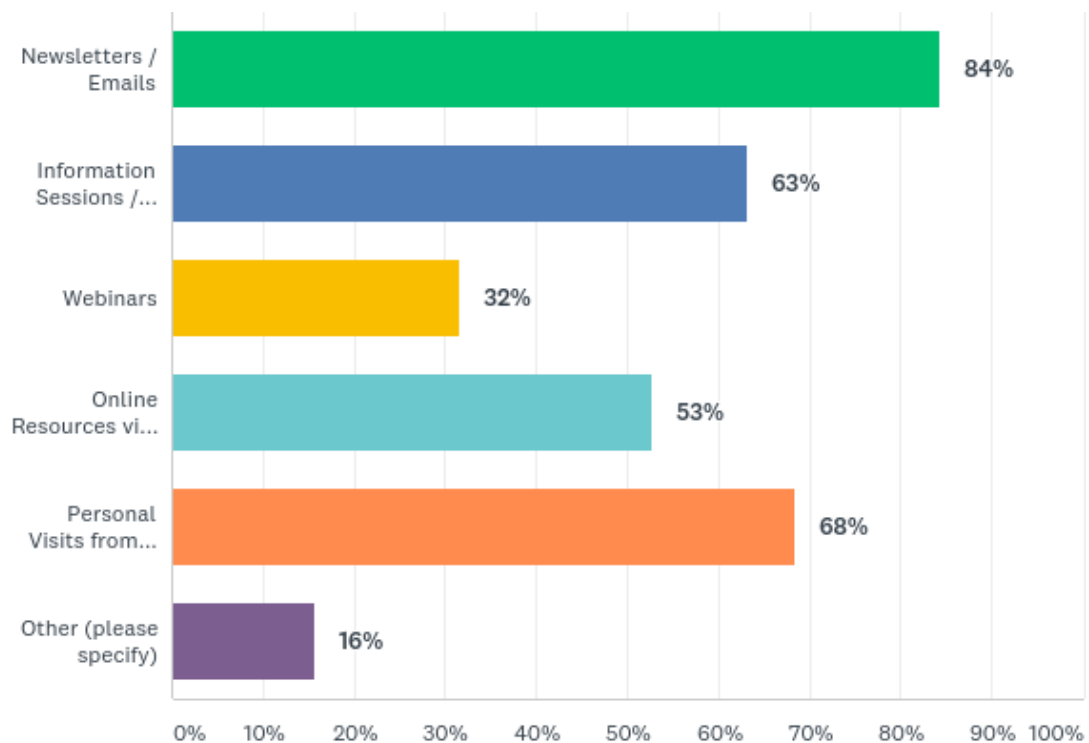
- Connections with service providers across the region, what service gaps are in the region and how to increase the inclusiveness of mainstream programs
- There is plenty of information available, however the expectation of local government role requires more in-depth discussion
- Costing
- It is still too early to tell
- What is the overlap for NDIS and CHSP?
- When NDIS for adults is coming

- Information regarding the ongoing changes and without a dedicated disability officer, staff in other roles are trying to gain understanding of the potential impact to local governments and the communities they serve
- I believe the true needs/gaps will become more evident as people look to council to provide support not realised though NDIS once fully rolled out. Currently the NDIS rollout is behind schedule in the south

Survey respondents indicated that their most preferred method for receiving information about the NDIS were newsletters/emails, personal visits from NDIS staff, information sessions/workshop and online via a website.

How would your Council prefer to receive information and updates about the NDIS? (please tick all apply)

Answered: 19 Skipped: 0



ANSWER CHOICES	RESPONSES	
Newsletters / Emails	84%	16
Information Sessions / Workshops	63%	12
Webinars	32%	6
Online Resources via a Website	53%	10
Personal Visits from NDIA staff	68%	13
Other (please specify)	16%	3
Total Respondents: 19		

The Role of Local Government in Disability Services and NDIS

Stakeholder Interviews

The stakeholders had differing perspectives on the role of councils in disability services and NDIS.

- DHS told us that the impact on councils has been delayed. The NDIS rollout will see more demand for inclusion and access, because people's expectations were previously low. To date, many NDIS participants have been mostly focused on understanding their plans, getting tied up in reviews etc. In the "old" model, there were "group" disability activities but in the new world there is a need for people with disability to participate in mainstream activities. The role of councils will be to raise expectations that people with disability can be more a part of the community. Councils will also need to educate staff and community about changing times. It's ok to be fearful and ignorant to start with, it's like meeting a different culture. Further, Council staff will need skills to manage access to programs, activities, facilities. In time, councils could take part of the LAC's role – e.g. implementation of plans, plus community development. Council volunteers could be involved as community change agents. (working with councils and LAC's)
- LGA indicated that councils' role should be general information provision and to facilitate economic benefit in the community
- NDIA saw councils' role as general information provision, to promote and support ILC Grants Program and to form good linkages with LAC's
- NDS provided the following comments
 - Councils are not necessarily NDIS service providers but have a role to provide activities for people with disability – e.g library programs, art classes, drop in centres. They need to be mainstream services but accessible.
 - Council staff will need disability training, so they can deal with more people with disability attending programs, e.g. mental health first aid.
 - Councils can also be a key player in partnerships, in having great relationships with local service providers. They can also take a lead role in design thinking so all facilities can accommodate people with disability.
 - Councils can help with transport, but it's more difficult. In the past councils could have a community bus or fleet of cars funded by block funding, but now, as it's individually focused that's not possible, so each trip costs more.
 - Councils can assist by ensuring accessible infrastructure.
 - Also, service providers can become more aware of council's role, for example, by councils including and working with service providers in the design process of new facilities.
 - Councils can assist by providing information both to people with disability, providers and potential disability workers and of course by providing links to the LAC.
- DIS saw councils as being able to provide direct services to fill market gaps

Interstate Councils

- **Toowoomba** Council does not provide any direct services for people with disability and see their role as advocacy and to provide information to the Community.
 - Our Customer Service staff provide information to residents who call seeking advice.
 - We run Disability Week
 - We pay for the printing of a bi-monthly Disability Magazine
 - We promote services through our on-line Community Information Directory
- The City of **Whittlesea** reported that the Council has decided not to participate in NDIS as it wasn't going to be affordable. Council appointed a transition support officer to assist in the NDIS transition. Their role was to work with residents, service providers and council to develop a plan for the area. Council also auspiced a NDIS steering group with key senior Council staff to help manage the transition.
- **Lake Macquarie** City Council were not a provider of disability services even prior to the rollout of NDIS. However, the Council does perform a role in providing information to the community. Customer service will provide basic information and for more complex enquiries the person will be put through to a staff member in the aging and disability team. These staff can provide information about eligibility. If the enquiry is even more specific the customer will be provided contact details for the LAC.

SA Councils

- The City of **Salisbury** is registered as an NDIS service provider for their current services. At present they are not looking at expanding their service delivery. The Council would like to work more with advocacy agencies. The Council has not adopted a strategic direction to support broader disability services. Council sees this as potential cost shifting. The Council does see a role in providing advice and linking, but no internal resources have been allocated. The commencement of the NDIS Quality and Safeguard Commission in July 2018 has added significant additional workload for Salisbury to retain their NDIS provider registration.
- The City of **Playford** is registered as an NDIS service provider and may potentially explore opportunities for expansion beyond current programs. They reported that a lot of people on NDIS plans want to come on to the Playford programs.
 - The Council has identified disability support as a strategic priority and are investing in training front line staff on how to engage with people with a disability.
 - The Council is also providing support to service providers to engage with residents and vice versa. They have also set up a physical space to accommodate small start-up NDIS providers.
 - A further issue identified during the discussion was that the NDIA are saying that people don't need targeted social support programs and it is not the right way to provide services. The NDIA would prefer that people with disability attend general programs at Community Centres. The problem is that people are being dropped off at Community Centres by their support workers without the adequate supports in place at the Centre to manage them.
 - The City of Playford commissioned the University of Adelaide to look at community demand for services. There are more eligible residents in Playford than what the NDIS is forecasting.
- The City of **Charles Sturt** currently provides HACC service for people with disability. Post HACC funding the Council will be unlikely to put more money in to replace the HACC services for under 65's. The Council is not planning to register as an NDIS provider. The Council will provide an advocacy service around disability rights and provide education such as NDIS

information sessions. Where there is a market failure, Council will in the first instance look to attract the service into the region via an aggregation of demand. Further detail on the City of Charles Sturt's innovative regional approach to assisting workers and the provider market is provided later in this report.

