

BILATERAL AGREEMENT BETWEEN THE COMMONWEALTH AND THE NORTHERN TERRITORY

Transition to a National Disability Insurance
Scheme

Part 1 – Preliminaries

1. The Commonwealth of Australia (the Commonwealth) and the Northern Territory are committed to the implementation of a National Disability Insurance Scheme (NDIS) in the Northern Territory.
2. This Agreement covers the roles and responsibilities for the transition to full coverage of an NDIS in the Northern Territory, building on the lessons learned in trials conducted in New South Wales, Victoria, South Australia, Tasmania, the Northern Territory, the Australian Capital Territory and Western Australia.
3. The Parties agree to continue work through the Council of Australian Governments (COAG) Disability Reform Council, or equivalent multilateral forum, to refine and further develop the NDIS over time.

Part 2 – Parties and Operation of Agreement

Parties to this Agreement

4. This Agreement is between the Commonwealth of Australia and the Northern Territory.

Commencement and Duration of the Agreement

5. The Agreement will commence as soon as the Parties have signed the Agreement.
6. This Agreement will cover the transition period during which all existing clients of the Northern Territory specialist disability services are moving into the NDIS and other transitional arrangements are being implemented.
7. The Agreement will expire on the date a subsequent agreement is signed by both parties that expressly intends to replace this Agreement and where the parties agree that the transition phase has concluded.
8. The *Intergovernmental Agreement for the NDIS Launch* and its associated appendices and Memorandums of Understanding will continue to apply to Barkly Regional Council local government area until 30 June 2016.
9. This Agreement also covers those eligible people who were scheduled to transition to the NDIS during the trial period and did not, regardless of the reason.

Interoperability

10. This Agreement is to be considered in conjunction with:
 - a. *The National Disability Insurance Scheme Act 2013* (the NDIS Act 2013); and
 - b. *The Heads of Agreement between the Commonwealth and Northern Territory Governments on the National Disability Insurance Scheme*.

11. This Agreement is also to be considered in conjunction with the following Northern Territory legislation:

- a. *Information Act*;
- b. *Disability Services Act*;
- c. *Workers Rehabilitation and Compensation Act*;
- d. *Domestic and Family Violence Act*;
- e. *Care and Protection of Children Act*;
- f. *Anti-Discrimination Act*;
- g. *Adult Guardianship Act*;
- h. *Mental Health and Related Services Act*;
- i. *Criminal Code Act*;
- j. *Carers Recognition Act*;
- k. *Education Act*;
- l. *Health and Community Services Complaints Act*;
- m. *Housing Act*;
- n. *Public Trustee Act*.
- o. *Public Sector Employment and Management Act*; and
- p. *Financial Management Act*

12. This Agreement is separate to the Operational Plan that will set out implementation arrangements for the transition to full scheme in the Northern Territory, as agreed by the Secretary of the Commonwealth Department of Social Services (or his delegate) and the Chief Executive Officer of the Northern Territory Department of Health, and the CEO of the National Disability insurance Agency (NDIA).

13. The Operational Plan will be developed following the finalisation of this Agreement and will be reviewed and updated throughout the period of the Agreement.

14. The Operational Plan will adhere to the principles and schedules of this Agreement.

15. Schedules to this Agreement will include, but not be limited to:

- a. Participant Transition Arrangements;
- b. Financial Contributions for Transition;
- c. Cross-billing and Budget Neutrality Arrangements;
- d. Continuity of Support Arrangements;
- e. Sector and System Readiness;

- f. Quality and Safeguards;
 - g. Performance Reporting;
 - h. Workforce;
 - i. Mainstream Interfaces;
 - j. Cross-billing and Budget Neutrality Arrangements: 2013-14 to 2015-16; and
 - k. Provider of Last Resort.
16. Nothing in this Agreement affects arrangements under the National Disability Agreement unless otherwise specified.
17. Arrangements for implementation of a National Injury Insurance Scheme are outlined in the *Heads of Agreement between the Commonwealth and Northern Territory Governments on the National Disability Insurance Scheme*.

Part 3 — Role and Purpose of the Agreement

18. This Agreement builds on the NDIS trial in the Barkly region. It outlines how the NDIS is expected to roll out over the period from July 2016 to July 2019.
19. The Agreement details the agreed arrangements for transition to the full scheme NDIS in the Northern Territory.

Part 4 - Principles

Principles and Approach During Transition

20. Given the small, culturally diverse, dispersed population over remote geography, and the unique remote service delivery operating context, the parties agree that the Northern Territory's approach to transition, including operational planning, will be guided by the following principles:
- a. Place based, tailored solutions to planning, market development, access to services and risk management;
 - b. A coordinated, client-centred, and tailored approach to the operating model in remote communities informed by existing effective frameworks, that maximises access, engagement and management of risk for individuals;
 - c. Culturally competent engagement and professional practices; and
 - d. Local planning, market development and risk management strategies informed by timely and appropriate data.
21. The Principles should be read in conjunction with the Objects and Principles of the NDIS Act 2013.

Part 5 – Roles and Responsibilities

Shared Roles and Responsibilities of the Parties

22. During the life of this Agreement, the Parties will, to the best of their endeavours:

- a. work together to minimise risks and manage unexpected risks through developing jointly agreed response strategies as issues arise, and in accordance with the *Heads of Agreement between the Commonwealth and Northern Territory Governments on the National Disability Insurance Scheme*;
- b. continue to work collaboratively, consulting with the NDIA, on ongoing refinement of the policy settings of the NDIS and settle operational matters as needed;
- c. engage with people with disability, their families and carers to provide input into ongoing refinements of the policy settings of the NDIS;
- d. report on progress, results and outcomes to inform ongoing refinement of the policy settings of the NDIS, including through input to and consideration of the NDIS evaluation, and by identifying where arrangements are having unintended impacts;
- e. share information to assist with policy development and scheme administration, subject to privacy requirements;
- f. prepare for the phasing of clients into the NDIS by providing the NDIA with access to available data on potential participants;
- g. prepare Commonwealth and Northern Territory programmes that are in scope for the NDIS for transition into the NDIS by aligning the service offers with the COAG Principles to Determine the Responsibilities of the NDIS and Other Service Systems;
- h. facilitate local implementation of the NDIS, together with the NDIA, by preparing existing providers and clients to transition into the scheme, consistent with the phasing agreed at Schedule A and the Operational Plan to be agreed between the Parties and the NDIA;
- i. facilitate the implementation of the NDIS by maintaining support for clients of disability services prior to the full roll-out of the NDIS in their area;
- j. support the NDIA to deliver Information, Linkages, and Capacity building by coordinating and promoting links between the NDIS and mainstream services and non-government and community based support;
- k. provide continuity of support for existing clients of disability services in accordance with Schedule D; and
- l. provide advice to the NDIA to develop targeted strategies for remote, regional and Indigenous service delivery consistent with the NDIA agreed Rural and Remote Strategy, including where there are thin or non-existing markets, that mitigate risks in these markets, and promote local Indigenous economic participation opportunities and engagement.

Part 6 – National Disability Insurance Scheme – Transition to a Full Scheme

Aims of the Transition

23. In addition to the objects and principles outlined in the NDIS Act 2013, the Northern Territory transition will have the following further specific aims:

- a. build upon the evidence from trial sites;
- b. ensure that the transition of people with disability in the Northern Territory to the scheme occurs as smoothly and effectively as possible, with minimal service gaps or disruptions, including in locations which border other jurisdictions;
- c. support the orderly transition of relevant State-based community and population knowledge and systems to the NDIA where appropriate;
- d. encourage development of a sustainable market, and maintain a skilled workforce, where strategies for market development align with and support the transition of existing NT services to the non-government organisation sector, as well as Indigenous economic participation opportunities;
- e. ensure the transition is implemented in a way that does not inflate the cost of the full scheme;
- f. develop an environment where people with disability can exercise choice and control over the supports they choose by supporting a diverse and innovative workforce and market to grow and better meet the needs of its client base;
- g. ensure that carers and the families of people with disability are active partners with the scheme, and are involved in decisions that affect them;
- h. ensure that people with disability are not disadvantaged by the transition to the full roll out of the NDIS with particular reference to Indigenous people and disability clients residing in regional and remote communities; and
- i. ensure the transition is rolled out in a way that is culturally appropriate for Indigenous clients, and appropriate to the needs and circumstances of regional and remote communities.

Participant Phasing

24. The Parties agree to priorities for transitioning people from the existing Northern Territory and Commonwealth specialist disability system to the NDIS in accordance with Schedule A.

25. Implementation phasing arrangements will be contained in the Operational Plan for transition in the Northern Territory to be finalised following the finalisation of this Agreement.

26. Detailed phasing arrangements will be outlined in a legislative rule under the NDIS Act 2013.

Portability of Supports

27. Governments agree that once NDIS is fully implemented as a national scheme, NDIS supports will be fully portable across Australia.
28. During the transition, portability will apply in all jurisdictions transitioning to the NDIS consistent with existing qualifying and ongoing residence requirements in the *National Disability Insurance Scheme (Becoming a Participant) Rules 2016*.

Continuity of Supports

29. Arrangements for continuity of supports are outlined in Schedule D.

Sector and System Readiness

30. Key elements for readiness of the disability services market, including providers, the broader sector, workforce and participants, and existing systems for transition are outlined in Schedule E. The Operational Plan, to be agreed between the Parties and NDIA, will detail implementation arrangements including arrangements to support readiness of the disability services market, including providers, the broader sector, workforce and participants, as well as the design and delivery of arrangements that are appropriate to Indigenous and regional and remote service delivery requirements.

Workforce

31. Arrangements for the first offer of employment to the NDIA, for appropriately skilled Northern Territory Government staff, are outlined in Schedule H.

Quality and Safeguards

32. The Commonwealth and jurisdictions are working together with the NDIA on the design of a nationally consistent quality and safeguarding system to be agreed by the Disability Reform Council in 2016.
33. The parties agree that existing quality assurance arrangements in the Northern Territory will continue to apply wherever possible, supplemented by the development of additional necessary quality assurance processes during transition.
34. Arrangements for quality and safeguards during transition in the Northern Territory will be outlined in Schedule F.
35. These arrangements will be reviewed by June 2016 to ensure they reflect the outcomes of the Ministers' decisions.

Consultation

36. The Parties, in conjunction with the NDIA, will jointly use existing consultative forums involving people with disability, families, carers and sector and community representatives to advise on refinements to, and further development of, the NDIS over time.

Collection and Management of Data

37. The Parties agree that during the transition period qualitative and quantitative data and information on any issues relevant to the roll-out of the NDIS, taken together with the outcomes from other jurisdictions, will be shared with all governments to facilitate national data collection and consolidation that will contribute to the analysis of costs, liabilities, service interventions, service delivery models and implementation strategies.
38. The data management approach including data collection, storage and transfer, will be consistent with the information protocols developed between the Parties and the NDIA, and consistent with privacy and information legislative requirements following finalisation of this agreement.
39. The Parties agree to share client and provider information and data during the transition to manage continuity of support, financial accountability and effective interactions with supports and services outside the NDIS, subject to privacy and other requirements.

Performance and Financial Reporting

40. The Parties agree to the Performance Reporting arrangements at Schedule G.
41. The NDIA will provide to a nominated official a download from the database (de-identified as appropriate) of participant data at client unit record and aggregate level, including for all in-kind contributions provided.
42. The NDIA will provide access to nominated official/s in the Northern Territory, with the capacity for this access to be delegated to additional officials for a defined purpose or period of time to the case management and financial management systems in real time on a read only basis. The officials will need to abide by the NDIA's confidentiality and privacy requirements.
43. Any reporting additional to that set out in the NDIS Act 2013 and this part of the Bilateral Agreement may be negotiated with the NDIA on a fee-for-service basis and cost neutral changes to reporting may be agreed between the NDIA and the Parties at any time. The NDIA will be required to provide, state-specific reports on Commonwealth and Northern Territory funding, covering funding, expenditure and in-kind services, according to agreed regional boundaries detailed in the Operational Plan, provided to participants at the end of every financial year.
44. The NDIA will provide receipts for funding contributed by the Northern Territory and report on the use of Commonwealth and Northern Territory services on a monthly reporting schedule.

Evaluation and Review

45. The Parties agree to input into the NDIS evaluation; and jointly monitor its progress, results and outcomes to inform arrangements for full scheme.

Management of Risk

46. Pursuant to clauses 27-32 of *the Heads of Agreement between the Commonwealth and Northern Territory Governments on the NDIS*, both parties agree that the management of risk and unexpected costs to either the Northern Territory and/or the Commonwealth is a vital part of ensuring that the NDIS is sustainable.
47. The Parties agree that the Northern Territory and the Commonwealth, in consultation with the NDIA, will continually monitor and review risks, with responsibilities for managing respective risks outlined in the respective schedules. Risks include but are not limited to:
- a. market, sector and system readiness to transition to the NDIS in accordance with Schedule E;
 - b. monitoring of quality and safeguard mechanisms particularly in remote communities, as outlined at Schedule F;
 - c. the implementation of the principles agreed by COAG in April 2013 and updated in 2015 (Schedule I) which determine the responsibilities of the NDIS and other service systems, particularly in terms of any gaps in services that may occur for individuals; and
 - d. cash flow pressures on the Commonwealth, the Northern Territory and the NDIA during the transition to full scheme.
48. If financial or other risks, including those outlined between clauses 46 and 47 emerge at any time for either party, the party with the primary responsibility for the risk will work with the other parties, including the NDIA, to develop agreed mitigation proposals. Risk management strategies will take a flexible and timely approach to effectively manage emerging risks during transition. Response strategies could include:
- a. actions to improve provider and participant readiness, including targeted investment from the Sector Development Fund and initiatives that can be taken within existing programmes run by the Northern Territory and/or the Commonwealth; and/or
 - b. changes to the participant phasing arrangements outlined in Schedule A, but other strategies will be fully pursued prior to considering this option. Should the agreed strategies include changes to participant phasing, the Parties will jointly assess the need to adjust financial contributions outlined at Schedule B;
 - c. targeted actions to mitigate significant remote service delivery issues including heightened community engagement, as outlined at Schedule F; and
 - d. actions to deliver the required supply of services where market failure has been identified, as outlined at Schedule K.
49. The parties agree to use the escalation process outlined in clauses 56 - 58 to resolve issues, including issues that may arise relating to clauses 46 - 47.

Part 7 - Financial contributions

Funding Contributions

50. The Parties agree to contribute to the NDIS in accordance with Schedule B and with regard to the commitment in the *Heads of Agreement between the Commonwealth and Northern Territory Governments on the National Disability Insurance Scheme*.
51. The Parties agree to the long-term arrangements for Cross Billing and Budget Neutrality in accordance with Schedule C on Cross Billing and Budget Neutrality and with regard the *2011 National Health Reform Agreement*.
52. The Parties agree that if the review of mainstream interfaces changes the scope of the NDIS, the Northern Territory's contribution to the scheme will be adjusted accordingly.

Auditing Arrangements

53. The Commonwealth will request the Commonwealth Auditor-General ensure the financial audit of the NDIA undertaken annually by the Australian National Audit Office under the Auditor General Act 1997 (Cth) includes certification from him or her that funds paid by host jurisdictions to the NDIA have been acquitted consistently with this Agreement, including the schedules.

Part 8 - Governance of the agreement

Variation of the Agreement

54. This Agreement may be amended at any time by agreement in writing by the Northern Territory Minister for Disability Services and the Commonwealth Minister for Social Services.

Variation to Schedules to the Agreement

55. The Parties agree that any amendments to the schedules can be agreed at any time by agreement in writing between the Northern Territory Minister for Disability Services and the Commonwealth Minister for Social Services.

Escalation of Issues

56. Any Party may give notice to other Party of a dispute under this Agreement.
57. Officials of relevant Parties will attempt to resolve any dispute in the first instance, through bilateral steering committees for transitioning sites and relevant multilateral officials groups.
58. If the issue cannot be resolved by officials, it may be escalated to the relevant Ministers and, if necessary, the Disability Reform Council and COAG.

Termination of the Agreement

59. In exceptional circumstances, either of the Parties may withdraw from this Agreement by giving 12 months' notice of its intention to do so, in writing, to the Disability Reform Council, or the equivalent Ministerial Council and COAG.

60. Following notification of a Party's intention to withdraw from this Agreement, the terms of the withdrawal, including the date on which the Party will cease to be a Party, and any legislative changes and other arrangements that may be necessary as a consequence of the withdrawal will be negotiated in good faith and agreed between the Parties, on a basis which ensures continuity of support to participants.
61. The withdrawal of a Party shall not release that Party from meeting its agreed funding commitment to participants unless this is otherwise agreed by COAG through the process outlined in escalation clauses above.

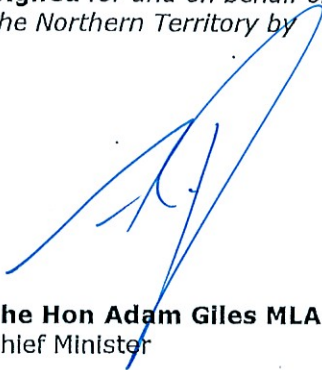
The Parties have confirmed their commitment to this Agreement as follows:

Signed for and on behalf of the
Commonwealth of Australia by



The Hon Malcolm Turnbull MP
Prime Minister

Signed for and on behalf of
the Northern Territory by



The Hon Adam Giles MLA
Chief Minister

Schedule A

Participant Transition Arrangements in the Northern Territory

1. This schedule is also to be read in conjunction with:
 - a. Schedule B: Financial Contributions for Transition in the Northern Territory; and
 - b. Schedule D: Continuity of Support Arrangements in the Northern Territory.
2. The transition to the National Disability Insurance Scheme (NDIS) in the Northern Territory will commence from 1 July 2016 with continued roll-out in the Barkly region and through participant engagement, planning, and market development. Further participant phasing will commence in East Arnhem and for Supported Accommodation services in the Darwin region from 1 January 2017. The transition of all existing Northern Territory specialist disability clients will be completed by June 2019 and is expected to benefit around 6,500 people with disability when full scheme is implemented.
3. The arrangements in this schedule will be implemented by the CEO of the National Disability Insurance Agency (NDIA) in accordance with phasing rules agreed by the Parties which will set out the obligations of the CEO.
4. The participant phasing schedule has been designed with regard to the following considerations:
 - a. the advice of the NDIA on operational matters;
 - b. the readiness of the market and disability sector to transition to the NDIS in the Northern Territory as outlined at Schedule E: Sector and System Readiness in the Northern Territory;
 - c. the transition of existing disability systems managed by the Parties;
 - d. experience to date from the NDIS trials; and
 - e. the balance of high and low cost support packages, existing clients of Northern Territory specialist disability services, and other clients, in order to manage funding flows and fiscal risk to the scheme.
5. In the Northern Territory, by July 2019, it is estimated that around 4,933 people will access the NDIS, including around 3,192 people from the existing Northern Territory specialist disability system that will be replaced by the NDIS.
6. The parties agree that eligible clients of Supported Accommodation services, including Commonwealth Residential Aged Care will be prioritised for transition on a geographical basis, per the following order:
 - a. Darwin Urban will transition from 1 January 2017; and
 - b. Alice Springs and Katherine will transition from 1 July 2017.

7. For all remaining participants, the transition in the Northern Territory will be implemented on a geographical basis, per the following order:
 - a. East Arnhem will transition from 1 January 2017;
 - b. Darwin Remote and Katherine will transition from 1 July 2017; and
 - c. Darwin Urban and Central Australia, including Alice Springs, will transition from 1 July 2018.
8. To enable the Northern Territory to transition all specialist disability funding into the scheme by the end of the transition period, the Parties agree to transition clients of existing disability services as seamlessly as possible, with streamlined eligibility and intake.
9. Existing clients are defined as people who are receiving, or are scheduled to receive, specialist disability services funded or directly provided by the Northern Territory Office of Disability at the time they are due to transition to the NDIS.
10. The Parties agree that dealing with unmet need during the transition period is an important part of this Agreement and provision has been made for new and other participants to access the scheme, including:
 - a. people not previously accessing any specialist disability supports from the Northern Territory Office of Disability;
 - b. people currently accessing Commonwealth specialist disability or Aged Care supports;
 - c. people who may have sporadically received specialist disability services funded or directly provided by the Northern Territory Department of Health in previous years;
 - d. people currently accessing supports through other Northern Territory Government agencies; and
 - e. new incidence of disability or disability support needs.
11. The Parties agree that detailed planning of transition will be developed following finalisation of this Agreement through the Operational Plan developed by the Northern Territory, the Commonwealth and the NDIA.
12. Operational planning will be a joint partnership between the Northern Territory, the Commonwealth and the NDIA and will apply a community by community approach to support the identification of services, capacity building and a smooth transition for participants and services.
13. The estimated and capped quarterly participant intake (with approved plans) during the transition period, based on paragraphs 6-10 above is outlined at Tables 1-3 below:

Table 1: Estimated 2016-17 Participant Intake (end period)

Client Cohort	2016-17 Q1	2016-17 Q2	2016-17 Q3	2016-17 Q4	2016-17 Total
Other Existing	-	-	87	87	173
Supported Accommodation	-	-	104	-	104
Sub-total Existing Northern Territory Clients	-	-	191	87	277
New and other Commonwealth Participants	-	-	68	51	120
Total Intake	-	-	258	137	397
Total Cumulative Intake¹	149	150	408	546	

Note: Discrepancies in totals are due to rounding.

¹Includes 149 participants carried forward from trial.

Table 2: Estimated 2017-18 Participant Intake (end period)

Client Cohort	2017-18 Q1	2017-18 Q2	2017-18 Q3	2017-18 Q4	2017-18 Total
Other Existing	90	90	90	90	359
Supported Accommodation	82	-	-	-	82
Sub-total Existing Northern Territory Clients	172	90	90	90	441
New and other Commonwealth Participants	181	152	152	152	636
Total Intake	352	241	241	241	1,077
Total Cumulative Intake¹	898	1,140	1,381	1,623	

Note: Discrepancies in totals are due to rounding.

¹Includes 546 participants carried forward from trial and 2016-17.

Table 3: Estimated 2018-19 Participant Intake (end period)

Client Cohort	2018-19 Q1	2018-19 Q2	2018-19 Q3	2018-19 Q4	2018-19 Total
Other Existing	593	593	593	593	2,373
Supported Accommodation	-	-	-	-	-
Sub-total Existing Northern Territory Clients	593	593	593	593	2,373
New and other Commonwealth Participants	288	288	180	180	938
Total Intake	882	882	774	774	3,311
Total Cumulative Intake¹	2,504	3,386	4,160	4,933	

Note: Discrepancies in totals are due to rounding.

¹Includes 1,623 participants carried forward from trial, 2016-17 and 2017-18.

14. The total estimated annual intake of participants (with approved plans), based on paragraphs 6-10 above is outlined at Table 4 below:

Table 4: Estimated Annual Intake of Participants

Client Cohort	Trial	2016-17	2017-18	2018-19	2019-20	Total
Existing Northern Territory Clients	101	277	441	2,373	-	3,192
New and Other Commonwealth Participants	48	120	636	938	1,612	3,353
Total Intake	-	397	1,077	3,311	1,612	6,545
Total Cumulative Intake	-	546	1,623	4,933	6,545	

15. The estimated number of people who turn 65 and choose to remain in the scheme, for which the Commonwealth is fully responsible, is outlined at Table 5 below, and are in addition to the number of participants outlined at Table 4 above:

Table 5: Estimated Number of People Aged 65 and Over

Client Cohort	2016-17	2017-18	2018-19
Cumulative Participants Aged 65 and Over ¹	16	47	142

¹Includes 6 participants carried forward from trials.

16. The agreed participant intake does not include an allowance for replacing participants who exit the scheme, or who turn 65 and become the full funding responsibility of the Commonwealth. The Commonwealth and Northern Territory agree to set the State funding cap for 'new' participants at the number of Commonwealth-only clients plus an allowance for unmet need, excluding 'churn/newly eligible'. The Commonwealth and Northern Territory could then agree to direct the NDIA to identify the number of participants during the transition phase who have either left the scheme or have turned 65 in the scheme; and identify the level of additional 'new' participants (over and above the State funding cap for 'new' participants) who can be brought into the scheme. These additional new participants will be included in the scheme without an additional funding contribution from Northern Territory.

17. To facilitate the smooth transition of participants into the NDIS, the NDIA will commence Local Area Coordination functions six months in advance of the scheduled phasing of a service district.

18. Where possible, the Parties agree to provide appropriate available data to the NDIA prior to the commencement of transition, to support the transfer of clients to the NDIS and consistent with Schedule E: Sector and System Readiness in the Northern Territory.

19. The Parties agree that the estimates in these tables will be monitored or reviewed as necessary in light of transition experience as per clause 55 of this Agreement.

Appendix A

Northern Territory Disability Regions by Local Government Authority

Barkly

Barkly

East Arnhem

East Arnhem

Central Australia

Alice Springs

Central Desert

MacDonnell

Darwin Urban

Belyuen

Coomalie

Darwin

Litchfield

Palmerston

Wagait

Darwin Remote

Roper Gulf

Tiwi Islands

Victoria-Daly

West Arnhem

West Daly Region

Katherine

Katherine

Schedule B

Financial Contributions for Transition in the Northern Territory

1. This schedule is to be read in conjunction with:
 - a. Schedule A: Participant Transition Arrangements in the Northern Territory;
 - b. Schedule C: Cross Billing and Budget Neutrality Arrangements in the Northern Territory; and
 - c. Schedule D: Continuity of Support in the Northern Territory.

Funding Arrangements

2. Both parties agree that, during the transition period, funding responsibilities are consistent with arrangements under the *Heads of Agreement between the Commonwealth and the Northern Territory on the National Disability Insurance Scheme (NDIS)*; with
 - a. the Northern Territory responsible for providing an agreed, fixed per client contribution for each existing client that has transferred from Northern Territory specialist disability services to the NDIS, and other participants, based on actuals up to an agreed number of participants under the age of 65 (Indigenous Australians under the age of 50), that amounts to 59.4 per cent of the agreed package costs;
 - b. the Commonwealth responsible for an agreed, fixed per client contribution for each existing client that has transferred from Northern Territory specialist disability services to the NDIS, other participants, participants 65 years and over, and 100 per cent of National Disability Insurance Agency (NDIA) operational and administration costs (including Information, Linkages and Capacity Building funded within the NDIS and NDIA operational costs); and
 - c. the Commonwealth is responsible for meeting 100 per cent of the risk of cost overruns above the contributions outlined above.
3. Tables 1 details the estimated contribution to package costs of the Northern Territory and the Commonwealth. The agreed funding contribution by client cohort reflects an average estimated funding contribution and not the cost of individualised plans. The weighted average funding contribution is based on the entire Northern Territory population that is expected to transition to the NDIS and, therefore, is not representative of the expected average package cost at any point in time during the transition period.

Table 1: Agreed annualised funding contribution to the NDIS for participants under the age of 65

	2016-17	2017-18	2018-19
Supported Accommodation	\$194,870	\$203,249	\$211,989
Residential Aged Care	\$86,324	\$90,036	\$93,907
Indigenous aged 50-64 years	\$61,538	\$64,184	\$66,944
Other Existing ¹	\$41,598	\$43,387	\$45,253
New and Other Commonwealth Participants ²	\$22,872	\$24,019	\$25,383
Weighted Average	\$39,677	\$41,383	\$43,163

¹ Excludes Indigenous Australians aged 50-64 years.

² Other Participants include people currently receiving support from a Commonwealth Home Care package

4. The Parties agree that the Northern Territory will contribute funding on a monthly basis in arrears, based on the actual number of existing clients (including trial participants) and other participants entering the NDIS each month, multiplied by the agreed per client funding contribution. The number of existing and other participants who will enter into the scheme during transition will be limited to the sequencing detailed in Schedule A: Participant Transition Arrangements in the Northern Territory.
5. The Northern Territory is contributing its existing available funding for specialist and other disability services and supports, therefore:
 - a. Northern Territory contributions are based on the actual intake of existing clients who have transitioned to the NDIS;
 - b. Northern Territory contributions are based on an agreed per client funding contribution for different cohorts, and may increase or decrease based on actual participant intake;
 - c. the agreed per client funding contribution for different cohorts is based on a weighted full scheme national average cost per participant;
 - d. Northern Territory contributions for participants are capped at the total estimated intake of existing and the quarterly intake of other participants, as outlined in Schedule A: Participant Transition Arrangements in the Northern Territory; and
 - e. for the purpose of the Northern Territory making a contribution, an existing Northern Territory client is assessed as having transitioned to the NDIS at the time of plan approval.
6. The Parties agree that:
 - a. the NDIA is responsible for funding all support costs associated with the plan once a participant has an approved plan in place; and
 - b. administrative details of this arrangement will be finalised through the Operational Plan developed by the Northern Territory, the Commonwealth and the NDIA.

7. The Northern Territory contribution for other participants is capped and subject to the agreed ratio of other participants to existing clients and the timing of other participants as outlined in Schedule A: Participant Transition Arrangements in the Northern Territory.
8. The anticipated phasing means that the expected average cost during transition will not equate to the full scheme national average. The indicative average cost of participants during transition is outlined in Table 2.

Table 2: Agreed annualised funding contribution to NDIS package costs for participants under the age of 65 at the end of the financial year.

	2016-17 (\$m)	2017-18 (\$m)	2018-19 (\$m)
Weighted Average Package Cost during transition ¹	\$72,255	\$68,398	\$51,291

¹The average funding contribution is based on the agreed transition arrangements as outlined at Schedule A: Participant Transition Arrangements, and therefore does not reflect the expected long-term average funding contribution.

9. The Parties will separately agree, by 30 June 2016, the method of calculating invoices to enable the provision of the required contribution by each party as outlined in Tables 3 and 4.
10. The Parties commit to making all contributions in respect of the trial period prior to 31 August 2016. As the Northern Territory will contribute funding on a monthly basis in arrears during transition, the Commonwealth may need to make earlier cash contributions to address any cash flow issues associated with this arrangement. These early payments, if made by the Commonwealth to address cash flow issues, will be offset against later payments once cash has built in the scheme and before the end of the financial year in which they are made. At the commencement of full scheme the Northern Territory will pay all outstanding invoices for the transition period in addition to its contribution to full scheme.
11. The Parties will allow cash to build up in the scheme up to a ceiling. The cash ceiling will be equivalent to three months of total agreed annualised funding contributions in respect of those participants in the scheme with an approved plan as at the end of each month. Calculations of the cash ceiling will be updated each month by the NDIA. Where the level of cash that has built in the scheme approaches the cash ceiling, the NDIA invoicing will limit contributions by the parties to the level of the cash ceiling, as calculated at the end of that month.
12. The Parties agree that cash that builds in the scheme can be used by the NDIA to manage cash flow risks and to manage costs back to the agreed total funding, if commitments in plans are higher than expected. If the NDIA cannot manage costs back to the agreed total funding then consistent with the responsibilities in paragraph 2(c) the Commonwealth will work with other parties, including the NDIA, to develop agreed mitigation proposals which could include changes to participant phasing arrangements to allow the Commonwealth to supplement the NDIA so that it can meet its commitments.
13. The NDIA will issue all invoices within 15 days of the end of every month. The Northern Territory will pay all invoices issued by the NDIA within 30 days of the end of each month. This allows sufficient time for the NDIA to calculate an invoice based on actual participant numbers, and for the Northern Territory and the Commonwealth to agree the value of the invoice.

14. Where an invoice is disputed:

- a. the Northern Territory will make the payment within the agreed timeframe and notify the NDIA of the basis of the dispute;
- b. the NDIA will investigate the disputed amount within seven days and negotiate with the Northern Territory to resolve or quantify the disputed amount within a further seven days; and
- c. on a three monthly basis (or as otherwise agreed by the NDIA and the Northern Territory), the NDIA would undertake a "wash up" with the Northern Territory to adjust discrepancies in the invoicing process.

15. In addition to the Commonwealth's responsibilities outlined in paragraph 2, the Commonwealth will provide financial assistance to the Northern Territory government, of \$3.8 million over the transition period, to support the Northern Territory transition its current disability system to the NDIS, with:

- a. a Terms of Reference for the Northern Territory implementation team to be agreed by the 30 June 2016;
- b. Northern Territory to provide six monthly progress reports to the Commonwealth against the Terms of Reference, from 30 September to 30 June 2019; and
- c. upon acceptance of these reports, Commonwealth to provide financial assistance through an adjustment to the Northern Territory next invoice for the NDIS.

16. The estimated funding contribution from the Northern Territory, subject to the client phasing in Schedule A and the agreed annualised funding contribution in Table 1 above, is outlined at Table 3:

Table 3: Estimated Northern Territory funding contribution for participants under the age of 65 (excludes Indigenous Australians aged 50-64 years).

	2016-17 (\$m)	2017-18 (\$m)	2018-19 (\$m)	Total (\$m)
Existing clients	\$7.3	\$28.0	\$65.6	\$100.8
Other participants	\$0.4	\$5.2	\$15.9	\$21.4
Estimated Northern Territory contribution¹	\$7.7	\$33.1	\$81.5	\$122.3

¹The Northern Territory's contribution is based on the actual intake of clients multiplied by the agreed per client funding contribution and therefore may be higher or lower than the estimated total contribution outlined in this table.

17. The estimated financial contribution from the Commonwealth is outlined at Table 4:

Table 4: Estimated Commonwealth funding contribution for participants (including Indigenous Australian aged 50-64 years)

	2016-17 (\$m)	2017-18 (\$m)	2018-19 (\$m)	Total (\$m)
Existing clients	\$8.0	\$29.1	\$57.1	\$94.2
Other participants	\$4.1	\$15.4	\$32.4	\$51.9
Participants aged 65 and over	\$0.5	\$1.9	\$6.0	\$8.4
Estimated Total Commonwealth contribution¹	\$12.7	\$46.4	\$95.4	\$154.5

¹Does not include administration and other costs not associated with a participant's plan.