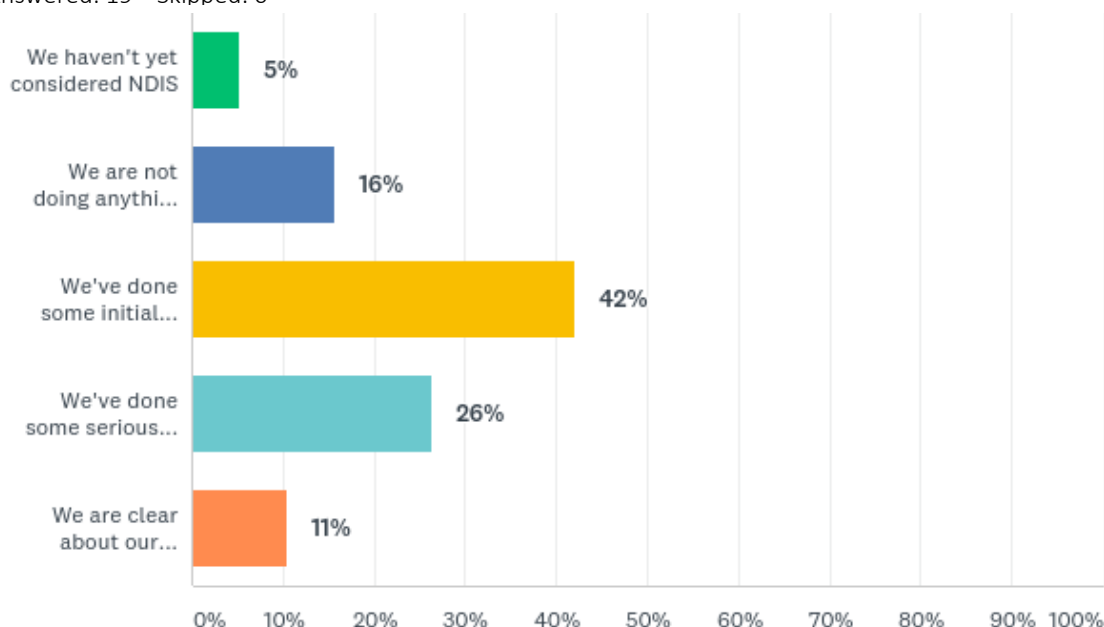
Survey Responses

Future Planning

The majority of councils hadn't seriously considered their future role in Disability Services and NDIS at the time the survey was undertaken. Of those surveyed 8 (42%) had done some initial research, 3 (16%) were not doing anything until they saw what happens with the NDIS rollout and 1 council (5%) hadn't yet considered their role in NDIS. There was a small proportion of councils that had done some serious planning about NDIS, but not made any final decisions (5 councils, 26%). Only 2 of the councils (11%) were clear about their involvement in NDIS and the role their Council will play.

What stage is your Council at in the consideration of its role in the NDIS environment?

Answered: 19 Skipped: 0



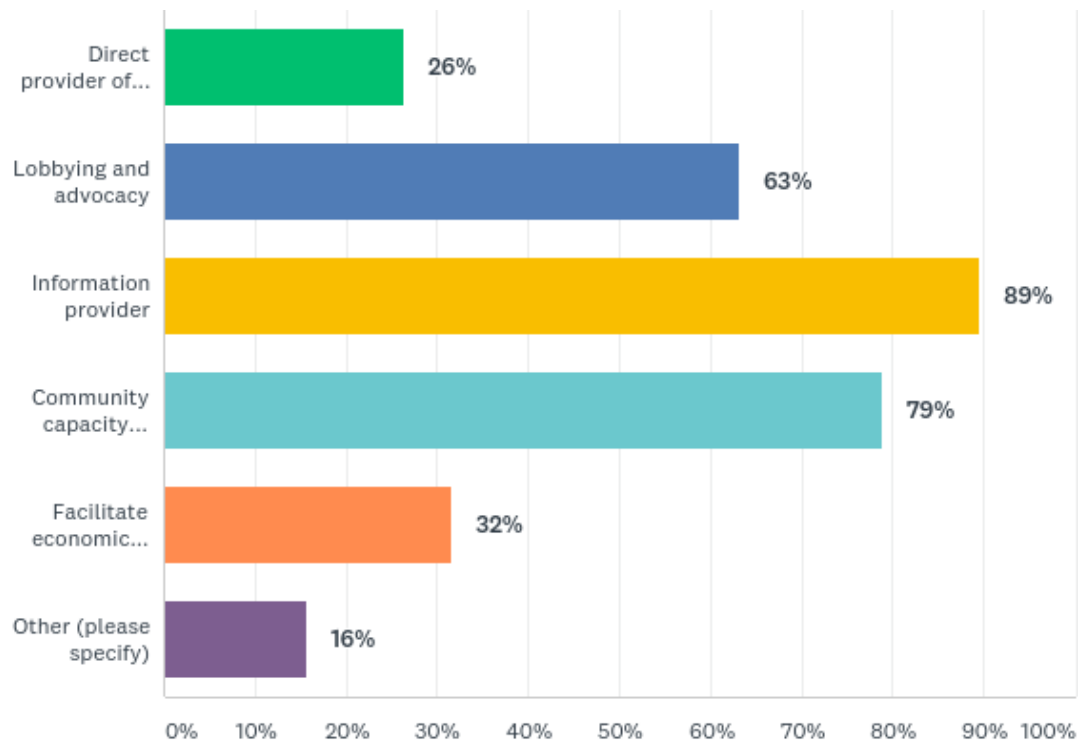
ANSWER CHOICES	RESPONSES	
We haven't yet considered NDIS	5%	1
We are not doing anything until we see what happens with the NDIS rollout	16%	3
We've done some initial research about NDIS	42%	8
We've done some serious planning about our involvement in NDIS, but not made any final decisions	26%	5
We are clear about our involvement in NDIS and the role Council will play	11%	2
TOTAL		19

Council's Role

The three primary roles for Councils within NDIS identified by the survey respondents were information provider (17 respondents, 89%), community capacity building (15 respondents, 79%) and lobbying and advocacy (12 respondents, 63%).

How does your Council view local governments role in disability services within the NDIS environment (beyond the legislated role of access and inclusion)? (please tick all that apply)

Answered: 19 Skipped: 0



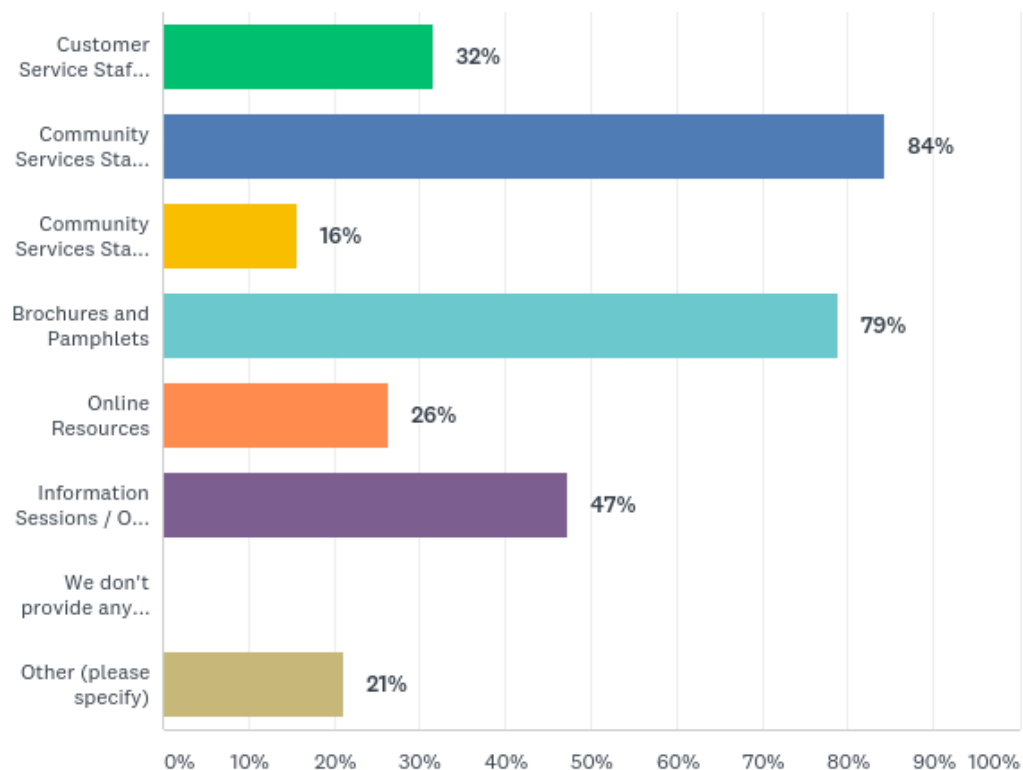
ANSWER CHOICES	RESPONSES	
Direct provider of services	26%	5
Lobbying and advocacy	63%	12
Information provider	89%	17
Community capacity building	79%	15
Facilitate economic development outcomes in the supplier market	32%	6
Other (please specify)	16%	3
Total Respondents: 19		

Community Information and Advice

The councils surveyed provide general information and advice about the NDIS in a number of ways. It still is primarily a responsibility of the Community Services departments with 16 Councils (84%) indicating that Community Services staff provide general advice and information, whilst only 6 Councils (32%) responded that Customer Services staff provide general advice and information. Only a few Councils (3, 16%) are providing more specialised advice and information through their Community Services staff.