Intergovernmental Payments

18. The Parties agree that the intergovernmental payments currently provided by the Commonwealth to the Northern Territory for the purpose of providing disability services to individuals should be paid to the NDIA on behalf of the Commonwealth by the Northern Territory, in line with clients transitioning to the NDIS.

19. Intergovernmental payments include:

- a. the National Disability Specific Purpose Payment (NDSPP);
- b. the relevant portion of the National Partnership Agreement on Pay Equity for the Social and Community Services Sector (SACS NP); and
- c. Cross-billing arrangements for Indigenous participants aged 50 to 64 years in specialist disability services as set out in Schedule C: Cross Billing and Budget Neutrality Arrangements in the Northern Territory (Cross-Billing).

20. The Parties agree that there will be a separate process to cease the NDSPP from 1 July 2019 and that this process will consider any changes to indexation rates during the transition period.

21. The Parties agree that:

- a. repayment of Intergovernmental Payments will be calculated based on the actual number of existing Northern Territory specialist disability clients that transfer to the NDIS, with payments arrangements consistent with paragraph 4 above; and
- b. The Northern Territory will provide the Budget Neutral Adjustment to the Commonwealth as an additional payment administered via the NDSPP, to be provided in even monthly instalments to NDIA over the transition period, as outlined in Schedule C: Future Arrangements for Budget Neutrality and Cross Billing in the Northern Territory.

22. Repayment of funding under the SACS NP is subject to the extension of the current National Partnership, which is due to expire on 30 June 2016.

23. The Parties agree that the Commonwealth will no longer provide Intergovernmental payments to the Northern Territory, relating to Specialist Disability Services, from 1 July 2019.

24. The agreed annualised repayment by client cohort is outlined at Table 5:

Table 5: Annualised repayment of Intergovernmental payments for NDIS participants

	2016-17	2017-18	2018-19
Other Existing - Non-Indigenous	\$5,478	\$5,720	\$5,982
Other Existing - Indigenous 50-64	\$8,103	\$8,461	\$8,849
Supported Accommodation	\$25,661	\$26,793	\$28,023
Weighted Average	\$6,706	\$7,002	\$7,324

25. The estimated repayment of Intergovernmental payments is outlined at Table 6:

Table 6: Estimated Repayment of Commonwealth intergovernmental payments for participants

	2016-17 (\$m)	2017-18 (\$m)	2018-19 (\$m)
Repayment of Commonwealth intergovernmental payments	\$2.0	\$7.5	\$16.2
Budget Neutral Adjustment, via NDSPP ¹	\$3.4	\$3.5	\$3.6
Total	\$5.4	\$11.0	\$19.9

¹Additional repayment of the NDSPP as outlined in schedule C: Future Arrangements for Cross-Billing and Budget Neutrality.

Cash and In-Kind Contributions

26. The Parties agree to minimise in-kind contributions to the NDIS, and where possible cash out in-kind programmes to accelerate the transition from in-kind services to cash contributions. The Parties agree that where it is not possible to cash out programmes before they transition to the NDIS, they will:

- a. ensure that contracts with providers can be adjusted to facilitate the cashing out of programmes once the transition to the scheme has commenced, where reasonable; and
- b. consider whether the remainder of the contract can be novated to the NDIA and, where contract novation occurs, provide funding to the NDIA at the value of the novated contract on a monthly basis (or as otherwise agreed with the NDIA) until the contract terminates.

27. The balance of cash and in-kind contributions during transition period will be finalised by June 2016 and included as a revision to this schedule.

28. In-kind contributions during transition will be based on the current cost of delivering the services. The pricing and value of any in-kind contributions at full scheme will be separately agreed by June 2019.

Full scheme Arrangements

29. If Northern Territory continues to provide in-kind contributions to the NDIS from Intergovernmental payments at full scheme, adjustments to funding arrangements will be made to allow the Intergovernmental payments to be ceased by 1 July 2019 and to ensure that overall funding to the NDIS is unchanged.
30. It is expected that full scheme funding arrangements for the Northern Territory will commence from 1 July 2019. From 2019-20, Northern Territory will contribute its fixed \$99.3 million (indexed at 3.5 per cent per annum) to the NDIS, but if the transition of existing clients into the scheme is not complete:
 - a. the Northern Territory will recover from the NDIA all costs associated with existing clients who have not entered the scheme; and
 - b. the Commonwealth may also make adjustments to its full scheme contribution to reflect ongoing support needs outside of the NDIS.
31. Funding arrangements for full scheme also need to consider any changes for full scheme by governments arising from new policy design (such as quality and safeguards and housing), scheme experience and the 2017 Productivity Commission review of scheme costs.
32. The parties agree that a funding mechanism for full scheme contributions will be agreed by March 2019 and will include details of timing and basis of payments.

Schedule C

Future Arrangements for Cross Billing and Budget Neutrality in the Northern Territory

1. This schedule is to be read in conjunction with:
 - a. Schedule A: Participant Phasing Arrangements in the Northern Territory;
 - b. Schedule B: Financial Contributions for Transition in the Northern Territory;
 - c. Schedule D: Continuity of Support Arrangements in the Northern Territory; and
 - d. Schedule J: Cross-billing and Budget Neutrality Arrangements in the Northern Territory: 2013-14 to 2015-16.
2. The Parties agree that the roles and responsibilities outlined in Schedule F of the National Health Reform Agreement will be maintained. The Commonwealth will continue to have financial responsibility for aged care and specialist disability services for older people aged 65 years and over (and Indigenous Australians aged 50 years and over). In addition, the Commonwealth will progressively take over service delivery responsibility for specialist disability services for older people as the National Disability Insurance Scheme (NDIS) continues to rollout.
3. The Northern Territory will continue to have financial responsibility for disability and aged care services for younger people aged under 65 years (Indigenous Australians aged under 50), until such time as those people transition to the NDIS. This schedule does not change existing responsibilities outside the scope of these services, including health and hospital services and the supply of aids and equipment to people not eligible for the NDIS.
4. This schedule covers the cross-billing arrangements for transition in 2016-17 to 2018-19. Budget neutrality arrangements will continue beyond 2018-19.
5. The Parties agree that the change in roles and responsibilities will be made cost neutral through a Budget Neutral Adjustment payment. The Budget Neutral Adjustment is fixed at the 2013-14 level identified in Schedule J: Cross-billing and Budget Neutrality Arrangements in the Northern Territory: 2013-14 to 2015-16 and grown through time at 3.5 per cent per annum.

Cross-billing

Younger People in Commonwealth Residential Aged Care and Home Care Packages

6. The Northern Territory agrees to pay the Commonwealth for the estimated costs of younger people aged under 65 (Indigenous Australians aged under 50 years) in residential aged care and Home Care Packages, for the period 2016-17 to 2018-19.
7. The agreed amount that the Northern Territory will pay the Commonwealth will be calculated by multiplying the agreed number of younger people in residential aged care and Home Care Packages by an agreed average unit cost, with:

- a. the agreed average unit cost calculated by growing the average unit cost for 2013-14 identified in Schedule J: Cross-billing and Budget Neutrality Arrangements in the Northern Territory: 2013-14 to 2015-16 by 3.5 per cent annum;
- b. the agreed number of younger people each year equal to the number of Younger People in Residential Aged Care and Home Care Packages identified in 2013-14 less the number of younger people that are estimated to transition to the NDIS (or that have otherwise exited), as outlined in Schedule A: Participant Transition Arrangements in the Northern Territory; and
- c. where a younger person transitions during the year, part year effects are taken into account.

8. The agreed unit costs for cross-billing are outlined at Table 1:

Table 1: Agreed Cross-billing Unit Costs

Cohort	2015-16	2016-17	2017-18	2018-19
Younger People in Residential Aged Care	\$56,520	\$58,498	\$60,546	\$62,665
Younger People with Home Care Packages	\$24,424	\$25,279	\$26,164	\$27,079

9. The agreed number of people subject to Cross-billing arrangements is outlined at Tables 2 and 3:

Table 2: Cross-billing Population (at 30 June)

Cohort	2015-16	2016-17	2017-18	2018-19
Younger People in Residential Aged Care	13	9	-	-
Younger People with Home Care Packages	42	30	26	-

Table 3: Cross-billing Population (full year equivalent)

Cohort	2015-16	2016-17	2017-18	2018-19
Younger People in Residential Aged Care	13	11	0	-
Younger People with Home Care Packages	42	36	28	13

10. The agreed Northern Territory cross-billing payment to the Commonwealth for younger people in Aged Care is outlined at Table 4, and is the product of multiplying Tables 1 and 3.

Table 4: Total Northern Territory Cross-billing Contributions

Cohort	2015-16 (\$m)	2016-17 (\$m)	2017-18 (\$m)	2018-19 (\$m)
Younger People in Residential Aged Care	\$0.7	\$0.6	\$0.0	-
Younger People with Home Care Packages	\$1.0	\$0.9	\$0.7	\$0.4
Total Northern Territory Contribution	\$1.8	\$1.5	\$0.8	\$0.4

Older People in Northern Territory Specialist Disability Services

11. The Commonwealth agrees to pay the Northern Territory for the cost of delivering Specialist Disability Services to Older People (aged 65 years and over, or Indigenous Australians aged over 50), for the period 2016-17 to 2018-19, less:
- the agreed amount of funding provided to the Northern Territory through the National Disability Specific Purpose Payment for Older People in Northern Territory Specialist Disability Services; and
 - the agreed amount of funding provided to the Northern Territory through the National Partnership Agreement on Pay Equity for the Social and Community Services Sector for Older People in NSW Specialist Disability Services, subject to the extension of the current National Partnership which is due to expire on 30 June 2016.
12. The total agreed amount that the Commonwealth will pay the Northern Territory will be calculated by growing the cost for 2013-14 identified in Schedule J: Cross-billing and Budget Neutrality Arrangements in the Northern Territory: 2013-14 to 2015-16 by 3.5 per cent annum.

Table 5: Agreed Commonwealth Cross-billing Contributions to the Northern Territory

Cohort	2015-16 (\$m)	2016-17 (\$m)	2017-18 (\$m)	2018-19 (\$m)
Older People in Specialist Disability Services (Aged 65 and Over)	\$0.3	\$0.3	\$0.4	\$0.4
Older People in Specialist Disability Services (Indigenous Aged 50-64)	\$5.3	\$5.5	\$5.7	\$5.9
Total Commonwealth Contribution	\$5.7	\$5.9	\$6.1	\$6.3

13. As the Commonwealth is progressively taking administrative responsibility for Older People in Specialist Disability Services, as outlined in Schedule D: Continuity of Support Arrangements in the Northern Territory, the Northern Territory will repay the Commonwealth the costs associated with older people who transition to Commonwealth continuity of support arrangements.

14. Where an Indigenous person aged 50-64 transitions as a participant of the NDIS, the Northern Territory will transfer funding to the NDIS, as a Commonwealth contribution, as outlined in Schedule B: Financial Contributions for Transition in the Northern Territory.

Funding Arrangements

15. The funding arrangements for Cross-billing, will be consistent with the NDIS, as outlined in Schedule B: Funding Contributions for Transition in the Northern Territory, with:
- a. Northern Territory payments for Younger People in Residential Aged Care and Home Care Packages, to be provided on a monthly basis in arrears based on the actual number of people who have yet to transition to the NDIS; and
 - b. contributions from the Northern Territory capped at the total estimated value of older people in Northern Territory Specialist Disability Services and Younger People in Residential Aged Care and Home Care Packages, as at 30 June 2016, grown by 3.5 per cent per annum.
16. Parties agree that all cross-billing payments will cease on 30 June 2019.

Budget Neutral Adjustment

17. The Parties agree that during transition a Budget Neutral Adjustment is made each year to offset the additional cost to the Commonwealth of net additional financial responsibilities taken on as part of the National Health Reform Agreement (i.e. the additional cost to the Commonwealth of Home and Community Care for older people, and the cost of specialist disability services for older people, less the costs of responsibilities transferred to the Northern Territory for younger people in aged care).
18. The Parties agree that the Budget Neutral Adjustment for 2016-17 to 2018-19 is calculated by growing the Budget Neutral Adjustment for 2013-14 identified in Schedule J: Cross-billing and Budget Neutrality Arrangements in the Northern Territory: 2013-14 to 2015-16 by 3.5 per cent annum.
19. The Budget Neutral Adjustment over the period 2016-17 to 2018-19, which reflects a net contribution to the Commonwealth, is outlined in Table 6.

Table 6: Budget Neutrality Adjustment to the Commonwealth:

Amounts	2016-17 (\$m)	2017-18 (\$m)	2018-19 (\$m)
Budget Neutral Adjustment	\$3.4	\$3.5	\$3.6

20. Both parties agree that during the NDIS transition period, 1 July 2016 to 30 June 2019, the Northern Territory will provide the Budget Neutral Adjustment to the Commonwealth as an additional repayment of the National Disability Specific Purpose Payment (NDSPP) as outlined in Schedule B: Financial Contributions for Transition in the Northern Territory.

21. As the National Disability Specific Purpose Payment will have fully transitioned to the NDIS by the end of 2018–19, the Parties agree that, from 1 July 2019 the Northern Territory will increase its contribution to the National Disability Insurance Agency by \$3.8 million (indexed at 3.5 per cent per year). This will be in addition to the Northern Territory full scheme contribution of \$99 million as set out in the *Heads of Agreement between the Commonwealth and Northern Territory Governments on the National Disability Insurance Scheme*.

Schedule D

Continuity of Support Arrangements in the Northern Territory

1. This schedule is to be read in conjunction with:
 - a. Schedule A: Participant Phasing Arrangements;
 - b. Schedule B: Financial Contributions for Transition in the Northern Territory; and
 - c. Schedule C: Cross-billing and budget neutrality arrangements.
2. Both parties agree that it is important that the roll out of the National Disability Insurance Scheme (NDIS) in the Northern Territory is managed so that people are not disadvantaged during the transition to the full roll out of the NDIS.

Continuity of support: Definition and principles

3. People with disability, their families and carers will be provided with continuity of support that will ensure that the support they receive once the NDIS is introduced will enable them to achieve similar outcomes to the outcomes they were aiming to achieve prior to the introduction of the NDIS.
4. The Parties agree that continuity of support will apply for people resident in an area or part of a cohort that is transitioning to the NDIS if:
 - a. they receive support but do not meet the access requirements outlined in the National Disability Insurance Scheme Act 2013 (NDIS Act 2013), or are receiving supports that do not meet the definition of reasonable and necessary support in the NDIS Act 2013; and
 - b. the funding for this support is attributed to a programme/service, that will cease when the NDIS is introduced.
5. The assistance provided to people through continuity of support will aim to support people to live as independently as possible by working with them to reduce their need for supports or to access supports from other systems, where appropriate. Where a person's support needs are reduced through capacity building work, or are met by other service systems, the assistance through continuity of support will be phased out.
6. The Parties agree that people with significant ongoing needs will be provided with assistance to prevent hardship where this would significantly undermine the person's wellbeing, or social and economic participation.
7. The types of assistance provided through continuity of support should be flexible because the assistance that best builds the person's capacity to live independently may be different from the supports the person was previously accessing. The flexibility could, for example, include up-front investments that assist people to live more independently. If a person receiving continuity of support is under 65 years

and has had a change in their circumstances and they may meet NDIS access requirements, the person can make an access request to the NDIA to become a participant at any time.

Continuity of support: People aged 65 and over and Indigenous people aged 50 and over

8. The Parties agree that:

- a. administrative responsibility for people aged 65 and over currently receiving specialist disability services will transfer to the Commonwealth consistent with the timeframes for transition of NDIS eligible participants in the Northern Territory; and
- b. administrative responsibility for Indigenous people aged 50 and over currently receiving specialist disability services, and ineligible to participate in the NDIS, will transfer to the Commonwealth, consistent with the timeframes for transition of NDIS eligible participants in the Northern Territory.

9. The Parties agree that the Commonwealth will, in consultation with the Northern Territory, determine the administrative arrangements for providing continuity of support for people aged 65 and over (Indigenous people aged 50-64) referred to in clause 8 above by 30 June 2016. In developing these arrangements, the Commonwealth and the Northern Territory will confirm service delivery data.

10. The schedule to transfer administrative responsibility to the Commonwealth has been designed with consideration of an orderly approach in line with the transition of eligible participants from Northern Territory specialist disability services to the NDIS.

11. In the Northern Territory, it is estimated that a total of 16 people in receipt of specialist disability services will transfer to the Commonwealth.

12. The parties agree that the transfer in the Northern Territory will be implemented on the same basis as paragraphs 6 and 7 of Schedule A: Participant Transition arrangements in the Northern Territory.

13. The Parties agree that detailed planning of transfers will be developed, following the finalisation of this agreement, as part of the Operational Plan developed by the Northern Territory, the Commonwealth and the NDIA for the transition of NDIS eligible participants.

14. The estimated quarterly transfer, based on transition arrangements in paragraph 12 above is outlined at Tables 1-3:

Table 1: Estimated Transfer of Administrative Responsibility in 2016-17

	2016-17 Q1	2016-17 Q2	2016-17 Q3	2016-17 Q4
Estimated number of participants to transition to Commonwealth administration	0	0	2	0
Total cumulative transfer	0	0	2	2

Table 2: Estimated Transfer of Administrative Responsibility in 2017-18

	2017-18 Q1	2017-18 Q2	2017-18 Q3	2017-18 Q4
Estimated number of participants to transition to Commonwealth administration	5	0	0	0
Total cumulative transfer	7	7	7	7

Table 3: Estimated Transfer of Administrative Responsibility in 2018-19

	2018-19 Q1	2018-19 Q2	2018-19 Q3	2018-19 Q4
Estimated number of participants to transition to Commonwealth administration	9	0	0	0
Total cumulative transfer	16	16	16	16

15. The estimate in Tables 1-3 above is the estimated number of existing participants in Northern Territory funded services that will require continuity of support arrangements and who are aged 65 and over (Indigenous people aged 50-64). If the actual number of people who require continuity of support arrangements and who are aged 65 and over (Indigenous people aged 50-64) exceeds the estimate outlined at Table 1-3 above, the Commonwealth will provide access to existing programmes on the same basis as other people with a need for support who are aged 65 and over (indigenous people aged 50-64).
16. The estimated cost to the Commonwealth of providing continuity of support for Older People currently in Northern Territory specialist disability systems is outlined at Table 4.

Table 4: Estimated Cost – Continuity of Support for Older People

	2016-17 (\$m)	2017-18 (\$m)	2018-19 (\$m)
Estimated cost of Continuity of Support for older people in Northern Territory specialist disability services	\$0.11	\$0.59	\$0.97

17. Table 4 reflects the estimated cost continuity of support for the people identified in Tables 1-3. If the actual cost to the Commonwealth of providing continuity of support for existing participants in Northern Territory-funded services exceeds the estimate outlined at Table 4 above, the Commonwealth will provide access to existing programmes on the same basis as other people with a need for support who are aged 65 and over.

Continuity of support: People aged under 65 and Indigenous people aged under 50

18. The parties agree that:

- a. the Commonwealth will be responsible for administration arrangements for providing continuity of support to people under the age of 65, and under the age of 50 for Indigenous people, in receipt of Commonwealth administered disability programs/services; and
- b. the Northern Territory will be responsible for administration arrangements for providing continuity of support to people under the age of 65, and under the age of 50 for Indigenous people, in receipt of Northern Territory administered disability programs/services.

Intergovernmental Payments

19. Both parties agree that the intergovernmental payments currently provided by the Commonwealth to the Northern Territory will be repaid to the Commonwealth based on the actual number of existing territory specialist disability services clients who transferred to Commonwealth administrative arrangements in that year, consistent with funding arrangements outlined in Schedule B: Financial Contributions for Transition.

20. Intergovernmental payments include:

- a. the National Disability Specific Purpose Payment (NDSPP);
- b. the relevant portion of the National Partnership Agreement on Pay Equity for the Social and Community Services Sector (SACS NP); and
- c. Cross-billing arrangements for older people in specialist disability services aged over 65 and Indigenous people aged 50-64 who are ineligible for the NDIS, as set out in Schedule C: Cross Billing and Budget Neutrality Arrangements (Cross-Billing).

21. Repayment of funding under the SACS NP is subject to the extension of the current National Partnership, which is due to expire on 30 June 2016.

Funding Arrangements

22. The funding arrangements for continuity of support will be consistent with the NDIS, as outlined in Schedule B: Funding Contributions for Transition in the Northern Territory, with Northern Territory repayments for Older People in Specialist Disability Services, to be provided on a monthly basis in arrears based the actual number of people who have left Northern Territory specialist disability services.

23. The agreed funding contribution by client is outlined at Table 5 below:

Table 5: Annualised repayment Unit Costs for Continuity of Support clients

	2016-17	2017-18	2018-19
Older People in Specialist Disability Services – Other Existing	\$36,871	\$39,195	\$41,629
Older People in Specialist Disability Services – Supported Accommodation	\$189,083	\$201,002	\$213,480
Weighted Average	\$55,898	\$59,421	\$63,110

24. The estimated amount that the Northern Territory will repay the Commonwealth will be calculated by multiplying the number of older people who have left Northern Territory Specialist Disability Services by the agreed average unit cost, with the estimated repayment equal to the number of older people who are estimated to transition to continuity of support arrangements. Where a person aged 65 and over transitions during the year, part year effects are taken into account.

25. Where a person aged 65 and over leaves a Northern Territory Specialist Disability Service, and does not transfer to Commonwealth continuity of support arrangements, the Northern Territory will provide the Commonwealth with funding equal to the agreed unit cost, adjusted for part year effects.

26. The estimated repayment of Intergovernmental Payments are outlined in Table 6.

Table 6: Estimated repayment of Intergovernmental Payments

	2016-17 (\$m)	2017-18 (\$m)	2018-19 (\$m)
Repayment of Intergovernmental Payments	\$0.11	\$0.60	\$1.01

Note the estimated repayment of Intergovernmental Payments is greater than the estimated cost of providing Continuity of Support as outlined at Table 4. This is due to an interaction with the NDIS whereby people are allowed to age over 65 and remain in the scheme. The Commonwealth will redirect any extra funding as part of its overall contribution to the NDIS.

Cash and In-Kind Contributions

27. The Parties agree that the Northern Territory will not provide any in-kind services as part of the Northern Territory's repayments to the Commonwealth as part of continuity of support arrangements.

Schedule E

Sector and System Readiness in the Northern Territory

1. The Parties agree that full scheme costs for the National Disability Insurance Scheme (NDIS) must be sustainable.
2. The Parties agree that transition arrangements will be managed so that providers, the workforce, individuals, the National Disability Insurance Agency (NDIA) and existing systems are prepared to operate in the NDIS system.
3. The Parties agree to recognise and support practical steps to support sector and system readiness.
4. Parties agree to support targeted work, under the Operational Plan, to be completed in 2016, on the development of strategies to support remote market development where thin or no markets currently exist, while also supporting local Indigenous economic participation opportunities.
5. The Parties recognise and support that to be able to meet the timeframes envisaged for processing access requests and developing plans under this Agreement, the NDIA will need:
 - a. access to data from governments and providers that is in the form, and quality, required to support the transition of people in existing programmes into the NDIS;
 - i. including data from current programmes that allows the NDIA and governments to understand the characteristics of clients and the support they receive, and to remove potential double counts for transitioning clients; and
 - b. to establish mechanisms with the Northern Territory to efficiently and effectively transfer information between the NDIA, stakeholders and providers that avoid regulatory burden on providers.
6. The Parties recognise and support that to be able to operate in the market-based system envisaged for the NDIS within the timeframes outlined for transition under this Agreement, providers and participants will need to be ready to move to the NDIS system at the point of transition consistent with Schedule A: Participant Transition Arrangements in the Northern Territory:
 - a. For providers, this means they understand the costs of their business and are able to operate within a contestable environment and interact with the NDIA system; and
 - b. For participants, this means being ready to undertake goal-based planning and exercise control and choice over the supports they receive.
7. The Parties agree that existing funding and contracting arrangements and the Sector Development Fund will be used to build readiness in the following areas:
 - a. building participant capacity for choice and control;

- b. developing the capacity of providers across the Northern Territory to participate in a more contestable market with a targeted focus on remote market development and Indigenous economic participation in remote communities; and
 - c. workforce growth and development, particularly supporting the local Indigenous workforce through targeted strategies.
- 8. The Parties are committed to leveraging existing government investment in sector development activities and infrastructure and will work with the NDIA to determine how existing tools, resources and systems can be adopted or funded to support the NDIS where appropriate.
- 9. The Parties agree that they will facilitate the NDIA working with prospective participants and providers ahead of phasing in.
- 10. The Parties agree to monitor market, sector, participant, workforce and system readiness, including through:
 - a. monitoring the completeness and quality of data available to the NDIA about people in existing programmes who are due to transition into the NDIS;
 - b. the NDIA, with the support of the Northern Territory, building a picture of provider characteristics, numbers, and capacities;
 - c. developing a mechanism to determine workforce requirements based on the population to phase in against reference packages;
 - d. monitoring the capacity of providers to recruit locally; and
 - e. using Northern Territory-held information about communities and regions to assist the NDIA with service and workforce mapping.
- 11. The Parties agree that these monitoring arrangements will take account of the challenges associated with rural and remote service delivery with identified risk-based strategies to address capacity issues at the outset. These strategies may include Provider of Last Resort arrangements, as identified at Schedule K.
- 12. The Parties agree that these arrangements will be used to continually review market, sector, participant, workforce and system readiness to transition to the NDIS and that if this monitoring indicates significant concerns that put agreed transition arrangements or participants at risk, then strategies for addressing capacity issues will be implemented.
- 13. The Parties agree that participants should not be put at risk and that the agreed strategy could include changes to the phasing schedule.

Schedule F

Transition Arrangements for Quality and Safeguards in the Northern Territory

1. This schedule sets out quality and safeguards assurance arrangements during the transition to the full National Disability Insurance Scheme (NDIS) in the Northern Territory from July 2016 to July 2019.
2. All governments agree that quality and safeguards are important to effectively support the phasing of a large number of participants into the NDIS, including vulnerable and high-need cohorts and participants living in remote communities with thin or high-risk markets.

National Framework for Quality and Safeguards

3. The Parties and the National Disability Insurance Agency (NDIA) are working together on the design of a nationally consistent quality and safeguarding system to be agreed by the Disability Reform Council (the Council) in 2016.
4. The NDIS quality and safeguarding system will be consistent with the principles agreed by the Council as set out in the Consultation paper released on 17 February 2015.
5. Existing Northern Territory and Commonwealth quality and safeguarding systems, supplemented by additional resourcing and administrative arrangements as required, will apply until the new system, including agreed roles and responsibilities, is implemented.
6. This schedule will be reviewed by June 2016 to reflect the outcomes of Ministers' decisions and incorporating consequent implementation arrangements.

Transition Arrangements

7. During the transition to full scheme, the Northern Territory and the Commonwealth will continue to operate existing quality systems for providers seeking to register with the NDIA to offer supports funded by the NDIS and existing safeguarding arrangements for participants, including existing approaches to the regulation of restrictive practices.
8. The Commonwealth will provide administrative capability of \$3.8 million (referenced in Schedule B) to the Northern Territory to support implementation of transition – in particular for quality assessment and registration functions and capacity building during transition.
9. **Table 1** sets out the quality and safeguarding arrangements that will be in place in the Northern Territory during transition. This includes current responsibilities and would be amended, subject to any transitional arrangements agreed by governments as part of transition to a nationally consistent risk-based NDIS quality and safeguarding system by July 2019 (as per clause 5).

Table 1 – Quality and safeguard assurance arrangements during transition

	Applicable legislation	Quality standards	Accreditation and assurance processes	Complaints and investigation	Critical incident reporting	Regulation of the use of restrictive Practices	Supplementary administrative arrangements
NT funded programmes	Health and Community Services Complaints Act Care and Protection of Children Act Adult Guardianship Act Anti-Discrimination Act	National Standards for Disability Services	<i>See supplementary administrative arrangements</i>	Health and Community Services Complaint Commission Office of the Public Guardian Anti-Discrimination Commission	Health and Community Services Complaint Act	Disability Services Act	Quality assessment; capacity building and registration functions
Commonwealth funded programmes including employment services	Disability Services Act 1986	National Standards for Disability Services	Accreditation bodies for AEDs and Advocacy Additional Program specific accreditation for early intervention Relevant Commonwealth government departments	Commonwealth Ombudsman Aged Care Commissioner	Policy enforced by contract	N/A	

10. NDIA roles and functions, which intersect with and contribute to the quality and safeguarding functions described above include Senior Local Area Coordinators, Local Area Coordinators, Community Connectors, and package supports to include client coordination support where appropriate.

11. In regard to decisions or actions taken by the NDIA, NDIS participants will have access to Administrative Appeals Tribunal for merits review of decisions. They can also access the Commonwealth Ombudsman if they have a complaint about administration of the NDIA.

12. Parties agree to work together to manage any inconsistencies with existing Northern Territory quality and safeguard legislation for compatibility with transition arrangements.

New Providers

13. During the transition to full scheme, it is anticipated that there will be a large number of new entrants to the market as well as individuals wishing to register as providers in their own right. Northern Territory or Commonwealth quality and safeguarding arrangements will apply to these new providers.
14. The Parties will work collaboratively with the NDIA to streamline registration processes for new providers and minimise duplication and costs for both the Agency and support providers during the transition to full scheme.
15. For example, where applicants for NDIA registration have not previously been assessed or accredited to provide services for people with disability, but have received equivalent recognition of their compliance against standards in respect of a relevant human service program, for example an aged care or family and children's services, these would be taken into account to streamline assessment of suitability to provide NDIS funded supports.
16. The Parties will work together to ensure that new providers in thin markets will deliver services consistent with the agreed arrangements and that choice and control for participants is not undermined and that safeguards remain risk-based, particularly for the registration of new providers.

Monitoring and Risk Management

17. The Parties agree to monitor quality and safeguards arrangements during transition.
18. Working arrangements between the Commonwealth, the Northern Territory and the NDIA to ensure appropriate management and monitoring of quality and safeguard arrangements during transition will be set out in the Operational Plan to support the implementation of transition in the Northern Territory to be agreed following finalisation of this Agreement. Operational Plans will include specific roles and responsibilities, information exchange details and will specify the relevant NDIA processes for serious incident reporting.
19. The Parties agree to work with the NDIA, through the development of operational plans, to ensure that working arrangements are established to give effect to this schedule, in particular, in the areas of monitoring, complaints management, incident management and reporting, and provider registration.
20. If monitoring of quality and safeguard arrangements indicates that participants and agreed transition arrangements are at risk, a jointly agreed strategy for addressing issues will be developed, consistent with clauses 46-49 of this Agreement.

Schedule G

Integrated National Disability Insurance Scheme Performance Reporting Framework

Purpose

1. This Schedule sets out the mechanisms that will be used to assess the performance of the National Disability Insurance Scheme (NDIS) and specifies how that performance will be reported.
2. It incorporates relevant content contained in the Annex to the Intergovernmental Agreement on NDIS Launch on performance reporting, which is superseded for the transition to full scheme by this Schedule. This Schedule should be read in conjunction with clauses 40-44 of this Agreement and Schedule E, Sector and System Readiness.
3. The parties agree that a number of the outcome measurements are being piloted during the transition period to full scheme and will therefore be reviewed and possibly revised at the annual review of this Schedule.

Integrated NDIS Performance Reporting Framework

4. The Integrated NDIS Performance Reporting Framework is based on the accountability requirements of the governance structure for the NDIS. It will comprise the following components:

NDIS Performance

- a. Reporting requirements at this level are designed to meet the accountability requirements of the Council of Australian Governments Disability Reform Council (DRC).
- b. NDIS Performance comprises agreed outcomes, key performance indicators (KPIs) and measures designed to assess the extent to which the NDIS is achieving the outcomes intended by governments, as set out in the NDIS legislation.
- c. Because of the longer-term focus on NDIS outcomes, reports at this level will be provided annually to the DRC from the NDIA Board.

National Disability Insurance Agency (NDIA) Operational Performance

- d. Reporting at this level has two purposes. First, it satisfies the requirements specified in the legislation for the NDIA Board to report on expenditure and activities in relation to the NDIS. Second, it provides information on various aspects of NDIA operations that will contribute directly to the achievement of NDIS outcomes and KPIs. This will give DRC insight through the year on progress towards achieving the outcomes of the NDIS.
- e. Reports at this level will be provided quarterly by the NDIA Board to the DRC, and will be disaggregated to jurisdictional, as well as providing national totals.

NDIS Activity in Jurisdictions

- f. Reporting at this level is designed to provide jurisdictions with the information they require to meet their own individual accountability requirements, especially in the budgetary reporting context.
- g. This information will be provided monthly by the NDIA to nominated officials in each jurisdiction.
- h. This information will be provided in datasets accessed through the data warehouse, rather than in written reports. This will include de-identified participant data at the level of client unit record and aggregate level for all services provided in the trial area, if so specified by individual jurisdictions.

Data Sources

- 5. All data for these reports will be sourced from the NDIA's IT systems. In the longer term data may also be sourced from the Commonwealth Department of Human Services and linked to the NDIA's data in order to measure increases in social and economic participation for people with a disability and for people caring for people with a disability.

Annual Review

- 6. This Schedule will be reviewed annually through the transition period, and amended as agreed.

Level A – Annual NDIS Performance

- 7. Outcomes, KPIs and performance measures for the NDIS (Level A) are set out in Table 1 below. Data for this level of reporting will be generated from the NDIA's IT systems, and written reports will be provided annually by the NDIA Board to the DRC.