Does your Council provide information/advice on NDIS to the local community in any of the following ways (please tick all that apply)?

Answered: 19 Skipped: 0



ANSWER CHOICES	RESPONSES	
Customer Service Staff provide general advice and information	32%	6
Community Services Staff provide general advice and information	84%	16
Community Services Staff provide specialised advice and assistance	16%	3
Brochures and Pamphlets	79%	15
Online Resources	26%	5
Information Sessions / Open Days / Events	47%	9
We don't provide any information or advice on NDIS	0%	0
Other (please specify)	21%	4
Total Respondents: 19		

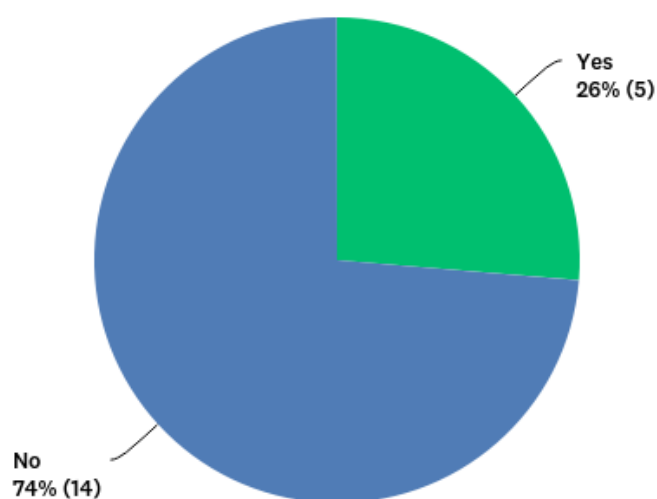
Other information provision methods cited by survey respondents were:

- Disability Access Inclusion Advisory Group feeds back information to stakeholders
- Our program staff have given participants of our programs and their families significant support
- Promotion of LAC/service provider events in region
- We have partnered with Baptcare to deliver information sessions at our library

Only about a quarter of councils have invested in additional resources to support the local community understand/transition to NDIS. This is understandable given that ‘community readiness’ is the role of the LAC’s who are expected to allocate a proportion of their funding for this purpose.

Has the Council invested in additional resources to support the local community understand/transition to NDIS?

Answered: 19 Skipped: 0



The additional resourcing was described by survey respondents as follows:

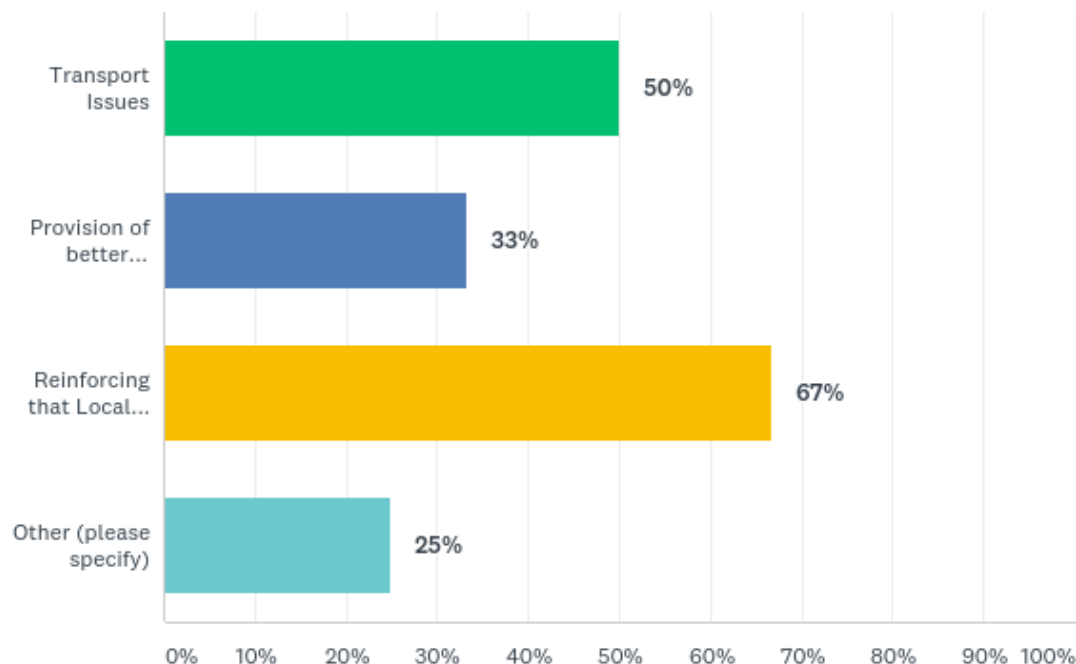
- During 2016/17 additional staff were employed to transition clients to other providers. In 2017/18 and 2018/19 extra staff resources have been committed to identify Council's ongoing role in the social inclusion arena
- Staff time
- Employment of an NDIS transition coordinator, Employment of an NDIS administration officer, Purchase of NDIS compatible software for Client management system, Staff training, a lot of staff and management time invested in the transition and strategic project, development of a Social enterprise precinct linked to NDIS identified opportunities
- Significant time spent meeting with HACC registered NDIS eligible residents during 2017/18 to provide information and advocacy in the lead up to the rollout.
- Only to partner with Baptcare for providing local information sessions

Lobbying and Advocacy

Many councils do see a role for themselves in lobbying and advocacy in relation to NDIS. In particular 8 Councils reported they have already advocated (or propose to) that “Council isn’t seen as the unfunded provider of last resort where there are market failures”. Other areas that Councils wish to advocate on are “transport issues” (6 councils) and “provision of better information about the NDIS market” (4 councils).

Has your Council identified any areas in particular (relating to the NDIS rollout) that that they plan to (or have already) advocated for or lobby about on behalf of the Community? (please tick all that apply)

Answered: 12 Skipped: 7



ANSWER CHOICES	RESPONSES	
Transport Issues	50%	6
Provision of better information about the NDIS market - supply side and demand side	33%	4
Reinforcing that Local Government isn't seen as the 'unfunded provider' of last resort where there are market failures	67%	8
Other (please specify)	25%	3
Total Respondents: 12		

Registered NDIS Providers

Of the councils who responded to the survey only 3 were currently registered as NDIS providers.

In response to the question ***“How long does your Council intend to provide services as a registered NDIS provider for?”*** the Councils responded:

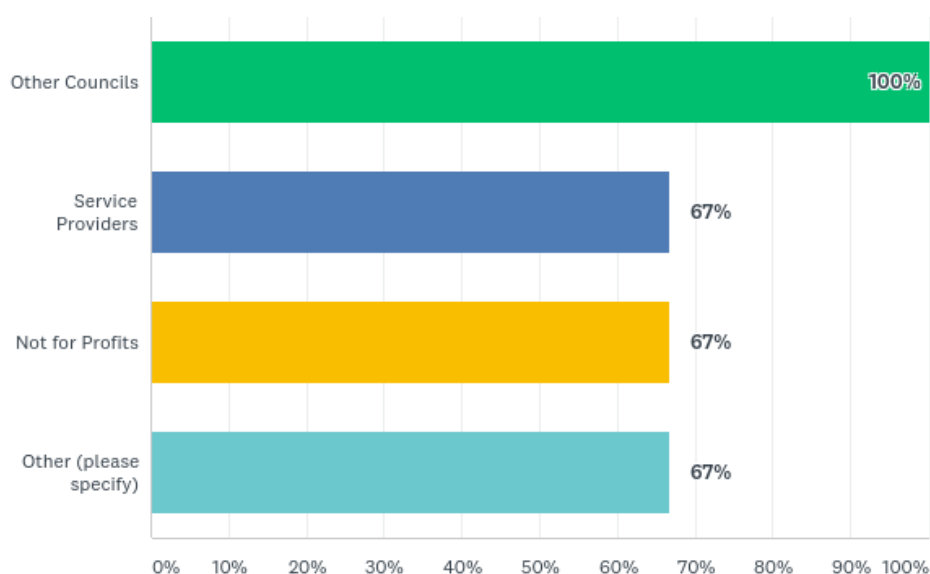
- Until Council decides on its future directions
- We are trialling the NDIS
- As long as there is a need and its sustainable to continue

The number of NDIS clients serviced by these councils in 2017/18 ranged from 36 to 70.

All of those Councils registered for NDIS indicated that they are partnering (or considering partnering) with other organisations in the delivery of disability services.

Has your Council considered, or are you actively partnering with any of the following types of organisations in delivering disability services in your region?

Answered: 3 Skipped: 16



Service Providers, Workers and Economic/Market Considerations

Stakeholder Interviews

The stakeholders provided some useful insights into the NDIS Market.