Table 1: NDIS Outcomes, KPIs and Performance Measures

Outcome	KPIs	Performance Measures
1. People with disability lead lives of their choice	3.1 People with disability achieve their goals for independence, social and economic participation	1.1.1 Proportion of participants, and their families and carers, who report improved economic and social outcomes (as measured by the NDIA outcomes framework) 1.1.2 Proportion of participants who attain the goals outlined in their plans (as measured by the NDIA's Goal Attainment Scale) 1.1.3 Participant satisfaction
	3.2 Increased mix of support options and innovative approaches to provision of support in response to assessed need	1.2.1 Mix and number of provider services 1.2.2 Proportion of participants with capacity building supports
	3.3 People with disability are able and are supported to exercise choice	1.3.1 Proportion of participants, and their families and carers, who report being able to exercise choice (as measured by the NDIA outcomes framework)
2. NDIS is a financially sustainable, insurance-based NDIS	2.1 Effective estimation and management of short-term and long-term costs	2.1.1 Comparison of actual expenditure against projected expenditure 2.1.2 Changes in medium and long-term expenditure projections 2.1.3 Projected expenditure matches projected revenue over the medium-term and long-term 2.1.4 NDIANDIA operating expenses ratio 2.1.5 Reduction of long-term cost trends against population, price and wages growth 2.1.6 Estimated future lifetime costs of support for current clients (NPV) - Including disaggregation for new and existing clients by client group
	2.2 Benefits are realised from targeted investment strategies in enhanced disability support	2.2.1 Effectiveness of early intervention in reducing estimated lifetime costs of support measured: - in the short-term thorough case studies which include targeted investment; - in the long-term through estimated returns from this investment
3. Greater community inclusion of people with disability	3.1 People with disability are able to access support from mainstream services	3.1.1 Referrals to mainstream services (participants and non-participants through Information, Linkages and Capacity Building (ILC)) 3.1.2 Proportion of participants accessing mainstream services
	3.2 Community awareness of people with disability	3.2.1 Activities undertaken by the NDIA to Increase community awareness of the issues that affect people with disability.
	3.3 Effectiveness of Local Area Coordination (LAC) and other funded community capacity building	3.3.1 Number of people supported through ILC

Level B – Quarterly NDIA Performance Reporting

8. The NDIA Board will report quarterly to DRC on aspects of operational performance that contribute directly to the achievement of outcomes for the NDIS. These requirements, and their relationship to the overarching NDIS outcomes and KPIs, are set out in Table 2 below. Also set out in Table 2 below are the requirements for quarterly reporting from the NDIA Board to the DRC under the legislation. This information will be provided at the national level, and also disaggregated to the level of individual host jurisdictions.
9. Participant outcomes will be measured using a draft outcomes framework, which is currently being piloted in the NDIS trial sites by the NDIA. Trends in indicators will be monitored, as well as comparisons between Australians without disability and people with a disability in other OECD countries. In addition to the outcomes framework, individual participant goal attainment as outlined in participant plans will be measured using the Goal Attainment Scale (GAS).

Table 2: Quarterly Reporting from the NDIA Board to DRC

Outcome	Measures	Indicators
1. People with disability lead lives of their choice	1.1 Outcomes for participants and their families	1.1.1 Proportion of participants, and their families and carers who report improved economic and social outcomes (as measured by the NDIA outcomes framework)
		1.1.2 Proportion of participants who attain the goals outlined in their plans (as measured by the NDIA's Goal Attainment Scale)
		1.1.3 Participant satisfaction
	1.2 Provision of support in response to assessed need	1.2.1 Number of registered service providers by characteristics and market profile 1.2.2 Access request to receiving support within different timeframes
2. NDIS is a financially sustainable, insurance-based NDIS	2.1 Participant characteristics and their families	2.1.1 Access requests made by outcome
		2.1.2 Eligible participants against bilateral targets, including key characteristics
		2.1.3 Participants with approved plans against bilateral targets
		2.1.4 Trends in plan approvals
		2.1.5 Access request to plan approval within different timeframes
		2.1.6 Ineligible participant numbers and key characteristics
	2.2 Support packages	2.2.1 Committed support
		2.2.2 Actual payments
		2.2.3 Average and median package costs by sub-groups of the population and for all participants compared with the expected averages and medians, including trends
		2.2.4 Details of participants with second plans, including length and value of supports
		2.2.5 Distribution of package costs
	2.3 Projections	2.3.1 Cost of the NDIS in dollar terms and as a percentage of GDP (split by participants aged under 65 and over 65). This measure will include NDIA operating costs
3. Greater community inclusion of people with disability	3.1 Mainstream services	3.1.1 Number of participants accessing mainstream services by service type
	3.2 LAC	3.2.1 Number of participants and other people with a disability supported by LACs by participant characteristics
		3.2.2 Descriptions of activities undertaken on ILC including dollars spent by regions and activities
	3.3 ILC	3.3.1 Number of participants and other people with a disability supported by ILC activities by participant characteristics
		3.3.2 Descriptions of activities undertaken on ILC including dollars spent by regions and activities

Level C – NDIS Activity in Jurisdictions

10. The NDIA will provide certain financial and NDIS activity information to the Commonwealth Minister and each host jurisdiction's Minister, as provided for in section.175 of the *National Disability Insurance Scheme Act 2013*. This information will be provided on a monthly basis (including year to date totals), in datasets accessed through the data warehouse. It will not be provided through written separate reports.

Release of Information

11. Release of information provided under this Schedule will be consistent with the information protocols to be developed between the Parties and the NDIA by June 2016.

Relationship to NDIS Evaluation Strategy

12. Reporting under the Integrated NDIS Performance Reporting Framework will complement the NDIS Evaluation. The evaluation will provide a series of point-in-time snapshots, largely focussing on outcomes for individuals, carers and families. By contrast, information under the Performance Reporting Framework will be provided on a regular schedule (monthly, quarterly or annually) and will provide insights into the operation of the NDIS and the way it is being administered by the NDIA. It will include information on NDIS participants, but also on providers of supports and fiscal sustainability.

Schedule H

Workforce

1. The Parties agree to give effect to clause 37 of the *Heads of Agreement between the Commonwealth and the Northern Territory Governments on the National Disability Insurance Scheme*, being that the first offer of employment for the National Disability Insurance Agency (NDIA) should be to appropriately skilled existing Northern Territory Government disability staff.
2. The Parties agree that the appointment of an appropriately skilled workforce to the NDIA within the required timeframes is essential to the ongoing success of the National Disability Insurance Scheme (NDIS).
3. For the purposes of this Schedule H, the term "disability staff" means all Northern Territory Government Department of Health staff materially affected by the national roll-out of the NDIS, regardless of whether the roles are directly involved in the delivery of services to clients.
4. The Parties recognise and value the skills of Northern Territory Government disability staff and that these skills will be a valuable contribution to the successful implementation of the NDIS.
5. The Parties are committed to working together to place Northern Territory Government disability staff, in accordance with this Schedule, into ongoing roles within the NDIA.
6. The objectives of this Schedule H ensure:
 - a. the workforce requirements of the NDIA are able to be fulfilled within the required timeframes;
 - b. the Northern Territory Government and Northern Territory Government disability staff have an understanding of the NDIA's workforce requirements;
 - c. the Northern Territory Government is able to manage the availability of staff to deliver the Northern Territory's existing disability support related services to existing clients during the transition period; and
 - d. Northern Territory Government disability staff have information on the overall recruitment approach of the NDIA and the employment arrangements prior to commencement with the NDIA.

Nature of Employment

7. The Commonwealth, NDIA and the Northern Territory Government are committed to do everything practicable to attract and employ suitably skilled staff to ongoing roles within the NDIA.
8. Staff selected for ongoing employment in the NDIA will be engaged under Section 72 of the *Public Service Act 1999* (Cth). As such, this agreement only applies to movement of Northern Territory Government disability staff to employment covered by that Act.
9. The Australian Public Service Commission (APSC) work level standards will be used to identify the NDIA's classification level that most closely equates to the substantive level of work the individual Northern Territory Government disability staff member is undertaking in their state government employment, at the time of movement.

10. Following a confined merit based selection process, suitable selected staff will be offered employment at this level, where a vacancy exists. However, where no vacancies exist at that level, Northern Territory Government disability staff may choose to be considered for employment in the NDIA below that level.
11. The transfer of business provisions under section 311 of the *Fair Work Act 2009 (Cth)* will apply to Northern Territory Government disability staff transferring to the NDIA.

Recruitment process

12. The Parties have agreed to a confined merit based selection process to fill roles within the NDIA targeting Northern Territory Government disability staff. This is consistent with provisions under Clause 37 of the *Heads of Agreement between the Commonwealth and Northern Territory Governments on the NDIS* where the recruitment process for NDIA roles will be initially confined to appropriately skilled Northern Territory disability staff who will receive the first offer of employment. The Parties agree that the NDIA's selection process in relation to Northern Territory Government staff will precede any normal recruitment processes run by the NDIA.
13. The NDIA will ensure that the process for identifying eligible staff to fill roles in the NDIA is consistent with the principles for merit selection set out in the *Public Service Act 1999* and is open and transparent, and that staff can demonstrate that they have the appropriate skills, experience and qualifications for the roles. All assessment processes for Northern Territory Government staff must be based on the specific skills and qualifications required for the specified role.
14. All offers of employment from the NDIA to Northern Territory Government staff must be consistent with the *Public Service Act 1999* and merit based selection processes.
15. Persons with disability will be encouraged and supported to participate in this process.
16. The three-step process for the transition of Northern Territory Government disability staff to the NDIA to support the national roll-out of the NDIS, will accord with APS recruitment policies and processes, and is as follows:

STEP 1 – Planning

- a. The NDIA will identify the jobs to be performed, skills, experience and qualifications required, Australian Public Service (APS) classification structure, ongoing/non-ongoing requirements, locations for servicing participants, and the number of staff required which will also inform the funding provisions on movement to the NDIA.
- b. The NDIA will work with the Northern Territory Government to conduct role evaluations against APS work level standards to identify appropriate matching of APS/Northern Territory Government classification levels.

STEP 2 – Selection

- a. The NDIA will provide a Fact Sheet as part of the selection process to outline the nature of employment on offer and that the NDIA will conduct a confined merit selection process to employ Northern Territory Government disability services staff that are suitable for the NDIA's role requirements.

- c. The NDIA will provide the Northern Territory Government with a detailed list of roles subject to the confined merit selection process, including location, classification, full-time equivalent allocation and position descriptions. This information will be circulated to disability services staff of the Northern Territory Government.
- d. Expressions of interest will be provided to the NDIA directly by staff.
- e. The NDIA will establish a recruitment panel to assess applications and conduct a merit based selection process that will consider an employee's skills and qualification for a role.
- f. The recruitment panel will include a representative from the Northern Territory.
- g. The recruitment panel will make recommendations for employment consistent with the merit-based recruitment practices in the Commonwealth.
- h. The NDIA will confirm with the Northern Territory Government the names of staff who are successful in the selection process.
- i. The NDIA will undertake the applicable pre-employment checks.

STEP 3 - Appointment of Selected Staff

- a. The NDIA will finalise the listing of selected staff and communication will be sent to the Northern Territory Government advising it of those staff who have received offers of employment and accepted those offers. Date of engagement will be agreed between the Parties.
- b. The NDIA will provide a final listing of names, classifications, roles and salaries of selected staff to the APSC to formalise the transfer under section 72 of the *Public Service Act 1999*.
- c. The Commissioner will consider the request and sign a determination to engage selected staff as NDIA (Commonwealth) employees.

Security clearance

- 17. Police checks of selected staff will be undertaken prior to an offer being made.
- 18. Selected staff placed in roles within the NDIA that require access to protected information will be subject to the required level of security vetting consistent with APS guidelines.

Transition process

- 19. An agreed schedule to transition suitably skilled Northern Territory Government disability staff to the NDIA to support the national roll-out of the NDIS will be developed with the aim of minimising any disruption to ongoing service delivery of the Northern Territory Government.

Continuity of Service

- 20. For all staff who are engaged under Section 72 of the *Public Service Act 1999* continuity of service and recognition of prior service will be recognised for annual leave, long service leave, personal leave, redundancy pay, and parental leave entitlements.

Probation

21. Selected staff will not be required to serve a probationary period of employment on commencement with the NDIA.

Terms of Employment

22. Selected Northern Territory Government disability services staff who are classified as *transferring employees* under the *transfer of business* provisions under Section 311 of the *Fair Work Act 2009* (Cth), will have their terms and conditions of employment transferred in accordance with the transfer of business provisions of that Act. This means the *NTPS 2013-2017 Enterprise Agreement [AE405518]* will transfer with staff until the agreement expires and is replaced by an alternative agreement.
23. Selected Northern Territory Government disability services staff who are not classified as *transferring employees* under the transfer of business provisions under Section 311 of the *Fair Work Act 2009* (Cth), will be employed under the FaHCSIA Enterprise Agreement, or other instrument in place at the time of transition, as it has effect under Schedule 1 of the *National Disability Insurance Scheme Act 2013*.

Leave Entitlements

24. For employees who are classified as *transferring employees* under the *transfer of business* provisions under Section 311 of the *Fair Work Act 2009* leave entitlements will be recognised consistent with the provisions of the *Fair Work Act 2009*.
25. For employees who are not classified as *transferring employees*, leave entitlements will be as per the FaHCSIA Enterprise Agreement, or other instrument in place at the time of transition, as it has effect under Schedule 1 to the *National Disability Insurance Scheme Act 2013*.
26. The Northern Territory Government agrees to provide funding for the entitlements recognised for annual and long service leave for Northern Territory Government disability staff who are successful in the selection process, with a probability factor for long service leave provision to be agreed between the Northern Territory and the NDIA.
27. Northern Territory funding will be provided at the level of existing Northern Territory agreements.

Annual Leave

28. Selected staff may elect to have their existing annual leave entitlement paid out by the Northern Territory Government or have their existing accrual transferred to the NDIA.

Long Service Leave

29. Selected staff may elect to have their existing long service leave entitlement paid out by the Northern Territory Government on departure, or have their Northern Territory Government service recognised for the purposes of long service leave entitlements in the NDIA.
30. Selected staff without sufficient service with the Northern Territory Government to have a current entitlement to long service leave will have their period of service with the Northern Territory Government recognised for the purposes of long service leave entitlements for the NDIA.

Personal Leave

31. Selected staff will be attributed an entitlement based on their recognised period of service.

Superannuation

32. The NDIA will make compulsory employer contributions as required by the applicable legislation and fund requirements.
33. The current default superannuation fund in the NDIA is the Public Sector Superannuation Accumulation Plan (PSSap). The NDIA will provide employer superannuation to members of the PSSap at the rate applying in the PSSap Trust Deed, which is currently 15.4% of an employee's fortnightly contribution salary.
34. Both parties support Northern Territory Government staff who are currently members of the Northern Territory Government Public Authorities' Superannuation Scheme (NTGPASS), and the Northern Territory Supplementary Superannuation Scheme (NTSSS) applying to maintain membership of these funds, subject to Northern Territory Government approval. Contribution to defined benefits superannuation schemes will be at the rate determined by relevant Northern Territory legislation.
35. Any additional superannuation options will be dependent on the rules of the employee's current scheme and any other legislative or fund requirements.

Communications

36. The Parties agree to a collaborative and cooperative approach between the NDIA and Northern Territory Government departments consistent with the aims of this Agreement.
37. The NDIA will regularly consult with local Northern Territory Government state managers on recruitment activities and opportunities throughout the transition period with the objective of allowing Northern Territory Government disability services non senior executive employee opportunities for ongoing NDIA roles ahead of external recruitment processes.

Union rights and responsibility in the workplace

38. Union rights and responsibilities in the workplace (including right of entry provisions and consultation on change) are recognised through the provisions of the *Fair Work Act 2009* (Cth).

Schedule I

Arrangements for the interface between the NDIS and mainstream services in transition

1. This schedule sets out the arrangements between the National Disability Insurance Scheme (NDIS) and other service systems during the transition to the full NDIS in the Northern Territory.
2. The Parties agree that the effective interfaces between the NDIS and other service systems (mainstream systems) are critical to ensure that participants in the scheme achieve positive outcomes, and cost-shifting, duplication, creating service gaps and/or using established mainstream systems as default providers in thin markets is avoided.
3. In April 2013, the Council of Australian Governments (COAG) agreed the interactions between the NDIS and mainstream services would be guided by a set of Principles to determine the responsibilities of the NDIS and other service systems.
4. All governments agree the funding and delivery responsibilities of the NDIS and mainstream services will continue to be guided by the Principles set out in Table 1 below.

Table 1: Principles to Determine the Responsibilities of the NDIS and Other Service Systems

1. People with disability have the same right of access to services as all Australians, consistent with the goals of the National Disability Strategy which aims to maximise the potential and participation of people with disability.
2. The NDIS will fund personalised supports related to people's disability support needs, unless those supports are part of another service system's universal service obligation (for example, meeting the health, education, housing, or safety needs of all Australians) or covered by reasonable adjustment (as required under the Commonwealth Disability Discrimination Act or similar legislation in jurisdictions).
3. Clear funding and delivery responsibilities should provide for the transparency and integrity of government appropriations consistent with their agreed policy goals.
4. There should be a nationally consistent approach to the supports funded by the NDIS and the basis on which the NDIS engages with other systems, noting that because there will be variation in non-NDIS supports funded within jurisdictions there will need to be flexibility and innovation in the way the NDIS funds and/or delivers these activities.
5. In determining the approach to the supports funded by the NDIS and other service systems governments will have regard to efficiency, the existing statutory responsibilities and policy objectives of other service systems and operational implications.
6. The interactions of people with disability with the NDIS and other service systems should be as seamless as possible, where integrated planning and coordinated supports, referrals and transitions are promoted, supported by a no wrong door approach.

5. **Attachment A** details the applied principles that assist to further define the funding responsibilities of the following eleven service systems:
1. Health;
 2. Mental Health;
 3. Early Childhood Development;
 4. Child Protection and Family Support;
 5. School Education;
 6. Higher education and Vocational Education and Training;
 7. Employment;
 8. Housing and Community Infrastructure;
 9. Transport;
 10. Justice; and
 11. Aged Care.

Review

6. The General Principles, Applied Principles and Tables of Support previously agreed by COAG in April 2013 have been reviewed. Following endorsement by COAG in December 2015, an updated version published on the COAG website assists to further define the responsibilities of the NDIS and other systems during transition to the NDIS.
7. The Operational Plan will further consider the implementation of the intersections between the principles, noting that further policy to align with these principles is being considered nationally.

Escalation

8. The 2015 review of the Applied Principles and Tables of Supports identified that escalation procedures are required to address areas where operationalisation of the Applied Principles and Tables of Supports results in unintended consequences.
9. The escalation clauses in this Agreement (clauses 56-58) will be used to address these areas.
10. The Disability Reform Council, or equivalent, will continue to review the operation of the Applied Principles and Tables of Supports and provide advice to COAG, as needed.

PRINCIPLES TO DETERMINE THE RESPONSIBILITIES OF THE NDIS AND OTHER SERVICE SYSTEMS

All governments have agreed that our vision is for an inclusive Australian society that enables people with disability to fulfil their potential as equal citizens. To achieve this vision, all Australian governments, non-government organisations, business and the wider community have a role to play. The interactions of the NDIS with other service systems will reinforce the obligations of other service delivery systems to improve the lives of people with disability, in line with the National Disability Strategy.

Governments agree that the principles outlined in this document will be used to determine the funding and delivery responsibilities of the NDIS in achieving this vision. The NDIS launch sites provide governments with an opportunity to review interactions between the NDIS and other service systems and consider any lessons arising out of launch.

These applied principles, and arrangements needed to operationalise them, have been reviewed through the process set out in Part 8 of the Intergovernmental Agreement for the NDIS Launch. Based on this review and on the lessons from trial, the Disability Reform Council may provide advice to COAG on amendments to the Applied Principles and ‘tables of supports’. The Agency Board may also report to the Disability Reform Council and COAG on the operation and effectiveness of the interface with other service systems.

1. People with disability have the same right of access to services as all Australians, consistent with the goals of the National Disability Strategy which aims to maximise the potential and participation of people with disability.
2. The NDIS will fund personalised supports related to people’s disability support needs, unless those supports are part of another service system’s universal service obligation (for example, meeting the health, education, housing, or safety needs of all Australians) or covered by reasonable adjustment (as required under the Commonwealth Disability Discrimination Act or similar legislation in jurisdictions).
3. Clear funding and delivery responsibilities should provide for the transparency and integrity of government appropriations consistent with their agreed policy goals.
4. There should be a nationally consistent approach to the supports funded by the NDIS and the basis on which the NDIS engages with other systems, noting that because there will be variation in non-NDIS supports funded within jurisdictions there will need to be flexibility and innovation in the way the NDIS funds and/or delivers these activities.
5. In determining the approach to the supports funded by the NDIS and other service systems governments will have regard to efficiency, the existing statutory responsibilities and policy objectives of other service systems and operational implications.
6. The interactions of people with disability with the NDIS and other service systems should be as seamless as possible, where integrated planning and coordinated supports, referrals and transitions are promoted, supported by a no wrong door approach.

Applied principles and tables of services

In addition to the six general principles, applied principles have been developed in a range of other service systems to assist governments to further define the funding responsibilities during the launch of the NDIS. There is also a table of specific activities funded by the NDIS and by other systems for each of these other service systems. The purpose of this document is to define the activities funded by the NDIS and other systems and it does not intend to place additional obligations on other systems. Responsibility for the identified activities will be reviewed based on the NDIS launch experience.

Applied principles and more detailed tables of funding responsibilities have been developed for:

1. Health
2. Mental health
3. Early childhood development
4. Child protection and family support
5. School education
6. Higher education and Vocational Education and Training (VET)

7. Employment
8. Housing and community infrastructure
9. Transport
10. Justice
11. Aged care

1. HEALTH

APPLIED PRINCIPLES — HEALTH

1. Commonwealth and State and Territory health systems have a commitment to improve health outcomes for all Australians by providing access to quality health services based on their needs consistent with the requirements of the National Healthcare Agreement and other national agreements and in line with reasonable adjustment requirements (as required under the Commonwealth Disability Discrimination Act or similar legislation in jurisdictions).
2. The above health system will remain responsible for the diagnosis, early intervention and treatment of health conditions, including ongoing or chronic health conditions. This may involve general practitioner services, medical specialist services, dental care, nursing, allied health services, preventive health care, care in public and private hospitals, and pharmaceuticals (available through the PBS).
3. Health systems are responsible for funding time limited, recovery-oriented services and therapies (rehabilitation) aimed primarily at restoring the person's health and improving the person's functioning after a recent medical or surgical treatment intervention. This includes where treatment and rehabilitation is required episodically.
4. The NDIS will be responsible for supports required due to the impact of a person's impairment/s on their functional capacity and their ability to undertake activities of daily living. This includes "maintenance" supports delivered or supervised by clinically trained or qualified health professionals (where the person has reached a point of stability in regard to functional capacity, prior to hospital discharge (or equivalent for other healthcare settings) and integrally linked to the care and support a person requires to live in the community and participate in education and employment.
5. The NDIS and the health system will work together at the local level to plan and coordinate streamlined care for individuals requiring both health and disability services recognising that both inputs may be required at the same time or that there is a need to ensure a smooth transition from one to the other.

Note: In applying these principles, consideration will be given to alignment with services funded under the National Health Reform Agreement, with a view to avoiding overlap or gaps.

INDICATIVE ROLE OF THE NDIS AND OTHER PARTIES — HEALTH

REASONABLE AND NECESSARY NDIS SUPPORTS FOR ELIGIBLE PEOPLE	OTHER PARTIES
<ul style="list-style-type: none"> – Elements of community re-integration which enable the person to live in the community such as assistance with activities of daily living and home modifications. – Active involvement in planning and transition support, on the basis of the person having reached a point of stability in regard to functional capacity, prior to hospital discharge (or equivalent for other healthcare settings) wherever there is a need for ongoing maintenance support. – Prosthetics, orthoses and specialist hearing and vision supports (excluding surgical services) where these supports directly relate to a person's permanent impairment. – Allied health and other therapy directly related to maintaining or managing a person's functional capacity including occupational therapy, speech pathology, physiotherapy, podiatry, and specialist behaviour interventions. This includes long term therapy/support directly related to the impact of a person's impairment/s on their functional capacity required to achieve incremental gains or to prevent functional decline. Also includes allied health therapies through early intervention for children aimed at enhancing functioning. – The delivery of nursing or delegated care by clinically trained staff (directly or through supervision), where the care is required due to the impact of a person's impairment/s on their functional capacity and integral to a person's ongoing care and support to live in the community and participate in education and employment (including, but not limited to, PEG feeding, catheter care, skin integrity checks or tracheostomy care (including suctioning). – The delivery of routine personal care required due to the impact of a person's impairment/s on their functional capacity to enable activities of daily living (e.g. routine bowel care and oral suctioning) including development of skills to support self-care, where possible. – Any funding in a person's package would continue for supports for people with 	<ul style="list-style-type: none"> – [Jointly with NDIS] Provision of specialist allied health, rehabilitation and other therapy, to facilitate enhanced functioning and community re-integration of people with recently acquired severe conditions such as newly acquired spinal cord and severe acquired brain injury. – Acute and emergency services delivered through Local Hospital Networks including, but not limited to, medical and pharmaceutical products (available through PBS), medical transport, allied health and nursing services (where related to treatment of a health event), dental services and medical services covered under the Medicare Benefits Schedule, or otherwise government funded (including surgical procedures related to aids and equipment). – Sub-acute services (palliative care, geriatric evaluation and management and psychogeriatric care) including in-patient and out-patient services delivered in the person's home or clinical settings. – Rehabilitative health services where the purpose is to restore or increase functioning through time limited, recovery oriented episodes of care, evidence based supports and interim prosthetics, following either medical treatment or the acquisition of a disability (excluding early interventions). When a participant is receiving time limited rehabilitation services through the health system, the NDIS will continue to fund any ongoing 'maintenance' allied health or other therapies the person requires and that are unrelated to the health system's program of rehabilitation. – Preliminary assessment and disability diagnosis as required for the determination of an individual's eligibility for the NDIS (e.g. developmental delay). – General hearing and vision services unrelated to the impact of a person's impairment on their functional capacity as determined in the NDIS eligibility criteria (e.g. prescription glasses).

<p>complex communication needs or challenging behaviours while accessing health services, including hospitals and in-patient facilities.</p> <ul style="list-style-type: none"> – Training of NDIS funded workers by nurses, allied health or other relevant health professionals to address the impact of a person's impairment/s on their functional capacity and retraining as the participant's needs change. – Aids and equipment to enhance increased or independent functioning in the home and community. – In relation to palliative care, functional supports as part of an NDIS participant's plan may continue to be provided at the same time as palliative care services, recognising that supports may need to be adjusted in scope or frequency as a result of the need to align with the core palliative care being delivered through sub-acute health services. – Funding further assessment by health professionals for support planning and review as required. – The coordination of NDIS supports with supports offered by the health system and other relevant service systems. 	<ul style="list-style-type: none"> – Inclusion of people with disability in preventative health and primary health care delivered through General Practice and community health services, including dental and medical services covered under the Medicare Benefits Schedule. – Intensive case coordination operated by the health system where a significant component of case coordination is related to the health support.
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2. MENTAL HEALTH

The designation of mental health system responsibility here refers chiefly to public funding through the state and territory public mental health system and/or private mental health services receiving Commonwealth funding through the Medicare Benefits Schedule, together with non-government organisations in receipt of state, territory or Commonwealth funding where these continue to undertake roles outside the NDIS.

APPLIED PRINCIPLES — MENTAL HEALTH

1. The health system will be responsible for:
 - a. Treatment of mental illness, including acute inpatient, ambulatory, rehabilitation/recovery and early intervention, including clinical support for child and adolescent developmental needs;
 - b. residential care where the primary purpose is for time limited follow-up linked to treatment or diversion from acute hospital treatment; and
 - c. the operation of mental health facilities.
2. Where a person has a co-morbidity with a psychiatric condition:
 - a. The health or mental health system will be responsible for supports relating to a co-morbidity with a psychiatric condition where such supports, in their own right, are the responsibility of that system (e.g. treatment for a drug or alcohol issue).
 - b. The NDIS will be responsible for additional ongoing functional supports associated with the co-morbidity to the extent that the co-morbidity impacts on the participant's overall functional capacity. This applies equally where the impairment is attributable to a psychiatric condition and/or is the co-morbidity to another impairment.
3. The NDIS will be responsible for ongoing psychosocial recovery supports that focus on a person's functional ability, including those that enable people with mental illness or a psychiatric condition to undertake activities of daily living and participate in the community and in social and economic life. This may also include provision of family and carer supports to support them in their carer role, and family therapy, as they may facilitate the person's ability to participate in the community and in social and economic life.
4. The NDIS and the mental health system will work closely together at the local level to plan and coordinate streamlined care for individuals requiring both mental health and disability services recognising that both inputs may be required at the same time or that there is a need to ensure a smooth transition from one to the other.

Note: In applying these principles, consideration will be given to alignment with services funded under the National Health Reform Agreement, with a view to avoiding overlap or gaps. Investments in psychosocial early intervention supports for people with early onset psychosis may improve whole-of-life outcomes for individuals, consistent with the insurance principles of the NDIS. Governments will continue to focus on and consider this issue in the implementation of the NDIS and other government programs.

INDICATIVE ROLE OF THE NDIS AND OTHER PARTIES — MENTAL HEALTH

<i>NDIS REASONABLE AND NECESSARY SUPPORTS FOR ELIGIBLE PEOPLE</i>	<i>OTHER PARTIES</i>
<ul style="list-style-type: none"> – Support for community reintegration and day to day living including development of skills, assistance with planning, decision-making, personal hygiene, household tasks, social relationships, financial management, transport, support for accommodation access**, and community connections provided other than where provided as an integral part of an established treatment program. – Allied health and other therapy directly related to managing and/or reducing the impact on a person's functional capacity of impairment/s attributable to a psychiatric condition, including social and communication skills development, routine symptom and medication management, and behavioural and cognitive interventions. – Capacity building support to help the person access and maintain participation in mainstream community, including recreation, education, training and employment, housing, and primary health care. – Community supports aimed at increasing a person's ability to live independently in the community or to participate in social and economic activities, including in-home and centre-based care, recreational activities, day centre services and holiday care, community access (including life skills and social skills day programs). – The coordination of NDIS supports with the supports offered by the mental health system and other relevant service systems. 	<ul style="list-style-type: none"> – Services and therapies in which the primary function is to provide treatment* of mental illness targeted towards people affected by mental illness or a psychiatric condition, including acute and non- acute residential services, mental health crisis assessment services, hospital avoidance services and post-acute care services. – Early intervention designed to impact on the progression of a mental illness or psychiatric condition, especially where delivered by health services (notwithstanding the note above). – Intensive case coordination operated by the mental health system where a significant component of case coordination is related to the mental illness.

[Treatment is defined here as activities associated with stabilisation and management of mental illness (including crisis, symptom and medication management) and establishment of pathways for longer term recovery.]*

*** Supports to assist a person to obtain and maintain accommodation and/or tenancies where these support needs are required due to the impact of the person's impairment on their functional capacity.]*

3. CHILD PROTECTION AND FAMILY SUPPORT

APPLIED PRINCIPLES — CHILD PROTECTION AND FAMILY SUPPORT

1. In recognising the statutory role of the child protection system and in line with the National Framework for Protecting Australia's Children 2009-2020:
 - a. other parties will be responsible for promoting the safety of children from abuse and neglect, including public education on child safety, and management of the statutory child protection system including reports of child protection.
 - b. the NDIS will ensure its rules and processes are consistent with jurisdictional child protection legislation, including reporting requirements.
2. The child protection, community services, family support, education and/or health sectors will continue to be responsible for universal parenting programs, counselling and other supports for families that are provided both to the broad community and families at risk of child protection involvement, or families experiencing or at risk of experiencing family violence, including making these services accessible and appropriate for families with disability.
3. Relevant state and territory authorities will be responsible for meeting the needs of children with disability in out-of-home care and support to carers of children in out-of-home care, including making reasonable adjustments to meet the needs of children with disabilities.
4. The NDIS will fund supports required due to the impact of the child's impairment/s on their functional capacity where a child with disability is in out-of-home care and has support needs that are above the needs of children of a similar age. The diversity of out-of-home care arrangements is recognised and the level of 'reasonable and necessary' supports will reflect the circumstances of the individual child. The standard supports provided by the child protection system to carers relevant to their out-of-home care arrangement will continue.
5. The NDIS will be responsible for support for children, families and carers required as a direct result of the child's or parent's disability, including supports that enable families and carers to sustainably maintain their caring role, including community participation, therapeutic and behavioural supports, additional respite, aids and equipment and supports to help build capacity to navigate mainstream services.
6. The NDIS and the systems providing child protection and family support will work closely together at the local level to plan and coordinate streamlined services for individuals requiring both child protection and/or family support and disability services recognising that both inputs may be required at the same time or that there is a need to ensure a smooth transition from one to the other.

INDICATIVE ROLE OF THE NDIS AND OTHER PARTIES — CHILD PROTECTION AND FAMILY SUPPORT

REASONABLE AND NECESSARY NDIS SUPPORTS FOR ELIGIBLE PEOPLE	OTHER PARTIES
<ul style="list-style-type: none"> – Funding disability-specific family supports, which are required due to the impact of the person’s impairment/s on their functional capacity, including for parents with disability. – Disability-specific and carer parenting training programs both for when the child has a disability or the parent has a disability. – Funding the reasonable and necessary disability support needs of children with disability in out-of-home care where these supports are required due to the impact of the child’s impairments on their functional capacity, and are additional to the needs of children of similar ages, including: <ul style="list-style-type: none"> • skills and capacity building for children with disability; • supports to enable sustainable caring arrangements (such as additional respite and outside school hours care); • home modifications (consistent with other applied principles); • therapeutic and behaviour support; and • equipment and transport needs (consistent with other applied principles). – The coordination of NDIS supports with the systems providing child protection and family supports and other relevant service systems. This includes services which aim to support people experiencing or exiting family violence. 	<ul style="list-style-type: none"> – Accepting, assessing and responding to reports on child protection issues. – Community awareness of children’s safety and wellbeing. – Responsibility to place children in out-of-home care arrangements* as well as arranging and providing the standard supports to sustain those out-of-home care arrangements. – Child protection statutory requirements. – Family support, including general supports for families where a parent has a disability. – Accommodation needs of children in out-of-home care, including the purchase and maintenance of any capital assets such as housing, care allowances and payments. – Universal parenting programs. – Intensive case coordination operated by the systems providing child protection and family supports where a significant component of the case coordination is related to child protection and family support. This includes coordination of services where a significant component of the case coordination is related to issues associated with family violence.