- DHS reported that there is a lack of market information making it difficult for providers. There's no consolidated information about number of participants, type of services required and providers. Information needs to be readily available via an E-market on:
 - How many people with disability are there locally, eligible?
 - How much are they funded?
 - What are they funded for?
 - What do they need? (and want)
- NDS reported that:
 - Providers are expressing concern about the business model. There has been a huge anticipated increase in participants, however there is limited information available to assist in planning / start up. Only 50% of registered providers are currently active.
 - There has been a significant increase in administrative costs for providers under the model. Equates to an increase of .5FTE for small providers to 10FTE for large providers
 - There are market failure in the regions/rural areas
 - Providers are experiencing financial stress. They can't manage on NDIS income . Note that 7% of providers previously active didn't receive a payment this quarter (March Quarter).
 - There has been a casualisation of workforce and the market is losing skilled workers

Case Study Perspectives

Interstate Councils

- The **Toowoomba** Regional Council reported that anecdotally they have heard that the quality of newer service providers has not been as good. People are tending to stick with the service providers that they know. Particularly for personal carers where trust is important.
- The **Lake Macquarie** City Council reported that the providers are experiencing skill shortages. Because the service providers can't guarantee full time hours they are having trouble attracting skilled staff or even trainees. The local TAFE are doing a good job of improving the skills through their courses but the inability to guarantee hours is the main issue.

SA Councils

- The officers in the City of **Playford** and City of **Salisbury** interview told us that the demand for disability services isn't there yet. Providers want to come to the area but haven't seen the growth yet. There is uncertainty in the sector. Companies and not for profits are unwilling to invest. The bigger providers will have sufficient resources but the smaller ones can't afford the risk. In 3-5 years it will change and pricing reviews will help. The market information coming out of the NDIA has been improving slightly.

- The City of **Charles Sturt** has taken an active approach to intervening in the NDIS provider/worker market through a regional collaboration
 - The Council has implemented a regional model for recruiting and screening support workers through partnerships with Maxima, Open College and Cara. Once screening is undertaken the objective is to build skills across aged care, health and disability so that workers can work across multiple disciplines with multiple service providers. This is better for the workers as many only get a few hours work a week currently. This approach will give them more options to ensure they can earn the money they need for a reasonable quality of life.
 - The Council had (at the time of the interview) contracted Torrens University to undertake a research project to investigate community needs and identify the gaps. Funding for the project is also being contributed by Torrens Uni, Maxima, CARA, Open Colleges and NDS. Once the gaps are identified the Council will engage with providers to fill the gaps. The Council told us that *“post NDIS our role will become greater, but it will be different”*. Their role will be to influence the system, identify needs and target service providers. They also told us that *“a lot of the service providers out there don’t understand the opportunities and how their business model needs to change. They need to fund their own aggregation as they won’t receive block funding any more”*.

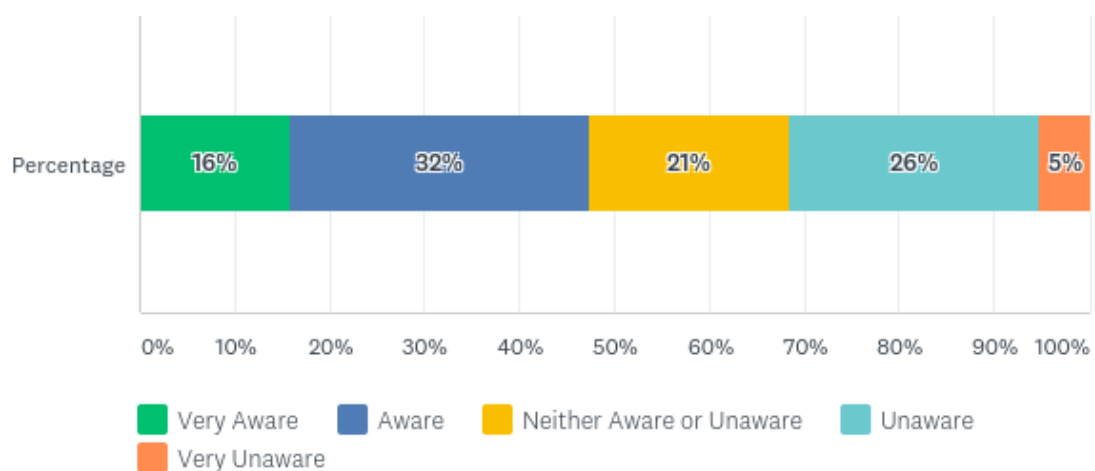
Survey Responses

Awareness of the Market

Just under half of the councils surveyed indicated that they had a good awareness of the NDIS services being provided in their region.

What level of awareness does your council have about the types of services that are being provided in your region by NDIS service providers? We are...

Answered: 19 Skipped: 0

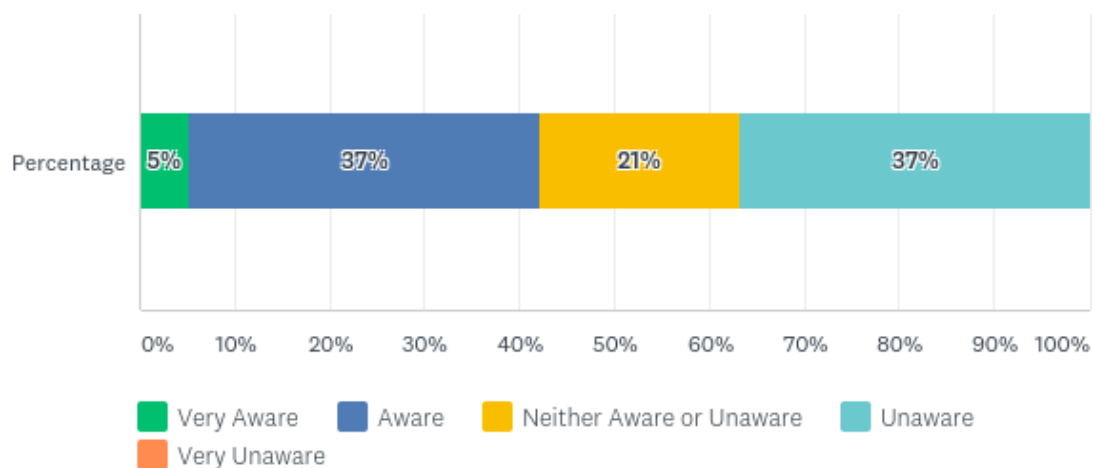


Additional comments provided by survey respondents were:

- We have spent the last 2 - 3 years preparing for the rollout and have a good relationship with the LAC. We also have a Disability Access & Inclusion Advisory Group comprised of consumers and service providers
- My Place service finder indicates what is available, however it is extensive and difficult to navigate, expect as the reform matures this will improve.
- We have completed some analysis
- Level of awareness will vary between Council employees and Elected Members
- We do not yet have any dialogue with the NDIA or NDIS providers.
- We have engaged an NDIS transition coordinator whose role is to understand the whole NDIS market
- East has still to transition
- Initial visit by Baptcare when first appointed, but they were still working out their role at this time.

A smaller proportion of councils surveyed (42%) indicated that they were also aware of who the active NDIS service providers were in their region

Answered: 19 Skipped: 0



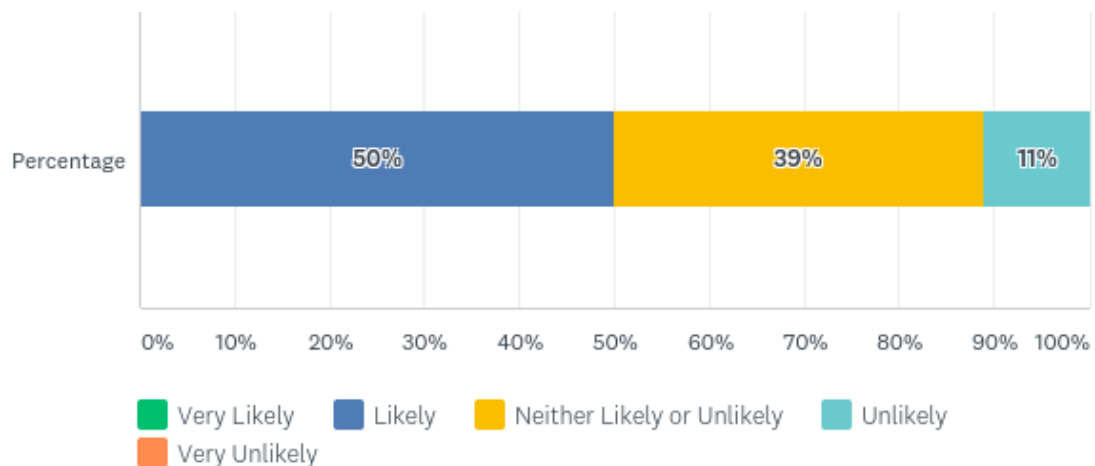
Additional comments provided by survey respondents were:

- We have played a role in bringing new providers into the region
- Have regular updates on service providers but information is not extensive and is confusing
- Level of awareness will vary between Council employees and Elected Members
- We have no official contact with NDIS providers.
- We recently hosted an ageing and disability expo to highlight providers in the region
- As above. We also attend regular NDIS briefings and are establishing a provider network in the region.
- East has still to transition

Employment

Half of those surveyed believed that it was likely that the service providers in their region would generate local employment with a further 39% indicating they were unsure.