[*NOTE: Out-of-home care includes statutory and voluntary care as defined by legislation or policy within the jurisdiction including from child protection involvement or other state or territory authorities.]

4. EARLY CHILDHOOD DEVELOPMENT

APPLIED PRINCIPLES — EARLY CHILDHOOD DEVELOPMENT

1. The early childhood education and care sector will continue to be responsible for meeting the education and care needs of children with a development delay or disability, including through:
 - a. reasonable adjustment;
 - b. inclusion supports that enable children to participate in early childhood education and care settings; and
 - c. building the capacity of early childhood education and care services to provide inclusive education and care to all children, including those with high needs subject to reasonable adjustment.
2. The health system, including child and maternal health services, will be responsible for supports which are treatment related including acute, ambulatory, continuing care and new-born follow-up.
3. The NDIS will be responsible for:
 - a. personalised individualised supports required due to the impact of the child's impairment/s on their functional capacity and additional to the needs of children of a similar age and beyond the reasonable adjustment requirements of early childhood development service providers.
 - b. Working with and through a child's family, carers and educators to implement supports/early interventions that promote and support their functional capacity.
4. The NDIS will be responsible for early interventions for children with disability (or development delay) which are:
 - a. specifically targeted at enhancing a child's functioning to undertake activities of daily living or specialised supports to transition a child with a disability into school (not supports, such as school readiness programs, which are for the purpose of accessing universal education);
 - b. likely to reduce the child's future support needs (recognising the degenerative and evolving nature of many functional impairments), which would otherwise require support from the NDIS in later years, including through a combination and sequence of supports (not including medical and health treatments outlined in the health interface); and
 - c. supporting connections and access to community and mainstream services.
5. The implementation of the NDIS' responsibilities for early childhood development services will be coordinated with other early childhood services being provided, and will take account of relevant workplace relations arrangements, duty of care, quality standards and state-based schemes such as 'working with children checks'.
6. The NDIS and the systems providing early childhood supports will work closely together at the local level to plan and coordinate streamlined services for individuals requiring both disability services and early childhood supports recognising that both inputs may be required at the same time or that there is a need to ensure a smooth transition from one to the other.

INDICATIVE ROLE OF THE NDIS AND OTHER PARTIES — EARLY CHILDHOOD DEVELOPMENT

<i>REASONABLE AND NECESSARY NDIS SUPPORTS FOR ELIGIBLE PEOPLE</i>	<i>OTHER PARTIES</i>
<ul style="list-style-type: none"> – Post-diagnosis information, linkages, referrals and coordination with community and early childhood mainstream and specialist services. – Additional supports required due to the impact of the child's impairment/s on their functional capacity including portable aids and equipment (e.g. hearing aids, wheelchairs or personal communication devices), where the support needs are above the needs of children of a similar age and the supports are additional to what is required under reasonable adjustment, and those legislative requirements applicable to early childhood education and care service providers in that jurisdiction. – Early interventions that are likely to increase a child's level of functioning towards that of other children of a similar age without which the child is likely to require NDIS funded supports in the future (except where these are treatment related and/or aimed at treating a medical condition). – Additional supports to address behaviours which are a result of the impact of the child's impairment/s on their functional capacity and which are integrally linked to the support the child needs to live in the community and participate in education. – Capacity building and general disability supports through Information, Linkages and Capacity Building focusing on children with disability (or development delay) where this improves awareness, builds community capacity, creates networks or 'circles of support' for children and parents. – The coordination of NDIS supports with the systems providing early childhood support and other relevant service systems. 	<ul style="list-style-type: none"> – Diagnostic assessment and specific screening for development delay and other mental or physical conditions that are likely to lead to a disability. – Support for families and carers to understand and manage the process and outcomes of assessment/diagnosis, including counselling and other family supports. – Learning assistance (this may include teachers' assistants) and inclusion supports (for example Auslan interpreters) to enable the participation of children with disability in early childhood education and care services in line with reasonable adjustments and any other legislative requirements. – General children's services, including play groups. – Maternal child health programs where interventions are primarily treatment related or medical in nature, including new-born follow-up. – Intensive case coordination operated by the systems providing early childhood supports, where a significant component of case coordination is related to early childhood supports.

5. SCHOOL EDUCATION

APPLIED PRINCIPLES — SCHOOL EDUCATION

1. The allocation of responsibilities between the NDIS and schools will be consistent with the legal obligations of schools and governments' policy objectives for education, including:
 - a. the compulsory nature of schooling;
 - b. the current responsibilities schools have for reasonable adjustment, under the Commonwealth Disability Standards for Education; and
 - c. curriculum planning, assessment and reporting requirements and requirements for students to receive the legislated number of hours instruction or meet class attendance requirements.
2. In recognising the universal and statutory role of the schooling system:
 - a. schools will be responsible for making reasonable adjustments to personalise learning and support for students that primarily relate to their educational attainment (including teaching, learning assistance and aids, school building modifications and transport between school activities); and
 - b. the NDIS will fund supports that the student requires due to the impact of the student's impairment on their functional capacity and additional to reasonable adjustment (i.e. those not primarily relating to education attainment), including personal care and support and transport to and from school and specialist transition supports to and from school to further education, training or employment. Any funding arrangements for individual students will recognise the operational requirements and educational objectives of schools.
3. The allocation of funding responsibilities will avoid placing inappropriate legal, financial or administrative obligations on schools or on the NDIS.
4. The NDIS and the school education system will work closely together at the local level to plan and coordinate streamlined services for individuals requiring both school education and disability services recognising that both inputs may be required at the same time or through a smooth transition from one to the other or across service systems.

[NOTE: Further work will be undertaken on how students' personal care needs will be assessed, the calculation of the level of funded supports for personal care and how these funds will be managed/administered.]

INDICATIVE ROLE OF THE NDIS AND OTHER PARTIES — SCHOOL EDUCATION

<i>NDIS REASONABLE AND NECESSARY SUPPORTS FOR ELIGIBLE PEOPLE</i>	<i>OTHER PARTIES</i>
<ul style="list-style-type: none"> – Personal supports at school/education facility that are required by an individual regardless of the activity they are undertaking (e.g. feeding, managing airways/ventilation). – Aids and equipment at school/education facility that are required by an individual due to the impact of the person's impairment on their functional capacity and are additional to reasonable adjustment obligations of schools regardless of the activity they are undertaking (e.g. hearing aids, wheelchairs, personal communications devices). – Specialist transport to and from school/education facility required as a result of a person's disability (where no other transport option is available and not substituting for parental responsibility). – Specialised support and training for school staff related to the specific personal support needs of a student with disability, including specialised behaviour intervention and support. – Responsibility for funding and coordinating allied health and other therapies to support a student's functional capacity including those which may be delivered during school times, as negotiated with the school, for non-educational purposes. – Specialist transition supports required due to the impact of the student's impairment on their functional capacity and additional to the reasonable adjustment obligations of schools. – The coordination of NDIS supports with the supports offered by the school education system and other relevant service systems. 	<ul style="list-style-type: none"> – Skills, capability and other forms of training and transition support, including reasonable adjustment for students with disability, delivered in schools through the Australian curriculum. – Learning assistance (this may include teachers' assistants), and inclusion support (for example Auslan interpreters) to enable the participation of students with disability in education services, in line with reasonable adjustment. – Reasonable adjustment to campuses, including capital works (e.g. ramps, lifts, hearing loops). – Aids and equipment which are fixed or non-transportable in schools that enable a student access to education (e.g. hoists). – Aids and equipment for educational purposes (e.g. modified computer hardware, education software, braille textbooks). – Transport for school activities e.g. excursions, sporting carnivals. – General support, resources, training and awareness building for teachers and other school staff to support and engage students with disability at school and in the classroom. – Therapy delivered in schools for education purposes (e.g. allied health practitioners assisting classroom teachers to make adjustments to the curriculum). – Intensive case coordination operated by the school education system where a significant component of case coordination is related to educational supports.

6. HIGHER EDUCATION AND VOCATIONAL EDUCATION AND TRAINING (VET)

APPLIED PRINCIPLES — HIGHER EDUCATION AND VOCATIONAL EDUCATION AND TRAINING (VET)

1. The allocation of funding responsibilities between the NDIS and both the Higher Education and Vocational Education and Training (VET) providers will be consistent with the legal obligations and governments' policy objectives for education, including the current responsibilities education providers have for 'reasonable adjustment', under the Commonwealth Disability Standards for Education.
2. Higher Education and VET providers will be responsible for the learning and support needs of students that directly relate to their educational and training attainment (including teaching, learning assistance and aids, building modifications and transport between education or training activities where this transport is being arranged for all students), as well as general transition supports from education or training to employment consistent with reasonable adjustment.
3. The NDIS will fund supports that the student would require due to the impact of the student's impairment/s on their functional capacity and which are additional to reasonable adjustment (i.e. those not primarily relating to education or training attainment), including personal care and support, transport from home to and from the education or training facility and specialist transition supports required as a result of the person's disability, consistent with the NDIS individualised approach to funding.
4. The NDIS and the higher education and VET system will work closely together at the local level to plan and coordinate streamlined services for individuals requiring both further education/vocational education and disability services recognising that both inputs may be required at the same time or through a smooth transition from one to the other or across service systems.

INDICATIVE ROLE OF THE NDIS AND OTHER PARTIES — HIGHER EDUCATION AND VOCATIONAL EDUCATION AND TRAINING (VET)

NDIS REASONABLE AND NECESSARY SUPPORTS FOR ELIGIBLE PEOPLE	OTHER PARTIES
<ul style="list-style-type: none"> – Personal supports at the education or training facility that are required by an individual regardless of the activity they are undertaking (e.g. feeding, managing airways/ventilation). – Aids and equipment that are required by an individual regardless of the activity they are undertaking (e.g. hearing aids, wheelchairs, personal communications devices). – Transport to and from an education or training facility for those unable to use public transport, as part of broader transport assistance a person would receive to address their mobility needs. – Specialised support and training for education or training staff related to the specific personal support needs of a student with disability, including development of specific behaviour management plans. – Specialist transition supports which are required due to the impact of the student's impairment/s on their functional capacity and are additional to the needs of all Australians and reasonable adjustment. – The coordination of NDIS supports with the supports offered by the higher education and VET system and other relevant service systems. 	<ul style="list-style-type: none"> – Learning assistance (this may include teachers' assistants), and inclusion support (for example Auslan interpreters) to enable the participation of students with disability in Higher Education and Vocational Education and Training programs and services, in line with reasonable adjustment and any other relevant legislation. – Reasonable adjustment to education and training facilities, including capital works (e.g. ramps, lifts, hearing loops). – Aids and equipment which are fixed or non-transportable which enable a student access to education or training (e.g. hoists). – Aids and equipment for education or training purposes (e.g. modified computer hardware, education software, braille textbooks). – Reasonable adjustments to transport for education or training activities (e.g. excursions, site visits) where this transport is being arranged for other students. – General support, resources, training and awareness building for education/training staff and other staff to support and engage students with disability. – Skills, capability and other forms of training and transition support, including reasonable adjustments for students with disability, delivered in higher education and VET institutions through their education curriculum (e.g. programs assisting transition between education or training and employment). – Intensive case coordination operated by the higher education and VET system where a significant component of case coordination is related to education and training supports.

[Note: There are different funding arrangements for universities and vocational education and training institutions. The Commonwealth currently provides funding to eligible higher education providers to assist them to meet the costs of providing support to students with a disability with high cost needs. Vocational education and training organisations may not have access to similar funding sources to assist the organisation meet the needs of students with disability]

7. EMPLOYMENT

APPLIED PRINCIPLES — EMPLOYMENT

1. Employment services and programs, including both disability-targeted and open employment services, will continue to be responsible for providing advice and support to:
 - a. people with disability to assist with preparing for, finding and maintaining jobs; and
 - b. employers to encourage and assist them to hire and be inclusive of people with disability in the workplace (e.g. support, training and resources, funding assistance to help employers make reasonable adjustments, and incentives for hiring people with disability, such as wage subsidies).
2. Employers will continue to provide work-specific support to people with disability related to recruitment processes, work arrangements and the working environment in line with the *Disability Discrimination Act 1992*, including workplace modifications, work-specific aids and equipment, and transport within work activities.*
3. The NDIS will be responsible for supports related to daily living that a person would require irrespective of the activity they are undertaking (including personal care and support and transport to and from work) consistent with the NDIS individualised approach to funding.
4. The NDIS will be responsible for reasonable and necessary supports additional to those required by reasonable adjustment, that assist people with disability to take part in work where the person's impairment has an impact on their functional capacity and/or productivity and the person is unlikely to be able to find or retain work in the open market, including with the assistance of employment services.
5. The NDIS will be responsible for funding individualised assistance to support a person with disability to take part in work where the person's impairment has an impact on their functional capacity and/or productivity and where these supports are additional to the needs of all Australians and additional to what is required by reasonable adjustment, such as training on dress, workplace relationships, communication skills, punctuality and attendance, and travelling to and from work. **
6. The NDIS and the employment system will work closely together at the local level to plan and coordinate streamlined services for individuals requiring both employment services and disability services recognising that both inputs may be required at the same time or through a smooth transition from one to the other or across service systems.

*[*Where a person's employment includes a program of training, such as apprenticeships the, training organisations will also be responsible for providing reasonable adjustment, in line with the Disability Discrimination Act 1992 and the Disability Standard for Education.]*

*[** Commonwealth officials will continue to work through arrangements with the Departments of Human Services and relevant agencies where supports offered by the NDIS are similar to those offered by Centrelink and/or employment services.]*

INDICATIVE ROLE OF THE NDIS AND OTHER PARTIES — EMPLOYMENT

<i>NDIS REASONABLE AND NECESSARY SUPPORTS FOR ELIGIBLE PEOPLE</i>	<i>OTHER PARTIES</i>
<ul style="list-style-type: none"> – Personal attendant care for people who require support within the workplace due to the impact of the person’s impairment/s on their functional capacity in the workplace (e.g. assistance with personal hygiene, feeding). – Aids and equipment related to the person’s functional needs (e.g. wheelchair). – Transport to and from work for those unable to use public transport, as part of broader transport assistance a person would receive to address their mobility needs. – Specialised or targeted employment supports that respond to the nature of a person’s disability. – Transition support into employment where a person’s support needs are additional to what is required by reasonable adjustment for employers and additional to the needs of all Australians and specifically related to the impact of the person’s impairment/s on their functional capacity (e.g. training on travelling to and from work, dress and hygiene, relationships with colleagues, communication skills, and punctuality and attendance). – The coordination of NDIS supports with the supports offered by the employment system and other relevant service systems. 	<ul style="list-style-type: none"> – Employment services and programs that provide advice and assistance to people with disability to prepare for, find and maintain jobs, including the development of industry-specific or workplace specific knowledge and skills (e.g. job applications, on-the-job training, and career development). – Employer support services and programs that encourage and assist employment of people with disability (e.g. support, training and resources for employers, funding to make reasonable adjustments, and wage subsidies). – Workplace specific supports (including modifications, employment-specific aids and equipment). – Transport for work activities (e.g. meetings). – General employment-related planning and support (e.g. retirement planning, careers counselling). – Intensive case coordination operated by the employment system where a significant component of case coordination is related to employment supports.

8. HOUSING AND COMMUNITY INFRASTRUCTURE

APPLIED PRINCIPLES — HOUSING AND COMMUNITY INFRASTRUCTURE

1. Social housing providers will be responsible for providing accessible accommodation for people in need of housing assistance in line with existing allocation and prioritisation processes, and consistent with universal design principles and livable housing design standards as outlined in the National Disability Strategy 2011-2020, including appropriate and accessible housing for people with disability, routine tenancy support, and ensuring that new publicly-funded housing stock, where the site allows, incorporates Liveable Design features.
2. Housing and homelessness services will continue to be responsible for homelessness-specific services, including through homelessness prevention, outreach and access to temporary and long term housing for people who are homeless, or at risk of homelessness.
3. Parties responsible for community infrastructure will continue to improve the accessibility of the built and natural environment (including roads and footpaths) through planning and regulatory systems and through building modifications and reasonable adjustment where required.
4. The NDIS will be responsible for support to assist individuals with disability to live independently in the community, including by building individual capacity to maintain tenancy and support for appropriate behaviour management where this support need is related to the impact of their impairment/s on their functional capacity.
5. The NDIS will be responsible for home modifications required due to the impact of a participant's impairment/s on their functional capacity in private dwellings, in social housing dwellings on a case-by-case basis and not to the extent that it would compromise the responsibility of housing authorities to make reasonable adjustments.
6. The NDIS is also responsible for user costs of capital in some situations where a person requires an integrated housing and support model and the cost of the accommodation component exceeds a reasonable contribution from individuals.
7. The NDIS and the housing system will work closely together at the local level to plan and coordinate streamlined services for individuals requiring both housing and disability services recognising that both inputs may be required at the same time or through a smooth transition from one to the other.

[NOTE: Social housing is inclusive of public and community housing.]