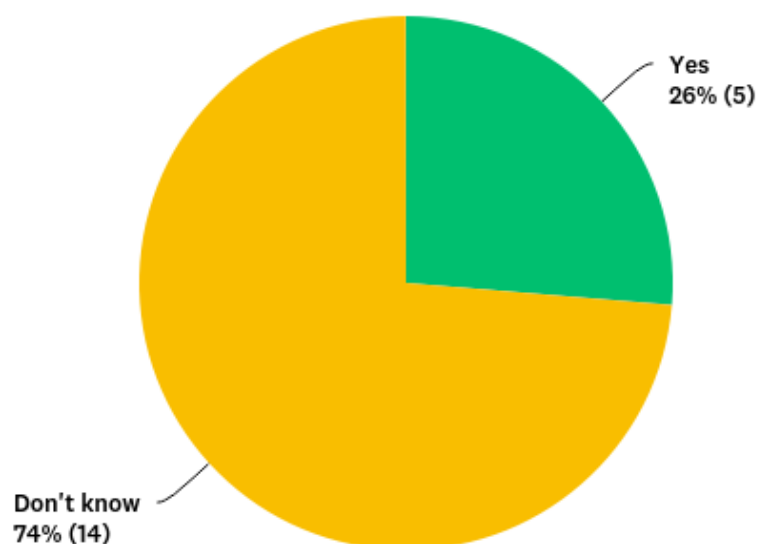
How likely or unlikely is it that the service providers in your region will generate local employment.



The majority of survey respondents (74%) did not know whether service providers had experienced difficulties in recruiting skilled staff.

To your knowledge have service providers experienced difficulties in recruiting skilled staff?

Answered: 19 Skipped: 0



Role and Effectiveness of the LAC's

NDIA have established “Partners in the Community” called Local Area Coordinators to link the community to NDIS. LACs are promoted on the NDIS website to participants as being able to help you to:

- Understand and access the NDIS
- Create a plan
- Implement your plan
- Review your plan

The website also indicates that LACs will help participants to:

- Learn about support available in your local community
- Understand what you can expect from mainstream supports – this is supports like education, health and transport
- Sustain informal supports around you – this is family, friends and local community members.

Stakeholder Interviews

The stakeholders provided the following perspectives on the LACs.

- DHS reported that the LAC's have started late, they are inexperienced and not focused on capacity building. Plans are being prepared too quickly, and many clients are waiting long periods for reviews. Many participants are under supported whilst some are over supported and there is a lack of innovation
- NDS reported that there have been delays in appointing LACs. People who are eligible can't get access yet and as a result funding for existing programs has been extended, in particular HACC and Disability SA.
- NDIA have acknowledged that the LACs commenced about 6 months late.
 - 20% of their time is spent on community capacity building and community engagement
 - The NDIA staff are focussing on this work in the remote and very remote areas. We are currently doing a lot of travel to these areas. We meet with the LACs where we can to help them to create connections.
 - We are supporting the LAC's around network development and helping them to reach the hard to reach people eg CALD and aboriginal background
 - We are getting good feedback from the LACS about their engagement in the community. They are meeting their obligations to the Agency.

Case Study Perspectives

The case study councils also reported concerns about the LACs

- The Cities of Playford and Salisbury reported that there is not enough capacity building being undertaken by the LAC. They are a low cost provider and not enough resources have been allocated to the capacity building component of their work. They have also had a very high turnover of staff. The officers we spoke with told us (anecdotally) that the experience across the nation is that LACs are not effective:
 - Plans are poor quality and taking a lot of time
 - There are a lot of requests for reviews. Reviews can then take up to 12 months. However, this is not necessarily the fault of the LAC but the NDIA planner. Further, there are also instances where the Plan that is prepared by the LAC is good but what then comes back from the NDIA is terrible

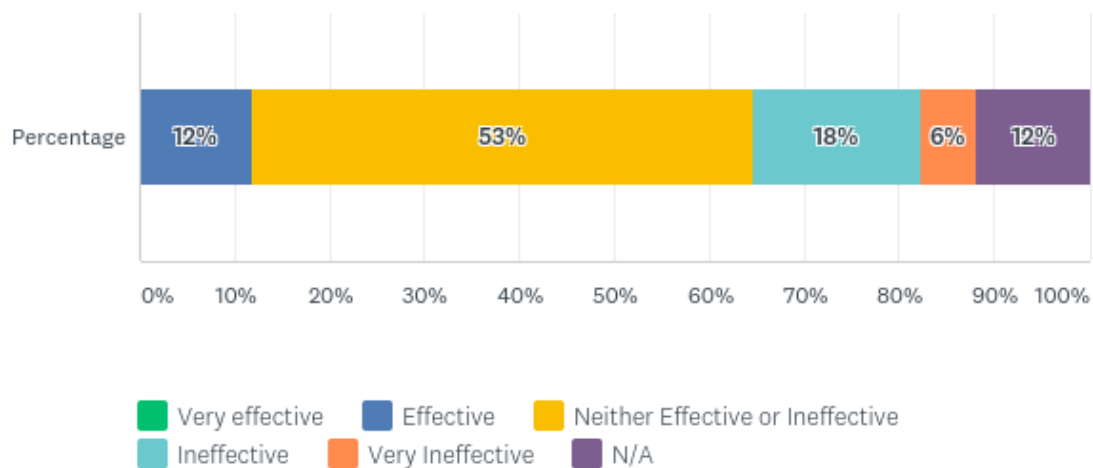
- Interstate councils also report that the LACs are behind in developing plans, are delivering variable levels of services and also are struggling with community capacity building. In Whittlesea the Council has had to step in and undertake the community capacity building role. Lake Macquarie report that getting plans completed is a very slow process. Initially the plans were better as they were well funded and comprehensive. However, the quality has declined after the first 12 months. The review process also needs to be better explained by NDIA to participants.

Survey Responses

Of the councils surveyed only 12% reported that their LAC was effective in supporting local residents with their plans whilst a further 65% were unsure or N/A. Nearly a quarter indicated that the LAC was ineffective in supporting local residents with their plans.

How effective has your LAC been in supporting local residents with developing their plans?

Answered: 17 Skipped: 2



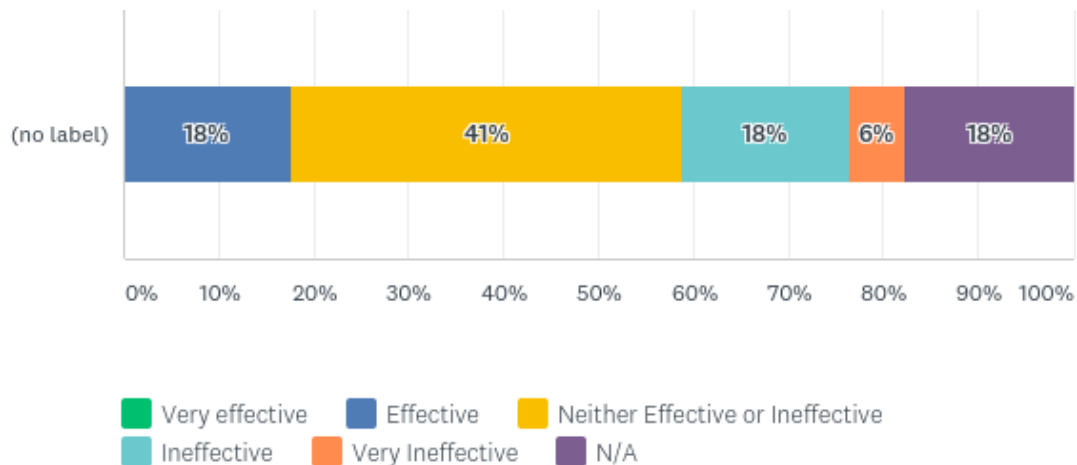
Survey respondents who said that the LAC was ineffective were given the opportunity to specify further. Their verbatim comments are provided below.

- It is still early days but a number of residents have reported a lack of information or plan development to date.
- Too early to say as they have only just entered the region
- Unsure of this outcome
- I don't know.
- When we identified community members having trouble with the access forms, we approached our LAC to be told it is not their job. As a result, our staff are supporting community members although we are not funded to do this
- We have been involved in supporting a large number of people who have had inadequate plans and or difficulty with implementation
- They seem disorganised and were not ready on 1 April 2018 not sure where they are at now
- Too many staff changes
- Too early to tell as East has still to transition
- NDIS is still being rolled out across South so information is currently sketchy - although several people with psychosocial disability have come knocking on councils door for support, which can be provided this current year due to extension of HACC funding but uncertain post 2019

- too early to tell. Ours was only recently appointed and during our initial meeting they had not fully worked out their role as yet

Nearly one fifth of the respondents believed that the LAC was effective in their community capacity building role with a further 59% unsure or NA. Nearly a quarter indicated that the LAC was ineffective in community capacity building within their local region.

Answered: 17 Skipped: 2



Survey respondents who said that the LAC was ineffective were given the opportunity to specify further. Their verbatim comments are provided below.

- Unsure of this outcome
- I don't know
- We have provided multiple opportunities for the LAC's to connect with our community however this has not been successful due to inconsistent or lack of attendance by LAC's. LAC's themselves report all of their focus is on plans not capacity building or implementation
- Too many staff changes
- Too early to tell as East has still to transition
- Too early to say.

Survey respondents were asked if they had additional feedback on the LACs. Their verbatim comments are provided below:

- Has some excellent staff, Should have selected a SA provider not one from NSW!
- Met with them only.
- Needs to be more visible in the community and engaged with other agencies and services
- Ours is very willing to engage with Council and see us as integral in engaging with community
- All FerosCare employees that I have dealt with have been friendly and easy to deal with
- Baptcare has only just commenced . But its good to see that they are actively looking to engage with the community
- There have been some recent changes which have seen improvements. However, we continue to see participants who did not receive funding for services they are currently receiving and it takes too long for plans to be reviewed and amended

- There doesn't seem to have been adequate resourcing, or time for LAC's to successfully support our community.
- Hard to keep in contact when the community development officer for our area has changed so often and no contact from the other LAC as yet.

SA Disability Inclusion Act 2018

The SA Disability Inclusion Act became operational on the 1 July 2018. The Act is intended to ensure all South Australians with a disability have the opportunity to live a fulfilling life as equal members of the community.

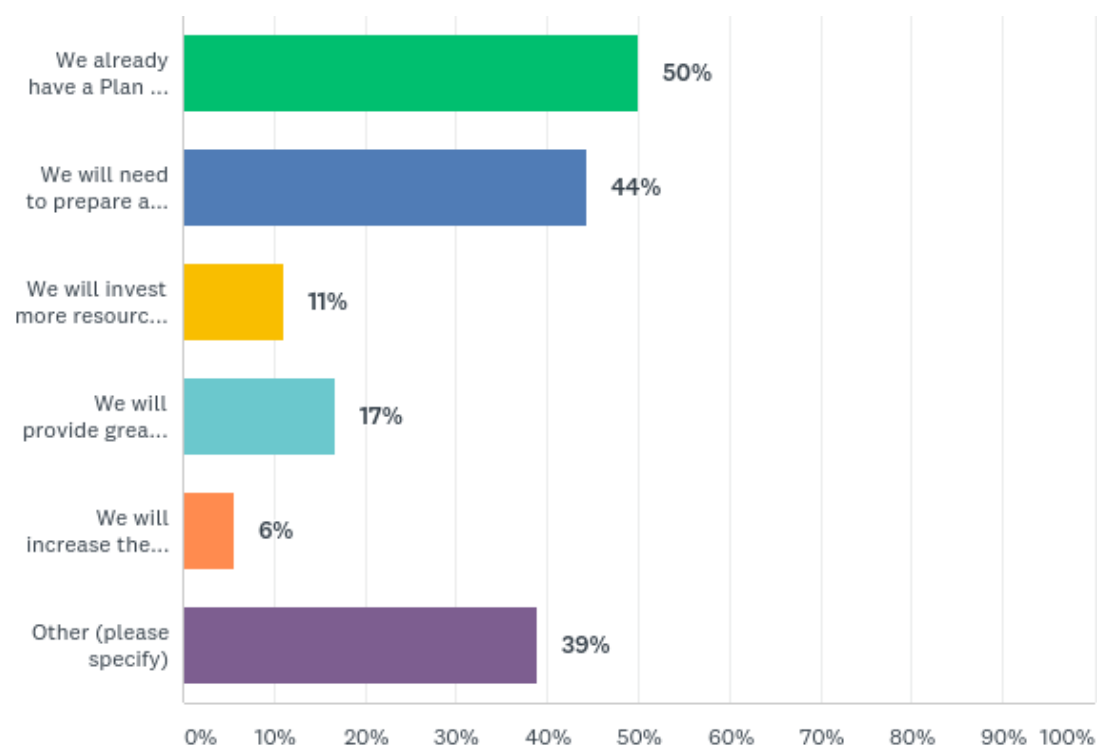
The Act is focussed on ensuring that mainstream services are accessible to South Australians with a disability so that they can participate fully in their community.

Under the Act a State Disability Plan will be developed and Councils will be required to develop Disability Access and Inclusion Plans in consultation with people with a disability.

Survey Responses

Of those councils surveyed 9 (50%) reported that they already have a plan in place. However, a number of respondents also commented that while they do have a plan in place they will now need to update it. A further 8 councils (44%) reported they do not have a plan in place so will need to prepare one.

Answered: 18 Skipped: 1



ANSWER CHOICES	RESPONSES	
We already have a Plan in place so there will no impact on our Council	50%	9
We will need to prepare a Disability and Inclusion Access Plan	44%	8
We will invest more resources in ensuring better access to build environs, events and facilities	11%	2
We will provide greater access to information for people with a disability	17%	3
We will increase the Council's direct employment of people with a disability	6%	1
Other (please specify)	39%	7
Total Respondents: 18		

Impact of Rate Capping on Disability Service Provision by Councils

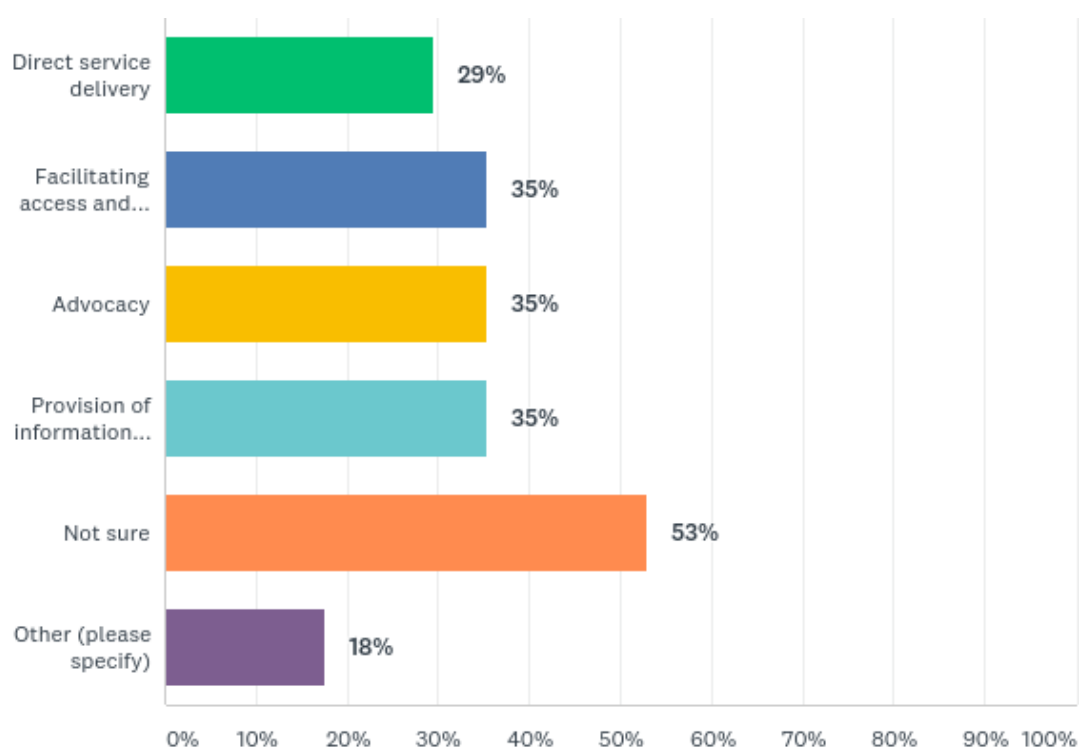
There is the potential for rate capping to be introduced in South Australia in the future.

Survey Responses

Respondents were asked to comment on the impact of rate capping on Councils capacity to support people with disability. Over half of the respondents reported that they weren't sure what the impact would be whilst 35% respectively indicated that rate capping would impact the councils ability to undertake advocacy, to facilitate access and inclusion to councils services, facilities and infrastructure and to provide information resources and advice.

Would the introduction of rate capping on SA Councils have a detrimental impact on the Councils capacity to support people with a disability in the community in any of the following areas? (please tick all that apply)

Answered: 17 Skipped: 2



ANSWER CHOICES	RESPONSES	
Direct service delivery	29%	5
Facilitating access and inclusion to Council's services, facilitates and infrastructure	35%	6
Advocacy	35%	6
Provision of information resources and advice	35%	6
Not sure	53%	9
Other (please specify)	18%	3
Total Respondents: 17		

Early Learnings

Councils were asked in the Survey ***“What have been the early learnings and impacts for your Council and Community so far from the rollout of the NDIS”***. Their verbatim comments are included below.

- Lots of confusion amongst consumers, and resistance to change.
- Carer cynicism about the effectiveness and longevity of the Scheme
- Council criticised for not becoming a NDIS provider even though review and risk assessment indicated it was the best outcome for all stakeholders.
- Consumers without advocates/representatives will not get the support they are entitled to receive.
- Few service providers willing to take a risk and move into the region to provide services.
- Pre-planning is essential to ensure consumers get the best outcome.
- Difference between Agency managed, Plan managed and Self managed NDIS packages.
- As with all reforms they take time to mature; the transition to NDIS has been similar to the transition to CHSP; the community knowledge is slowly growing and service providers have played an important role in this; administration changes and set up resources should be planned;
- The Elected Members have a limited understanding of the NDIS rollout and impacts on Council
- Still early days, however while there was a lot of information prior to the rollout, there does not seem to be as much information now.
- It is still too early to say. But it does seem to be a system that has many hurdles and barriers
- Only direct service impact is the decision by The Barossa Council to cease as a direct service provider
- Too early to tell.
- Not enough resources have been allocated to getting people on the scheme - there are waiting lists for assessments.
- "Not enough community awareness and general lack of information."
- Rollout is taking too long, providing uncertainty for other services"
- Since the introduction of CHSP in 2015 there have been no transport services for people with disability in our District
- We have had to do a lot of research and work ourselves. There has been limited pre-planning information shared with the community regarding choice and control. This council has had a strong commitment from the beginning to ensure a positive transition to NDIS for our community. We have learned that the most success has come from direct face to face contact with community
- There is a lot of confusion, there is a view that NDIS will fix everything for people with a disability.
- Only the northern area of our council has experienced rollout with very few plans in place so far. One client has been rejected and appealed the decision but no approval has been granted.
- It is taking a long time for residents to be initially assessed or reassessed
- There will be people who don't meet eligibility for NDIS, who will be left without support of grant funding is not provided, as Council will not be in a position to fund additional services.
- Loss of staffing due to job insecurity and late notice of funding extension, resulted in us having to outsource one core service for a 12 month period during the transition and then Council has decided to cease its involvement in this service.

Appendices

1. Community Managers Network Recommendations Matrix
2. Literature Review
3. List of Sources

Community Managers Network Recommendations Matrix

	Recommendation	Council Priority	Sector Priority	Actions to be undertaken by CMN	Actions to be undertaken by the LGA	Actions to be undertaken by Individual Councils	Comments
1	Governance						
1.1	SECTOR RECOMMENDATION LGA and Community Managers Network to work with NDS, NDIA and the metropolitan LACs, (skilled and supported) people with disability and other relevant agencies/stakeholder to set up a formalised group that meets regularly to discuss NDIS rollout and implementation issues including the interface with Local Government's social and physical infrastructure provision, regulatory roles, general programs, services and other operations.	N/A	Low	- Monitor the activity of the LGA and Councils	- Send correspondence through to the NDIA on behalf of the sector	- Regular meetings with LAC's - Provide any issues to the LGA	
1.2	COUNCIL RECOMMENDATION Councils to set up formalised local groups with LACs, providers and people with disability supported by capacity building and other measures where required, to share information and discuss local issues and concerns.	High	N/A	- Monitor the activity of the LGA and Councils		- Regular meetings with LAC's - Provide any issues to the LGA or CMN if advocacy required	
2	Access to Information and Data						
2.1	SECTOR RECOMMENDATION Local Government (LGA) to form a consolidated position with NDS and DHS to lobby NDIA to provide better market information.	N/A	High		- develop a consolidated position to be endorsed via resolution of the LGA Board/ AGM/ OGM		- Work with LEGATUS to develop a consolidated position
3	Economic Development						
3.1	SECTOR RECOMMENDATION Invite the City of Charles Sturt to present on their Regional Project (for workers and providers) to EDA and the Community Managers network.	N/A	High	- Invite Charles Sturt to present at CMN meeting			- Work with Legatus to organise a presentation to the EDA
3.2	SECTOR RECOMMENDATION Community Managers Network to seek funding through the LGA Research and Development grant scheme to replicate the Charles Sturt model across metro Adelaide	N/A	Low	- Dependent on 3.1 if the model is appropriate for the sector			
3.3	COUNCIL RECOMMENDATION Deploy market information (once available) to assist in the economic development of the region through attraction of NDIS providers to address local service needs.	N/A	Low		- LGA are currently seeking this information and will distribute when it is available		
3.4	COUNCIL RECOMMENDATION Facilitate delivery of training programs for NDIS provider staff through relationships and partnerships with TAFE or other training providers.	High	Low		- LGA develop training in collaboration with relevant Councils.	- If Council is a registered provider, it is a high priority for them to train staff	

	Recommendation	Council Priority	Sector Priority	Actions to be undertaken by CMN	Actions to be undertaken by the LGA	Actions to be undertaken by Individual Councils	Comments
4	Communications and Managing Expectations						
4.1	SECTOR RECOMMENDATION Develop and implement a State-wide campaign to inform the community of the changes to disability services as a result of NDIS, what they can expect and who to call/contact for details of the new scheme.	High	Low		- Fact Sheets developed by LGA in 2018	- Individual Councils to determine the best way to inform their communities - Council's to support LAC' with facilitation role with community i.e. put LAC's in contact with community members, assist with providing a space to hold information sessions,	- Role of NDIS/NDIA - Ongoing role of the LAC's
4.2	COUNCIL RECOMMENDATION Provide information to the local community about specific changes to funding and service delivery in the community and who to contact.	Low	Low			- Individual Councils to determine the best way to inform their communities if their service delivery changes.	
4.3	SECTOR RECOMMENDATION Develop a standard training package for council staff (in particular customer service staff) to ensure they have a good understanding of the NDIS Scheme, so they can direct enquiries to the right party. They staff should have a clear knowledge of where councils' responsibility starts and finishes.	N/A	High		- Fact Sheets developed by LGA in 2018	- Individual Councils to develop specific information for their staff	
4.4	SECTOR RECOMMENDATION Develop a standard presentation for council officers to present to Elected Members to inform them about the the SA Disability Inclusion Act 2018 and the potential role of councils under the new system. The presentation would include information on the risks and considerations in determining their role.	Low	High	- Support LGAIN with their application for LGA Research and Development Funding to develop tools and templates for the DAIPs - either in kind of financial support	- Fact Sheets developed by LGA in 2018	- Individual Council's to manage with their LAC's - Support LGAIN with their application for LGA Research and Development Funding to develop tools and templates for the DAIPs – either in kind of financial support	- Potential to work with Legatus and LGA regarding Disability awareness training.
5	Service Delivery						
5.1	COUNCIL RECOMMENDATION In the event there is a market failure the local council should investigate costs and potential revenue of service provision under the scheme (especially in country areas where other providers may not be present). With some negotiation with NDIA in these cases, the income may be sufficient to deliver a service, especially with the assistance of volunteers.	N/A	N/A				- Support Legatus position that Council's are not the service provider of last resort. Our role will be one of advocacy with state and federal government and support for service providers to become established.

	Recommendation	Council Priority	Sector Priority	Actions to be undertaken by CMN	Actions to be undertaken by the LGA	Actions to be undertaken by Individual Councils	Comments
6	Integration						
6.1	SECTOR RECOMMENDATION Advocate to NDIA for the introduction of specific ILC grants for councils to fund programs that will assist with the integration of NDIS participants and other people with disability into general council services (e.g. libraries, recreation centres and community centres.	N/A	Low		<ul style="list-style-type: none"> - LGA to lobby and write to the State Government 		
6.2	SECTOR RECOMMENDATION Advocate to NDIA, SA and Commonwealth Governments for funding to extend peer networks with local support groups facilitated by user-led Disability Support Organisations with a national mentoring and support program building on the 2015 – 2017 DSS-administered pilot program.	Low	Low		<ul style="list-style-type: none"> - LGA to send circulars and emails to the relevant groups when anything new is announced. 		<ul style="list-style-type: none"> - Peer networks funded
6.3	SECTOR RECOMMENDATION Seek information from NDIA on (1) the KPIs that are being used to evaluate the LACs performance in community capacity building and (2) an assessment of the SA metro LACs performance against these KPIs	N/A	Low		<ul style="list-style-type: none"> - LGA have already requested info - LGA to continue with advocacy role 		
6.4	SECTOR RECOMMENDATION LGA and CMN advocate to NDIA, State and Commonwealth governments for a revision of the current Local Area Coordination model especially (1) removal of the pre-planning role and (2) focus on the information, referrals and capacity building roles or Changing the current requirement that only one agency can apply for Partners in Community grants to allow equal partnerships between planning focussed agencies and community development focussed local government.	N/A	Low		<ul style="list-style-type: none"> - LGA to prepare letter and ask that the role of Local Government be considered when reviewing the model 		
6.5	SECTOR RECOMMENDATION LGA and CMN develop a position on the suitability of Councils seeking grants to deliver the community capacity building element of Local Area Coordination (not available to NDIS service providers) either through (1) a revised LAC model mentioned in the previous recommendation or (2) a partnership rather than a subcontracting arrangement with a planning focussed agency if the current LAC model remains	N/A	N/A	<ul style="list-style-type: none"> - CMN to continue to monitor Council's success in accessing ILC grants 	<ul style="list-style-type: none"> - CMN to work with LGA to advocate if deemed necessary. 		

Literature Review

NDIS Market Development and Information Resources

The National Disability Insurance Agency (NDIA) has developed a series of Market Position Statements (MPS) (*National Disability Insurance Agency 2016*) for each State to provide information on the rollout of the National Disability Insurance Scheme (NDIS). This information provides base data on participant numbers, disability types, service provision and prospective providers of NDIS services.

In addition to the MPS the NDIA also prepares quarterly reports for the Council of Australian Governments (COAG) (*National Disability Insurance Agency 2018, Various*). The quarterly reports provide the COAG Disability Reform Council with information (including statistics) about participants in each jurisdiction and the funding or provision of supports by the NDIA in each jurisdiction. The NDIA provides these reports to COAG following the end of each quarter by 31 January, 30 April, 31 July and 31 October.

While both the MPS and Quarterly reports provide important base data about the markets there is little analysis of market development, transition issues, unit costs or potential service failure. The information delivers insights to potential providers on market growth and unique characteristics of different geographical areas. The NDIA is seeking to develop a NDIS market that delivers a diverse array of providers that maximises choice and control for participants but also enables strong links with mainstream services and family and community support to help achieve the overall NDIS aspirations of increased social and economic participation for people with disability.

Recently KPMG Australia has taken the type of information provided by the NDIA to develop the NDIS South Australian Market Analysis Tool. This work was commissioned by the State Department for Communities and Social Inclusion (2017). Councils can use the tool to project and gain insight into estimated levels of funding, job prospects and demand for services of the NDIS market in South Australia. In addition, KPMG Australia undertook a report for the SA Government on *NDIS - Shaping the future of South Australia* (December 2017). The report aims to provide insights and key recommendations to maximise the social and economic benefits of the State's disability sector. Whilst not directly focusing on local government the report does provide recommendations on sector collaboration, leadership and the use of technology in optimising the delivery of the NDIS in South Australia that are nevertheless important domains for local government consideration.

The Productivity Commission (PC) (2017) has undertaken a number of research tasks covering the rollout of the NDIS. Of particular importance is their final report on NDIS Costs released in December 2017 (Productivity Commission 2017 (c)). Original estimates suggested the NDIS would cover 411,000 participants and cost A\$13.6 billion at maturity. However, the PC now estimates that around 475,000 people with disability will receive individualised support at a cost of around A\$22 billion per year. The main finding of the report was that based on trial and transition data, NDIS costs are broadly on track with the NDIA's long-term modelling.

The following two figures provide a simple overview of the development of the NDIS across Australia:



Other findings and recommendations from the PC that are of interest in understanding the development of the NDIS market include:

- Many NDIS participants are receiving more disability supports than previously
- NDIS participants now have more choice and control
- The rollout schedule for the NDIS is highly ambitious
- There are already signs that the rollout schedule is compromising the NDIA's ability to implement the scheme as intended, putting the scheme's success and financial sustainability at risk
- The NDIA has focused too much on meeting participant intake estimates and not enough on planning processes, supporting infrastructure and market development
- There is confusion for participants about planning processes; rushed phone planning conversations; inadequate pre-planning support for participants; problems for providers

with registering, pricing and receiving payment; and a lack of effective communication with both participants and providers

- That the interface between the NDIS and other disability and mainstream services is critical for participant outcomes and the financial sustainability of the scheme
- The need for clearer boundaries at the operational level around 'who supplies what' to people with disability, and only withdraw from services when continuity of service is assured

2018 Scheme Evaluation Findings

In February 2018, the National Institute of Labour Studies at Flinders University released their Evaluation of the NDIS report. The study comprised quantitative and qualitative research with more than 15,000 NDIS participants, carers and a comparison group outside the scheme. Key take-outs from the report are:

- NDIS is failing the nation's most vulnerable people, with one in five (many with intellectual and mental disabilities reporting that the NDIS has left them worse off
- The scheme is working well at a high level but key crises highlighted in the report are unlikely to be fixed before full roll out which is due in 2020
- The litany of issues has contributed to the erosion of fairness and equity in the disability support system, both within the NDIS and outside of it as state governments withdraw their services
- Hindsight suggests that the speed of implementation was too fast and that more thought needs to go into the practical aspects of the NDIS rollout
- Staffing for the agency was capped at 3000, well short of the Productivity Commission estimate of 10,000
- The scheme has precipitated the casualisation of the disability workforce and had a detrimental impact on working conditions
- There are significant issues relating to the ability to pay staff award rates within NDIS pricing levels and manage the dichotomy between minimum shift hours under industrial awards and NDIS participant requests for shorter services
- Experienced disability workers are leaving the industry and the proportion of providers who said they were unable to fill allied health worker vacancies doubled from 2014 to last year
- Workers at the NDIA have reported increasing concerns about high workloads and stress and there has been high staff turnover within the agency
- People that were able to advocate for themselves or who had family and friends who could advocate for them got better outcomes from the scheme. Children with well-educated or well-resourced parent were particularly well included in the scheme.
- Service gaps have emerged as the rollout of the NDIS progresses.

The Impact on Councils

WALGA (2017) reviewed the issues surrounding the new 'market place' system imposed by the NDIS in providing the Home and Community Care (HACC) Program. Issues highlighted include:

- Decisions by local government as to continuing delivering HACC or opt out will be based on financial sustainability
- Any decision that affects HACC or other local government services will impact on its community members and may negatively impact on the community perceptions of Local Government
- That local governments could see an increase in demand for information and policy advice about local community services as the rollout phasing occurs.

WALGA further states that well-established service delivery arrangements will change significantly for individual clients, and considerable effort will be required to ensure transition pathways for individuals are managed and communicated to them as and when they enter the NDIS.

The Municipal Association of Victoria (2017) in their submission to the PC Issues Paper raised issues such as:

- Viability of NDIS services in “thin markets” and impact on regional councils
- The need to build inclusive communities
- Opportunities to harness the existing structures and relationships in Victoria are being missed with such a focus on the 'market' and resulting in missed opportunities of maximising partnerships with levels of government
- That councils should not be seen as the provider of last resort

Whilst not specifically focusing on the NDIS rollout a number of Councils in South Australia have undertaken timely reviews of disability related services provision in their areas. These include:

- City of Onkaparinga (2017)
- City of Playford (2017)
- City of Salisbury (2017)

These studies point to concerns around:

- Demand levels for the aged and disability services
- Continuity of service provision
- Unit price consideration and financial sustainability
- Legal implications of competitive neutrality

KPPM Strategy (2018) undertook a review of the impact of NDIS on regional local governments in South Australia. Though focused on regional areas there is transferability of some of the key impacts identified for metropolitan councils in SA in the rollout and transition to NDIS. These include:

- Local Government is not a passive receiver of policy
- NDIS is a risky investment in “thin markets”
- The State Government proposal to cap Council rates will limit Councils’ ability to provide unfunded community services
- Local Government is not the NDIS ‘provider of last resort’
- Limitations on transport finding in the NDIS pricing structure are creating significant concerns for NDIS families and Community Passenger Transport providers
- Reliance on volunteers to deliver core services will become unsustainable
- Because NDIS service delivery is a competitive market based on ‘pay per service’ there is neither the incentive nor capacity for collaboration for the greater good
- Councils are not receiving adequate information about the NDIS either from the NDIS website and other official sources or from communities
- Local government can activate its community to become a region of choice for NDIS participants and providers

List of Sources

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City of Onkaparinga Council 2017– Disability Service Review

City of Onkaparinga 2017 – Strategic review of active ageing and disability support programs

Department for Communities and Social Inclusion 2017 – NDIS South Australia Market Analysis Tool

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Mavromanas, K., Moskos, M., Mahutea, S., Isherwood, L., Goode, A., Walton, H., Smith, L., Wei, Z., & Flavel. February 2018. *Evaluation of the NDIS*. National Institute of Labour Studies Flinders University, Adelaide, Australia

Municipal Association of Victoria - June 2017 Submission to National Disability Insurance Scheme (NDIS) Costs Productivity Commission Issues Paper

National Disability Insurance Agency 2016 – *Market Position Statement – South Australia*

National Disability Insurance Agency June 2018 – South Australia Public Dashboard

National Disability Insurance Agency June 2018 – South Australia Performance Report

National Disability Insurance Agency 2018 – The NDIS Participant and Provider Experience

National Disability Services 2018- Australia Disability Workforce Report (3rd report)

Productivity Commission 2017(a) - National Disability Insurance Scheme Costs – Issues Paper

Productivity Commission - 2017(b) National Disability Insurance Scheme Costs – Position Paper

Productivity Commission – 2017 (c) National Disability Insurance Scheme Costs - Final Report

The South Australian Centre for Economic Studies 2017 - Playford Community Future Aged Care and Disability Service Needs

WALGA February 2017 *Submission to the* National Disability Insurance Scheme (NDIS) Costs Productivity Commission Issues Paper