INDICATIVE ROLE OF THE NDIS AND OTHER PARTIES — HOUSING AND COMMUNITY INFRASTRUCTURE

<i>REASONABLE AND NECESSARY NDIS SUPPORTS FOR ELIGIBLE PEOPLE</i>	<i>OTHER PARTIES</i>
<ul style="list-style-type: none"> – Supports that build people’s capacity to live independently in the community, including living skills training, money and household management, social and communication skills and behaviour management, where these are required due to the impact of the person’s impairment/s on their functional capacity. – Supports to assist a person to obtain and maintain accommodation and/or tenancies where these support needs are required due to the impact of the person’s impairment/s on their functional capacity. – Reasonable and necessary home modifications to private dwellings and on a case by case basis in social housing where the modifications are additional to reasonable adjustment and specific to the impact of a participant’s impairment/s on their functional capacity. – User costs of capital in some circumstances, including for disability-specific housing options. – Working with other parties to facilitate appropriate housing options and improve accommodation choices for people with disability, including through developing partnerships with housing providers and influencing the development of housing options and housing design (not regulation or setting standards in housing design). – Supports for participants at risk of or experiencing homelessness to support the participant, their families and carers to access and maintain secure and stable accommodation including by accessing housing and homelessness services, where the need for support is due to the impact of the participant’s impairment/s on their functional capacity. – The coordination of NDIS supports with the housing system and other relevant service systems. 	<ul style="list-style-type: none"> – Provision of accessible and affordable accommodation options that meet the needs of people with disability, through social housing within available resources. – Provision of routine tenancy support by social housing authorities. – Homelessness-specific services, including homelessness outreach and emergency accommodation. – Provision of accessible community infrastructure, including modifications to general community amenities. – Encourage innovative models of affordable and accessible housing investment by private or corporate investors. – Social housing providers have a duty to make reasonable adjustment in providing accessible housing stock for people with a disability. – Intensive case coordination operated by the housing or homelessness system where a significant component of the case coordination is related to housing supports.

[Further work required in 2013 to define responsibilities for ‘Development of options/innovative models of housing/accommodation solutions’]

9. TRANSPORT

APPLIED PRINCIPLES — TRANSPORT

1. The public transport system will be responsible for ensuring that transport options are accessible to people with disability, including through concessions to people with disability to use public transport (including parties choosing to provide concessions for the total cost of transport) and compliance with relevant non-discrimination legislation including the Disability Standards for Accessible Public Transport.
2. Others parties will continue to be responsible for transport infrastructure, including road and footpath infrastructure, where this is part of a universal service obligation or reasonable adjustment, including managing disability parking and related initiatives.
3. The NDIS will be responsible for funding supports for individuals that enable independent travel, including through personal transport-related aids and equipment, training to use public transport and modifications to private vehicles (i.e. not modifications to public transport or taxis).
4. The NDIS will be responsible for reasonable and necessary costs associated with the use of taxis or other private transport options for those not able to travel independently.

[Note: links with the 'Education Applied Principles' and 'Employment Applied Principles' regarding transport to and from work/school.]

INDICATIVE ROLE OF THE NDIS AND OTHER PARTIES — TRANSPORT

REASONABLE AND NECESSARY NDIS SUPPORTS FOR ELIGIBLE PEOPLE	OTHER PARTIES
<ul style="list-style-type: none">– Training and support to use public transport where public transport is a viable option for the participant and the person's mobility device(s) can be used.– Modifications to private vehicles and driver assessment and training.– Costs associated with innovative transport options for people who cannot travel independently or use public transport due to the impact of their impairment/s on their functional capacity.– Costs associated with the use of taxis/private transport for people who cannot travel independently or use public transport due to the impact of their impairment/s on their functional capacity.	<ul style="list-style-type: none">– Accessible public transport.– Concessions to facilitate use of public transport, including where a full concession is offered.– Community transport services.– Modifications to public transport and taxis.

APPLIED PRINCIPLES — JUSTICE

1. The criminal justice system (and relevant elements of the civil justice system) will continue to be responsible for meeting the needs of people with disability in line with the National Disability Strategy and existing legal obligations, including making reasonable adjustments in accordance with the *Disability Discrimination Act 1992* (CTH), through:
 - a. ensuring its systems, supports and buildings are accessible for people with disability including appropriate communication and engagement mechanisms, adjustments to the physical environment, accessible legal assistance services and appropriate fee waivers;
 - b. general programs for the wider population, including programs to prevent offending and minimise risks of offending and reoffending and the diversion of young people and adults from the criminal justice system; and
 - c. the management of community corrections, including corrections-related supervision for offenders on community based orders.
2. Other parties and systems will be responsible for supports for people subject to a custodial sentence or other custodial order imposed by a court or remanded in custody. This includes where a court has ordered a person reside in a prison, or other facility accommodating people on custodial orders such as youth detention and training facilities, secure mental health facilities or secure facilities for people with disability. These parties are responsible for meeting the day-to-day care and support needs of people with disability in these custodial settings, including supervision, personal care and general supports which are also required by the general custodial population, and also general supports to enable skill development and living skills and promote the effective transition of people with disability out of custodial settings, in line with supports offered to other people in custodial settings.
3. The health system, mental health system and other parties will be responsible for operating secure mental health facilities which are primarily treatment focused.
4. The NDIS will continue to fund reasonable and necessary supports required due to the impact of the person's impairment/s on their functional capacity in a person's support package where the person is not serving a custodial sentence or other custodial order imposed by a court or remanded in custody. As such the NDIS would fund supports where the person is on bail or a community based order which places controls on the person to manage risks to the individual or the community (except in the case of secure mental health facilities).
5. The NDIS will fund specialised supports to assist people with disability to live independently in the community, including supports delivered in custodial settings (including remand) aimed at improving transitions from custodial settings to the community, where these supports are required due to the impact of the person's impairment/s on their functional capacity and are additional to reasonable adjustment.
6. Where a person is remanded in custody NDIS funding for reasonable and necessary supports in the participant's plan will continue to be available to the person when they are released.
7. The NDIS and the justice system will work closely together at the local level to plan and coordinate streamlined services for individuals requiring both justice and disability services recognising that both inputs may be required at the same time or through a smooth transition from one to the other.

[Note: Governments acknowledge that the NDIS interface with justice is complex. Consistent with the approach to all interface areas, the lessons learned from NDIS trial will assist governments in refining the supports most appropriately provided by the NDIS and those most appropriately provided by other service systems.]

ROLE OF THE NDIS AND OTHER PARTIES — JUSTICE

<i>NDIS REASONABLE AND NECESSARY SUPPORTS FOR ELIGIBLE PEOPLE</i>	<i>OTHER PARTIES</i>
SUPPORTS FOR PEOPLE IN CONTACT WITH THE CRIMINAL JUSTICE SYSTEM CURRENTLY LIVING IN THE COMMUNITY (INCLUDING PEOPLE ON BAIL, PAROLE AND NON-CUSTODIAL ORDERS)	
<ul style="list-style-type: none"> – Coordination of NDIS supports in collaboration with the supports offered by the justice system, including for victims, witnesses and alleged offenders with disability. – Supports to address behaviours of concern (offence related causes) and reduce the risk of offending and reoffending such as social, communication and self-regulation skills, where these are additional to the needs of the general population and are required due to the impact of the person's impairment/s on their functional capacity and are additional to reasonable adjustment. – The NDIS will continue to fund the reasonable and necessary supports including the funded supports outlined in the participant's plan, including assistance with planning, decision making, scheduling, communication, self-regulation and community living. 	<ul style="list-style-type: none"> – Pre-sentence psychological and psychiatric reports regarding cognitive ability, psychiatric conditions or other matters required to assess a person's ability to plead in court or considerations prior to sentencing or diversion. – Support for people with disability including victims and witnesses of crime to access and navigate the justice system including guardianship, advocacy, community visitors and legal support. – Reasonable adjustment to mainstream services provided to individuals, organisations and systems that have contact with the justice system that provide services to people with disabilities. – Court-based support programs and specialist lists, including bail support. – Management of offenders to ensure compliance with supervised orders or conditions. – Early identification and intervention programs and post-custody services to prevent (re)offending, including in accessible formats for people with disability. – Offence specific interventions which aim to reduce specific criminal behaviours, reasonably adjusted to the needs of people with a disability and which are not clearly a direct consequence of the person's disability. – Intensive case coordination operated by the justice or other service systems where a significant component of the case coordination is related to the justice system.
SUPPORTS FOR PEOPLE SUBJECT TO CUSTODIAL SENTENCES OR OTHER CUSTODIAL ORDERS (INCLUDING PEOPLE ON REMAND)	
<ul style="list-style-type: none"> – Coordination of NDIS supports with the supports offered by the justice and other service systems. 	<ul style="list-style-type: none"> – Pre-sentence psychological and psychiatric reports regarding cognitive ability, psychiatric conditions or other matters required to assess a person's

- For people in a custodial setting (including remand) the only supports funded by the NDIS are those required due to the impact of the person’s impairment/s on their functional capacity and additional to reasonable adjustment, and are limited to:
 - aids and equipment;
 - allied health and other therapy directly related to a person’s disability, including for people with disability who have complex challenging behaviours;
 - disability specific capacity and skills building supports which relate to a person’s ability to live in the community post-release;
 - supports to enable people to successfully re-enter the community; and
 - training for staff in custodial settings where this relates to an individual participant’s needs.
- Where a person is remanded in custody, NDIS funding for reasonable and necessary supports in the participant’s plan will continue to be available to the person when they are released.

- ability to plead in court or considerations prior to sentencing or diversion.
- Offence specific interventions which aim to reduce specific criminal behaviours, reasonably adjusted to the needs of people with a disability and which are not clearly a direct consequence of the person’s disability.
- Early identification and primary intervention programs, post-custody services to prevent (re)offending, including in accessible formats for people with disability.
- Meeting the day-to-day support needs of people while in custodial settings (as well as forensic services in custodial settings) including personal care, fixed aids and equipment (e.g. hoists and specialised beds) and supports required by reasonable adjustment.
- Secure accommodation facilities (including the accommodation, general operations and supports available to all people in the facility) where a person is residing in this facility due to a custodial order, including supervision, personal care and fixed aids and equipment.
- Support for people to access and navigate the justice system including guardianship, advocacy, community visitors and legal support.
- Intensive case coordination operated by the justice or community services systems where a significant component of case coordination is with justice or enforcement agencies.
- Advising, consulting and assisting prison systems to improve supports for eligible prisoners including the development and implementation of behaviour management, risk and case management plans.
- Implementing practical disability training available to Corrections Officers and other criminal justice staff and additional specific disability training to staff having high contact with people with disability within the prison.
- Assisting prison staff to understand individual client’s needs and human rights, especially in relation to triggers for challenging behaviours, de-escalation strategies, issues associated with vulnerability and interaction with other prisoners, as specified in any behavioural plan the person may have.
- Cultural, linguistic and religious support for people in custody (including Aboriginal Liaison Officers, Cultural Liaison Officers, Chaplaincy).
- Training and skills to increase people’s capacity to live in the community post-release, in line with the supports offered by these systems to other

	people in custodial settings, as part of the reintegration process and to reduce recidivism, including general education services and self-regulation.
SUPPORTS FOR PARTICIPANTS RESIDING AT YOUTH TRAINING CENTRES (ALSO KNOWN AS YOUTH JUSTICE CENTRES OR YOUTH DETENTION CENTRES)	
<ul style="list-style-type: none"> – Coordination of NDIS supports with the supports offered by the justice, disability, education, health, community services and other systems. – For young people in youth training centres (or youth justice centres) the only supports funded by the NDIS are those which are required due to the impact of the person's impairment/s on their functional capacity and additional to reasonable adjustment, and are limited to: <ul style="list-style-type: none"> • aids and equipment; • allied health and other therapy directly related to a child or young person's disability, including for children and young people with disability who have complex challenging behaviours; • disability specific capacity and skills building supports which relate to a person's ability to live in the community post-release; • supports to enable people to successfully re-enter the community; and • training for staff in custodial settings where this relates to an individual participant's needs. 	<ul style="list-style-type: none"> – Intensive case coordination operated by the justice or community services systems where a significant component of case coordination is with justice or enforcement agencies. – Support for people to access and navigate the justice system including guardianship, advocacy, community visitors and legal support. – Meeting the day-to-day support needs of young people while in residential centres including supervision, personal care, fixed aids and equipment (e.g. hoists and specialised beds) and supports required by reasonable adjustment. – Implementing practical disability training available to Corrections Officers and other criminal justice staff and additional specific disability training to staff having high contact with people with disability within the prison. – Offence specific interventions which aim to reduce specific criminal behaviours, reasonably adjusted to the needs of young people with a disability (for example, therapeutic services to address problematic sexual or violent behaviour or difficulties with self-regulation). – Early identification and intervention programs and post-custody services to prevent (re)offending, including in accessible formats for young people with disability. – Secure accommodation facilities (including the accommodation, general operations and supports available to all young people in the facility) where the purpose of this accommodation is to safeguard the community or prevent (re)offending. – Mental health services (as described in the Mental Health interface). – Drug and alcohol services (as described in the Health interface). – Education services (as described in the Education interface).

11. AGED CARE

APPLIED PRINCIPLES — AGED CARE

1. The aged care system will continue to be responsible for access to quality and affordable aged care and carer support services, including through subsidies and grants, industry assistance, training and regulation of the aged care sector, information assessment and referral mechanisms, needs-based planning arrangements and support for specific needs groups and carers.
2. Consistent with Principle 6 of the *Principles to Determine Responsibilities of the NDIS and Other Service Systems*:
 - a. where a participant chooses to move from the NDIS to the aged care system there will be a seamless approach to the person's transition between these systems, with the person supported at all points during the transition to ensure people receive appropriate supports as they age;
 - b. the NDIS and the aged care system will recognise their relative areas of expertise and seek to leverage this expertise as appropriate.
3. A participant can choose to continue to receive supports from the NDIS after age 65, or can choose to take up an aged care place.
 - a. A person ceases to be a participant in the NDIS when the person enters a residential care service on a permanent basis, or starts being provided with community care on a permanent basis, and this first occurs only after the person turns 65 years of age (residential care service and community care have the same meanings as in the *Aged Care Act 1997*).
 - b. All parties will fulfill the responsibilities set out under Schedule F of the National Health Reform Agreement in relation to aged care and disability services, to the extent relevant to Parties of the Agreement (Clause 17 National Disability Insurance Scheme, Intergovernmental Agreement).
4. An NDIS participant under the age of 65 can choose to purchase support from an aged care provider and the NDIS will fully meet these 'reasonable and necessary' support costs.

Schedule J

Cross Billing and Budget Neutrality Arrangements in the Northern Territory: 2013-14 to 2015-16

Purpose

1. The parties agree that the roles and responsibilities outlined in Schedule F of the National Health Reform Agreement will be maintained. The Commonwealth will continue to have financial responsibility for aged care and specialist disability services for older people aged 65 years and over (and Indigenous Australians aged 50 years and over). In addition, the Commonwealth will progressively take over service delivery responsibility for specialist disability services for older people as the National Disability Insurance Scheme (NDIS) continues to roll out.
2. The Northern Territory will continue to have financial responsibility for disability and aged care services for younger people aged under 65 years (Indigenous Australians aged under 50), until such time as those people become eligible for the NDIS. This schedule does not change existing responsibilities outside the scope of these services, including health and hospital services and the supply of aids and equipment to people not eligible for the NDIS.
3. The change in roles and responsibilities will be made cost neutral over this period through a Budget Neutral Adjustment. This Budget Neutral Adjustment will be fixed at the 2013-14 level and grown through time.
4. This schedule covers the cross-billing and budget neutrality arrangements for 2013-14, 2014-15 and 2015-16 financial years.
5. Cross-billing and budget neutrality for 2011-12 and 2012-13 were covered in the National Partnership Agreement on Transitioning Responsibilities for Aged Care and Disability Services. Arrangements for cross-billing and the Budget Neutral Adjustment for 2016-17 onwards are outlined in Schedule C: Cross billing and budget neutrality arrangements in the Northern Territory.

Cross-billing

Younger people in residential aged care and home care packages

6. The Northern Territory agrees to pay the Commonwealth for the estimated costs of younger people aged under 65 (Indigenous Australians aged under 50 years) in residential aged care and Home Care Packages, for the period 2013-14 to 2015-16.
7. The estimated cost in each year of this schedule will be calculated by multiplying the number of younger people in residential aged care and Home Care Packages by the average unit cost, with:
 - a. The average unit cost for the 2013-14 financial year calculated by dividing the total costs in that year, by the number of people in care on 30 June 2014. The average unit cost is then grown by 3.5 per cent per annum.
8. The agreed unit costs for cross-billing are outlined at Table 1:

Table 1: Cross-billing unit costs

Cohort	2013-14	2014-15	2015-16
Younger People in Residential Aged Care	\$52,762	\$54,609	\$56,520
Younger People in Home Care Packages	\$22,800	\$23,598	\$24,424

9. The estimated number of people subject to cross-billing arrangements is outlined at Table 2:

Table 2: Cross-billing population (as at 30 June)

Cohort	2013-14	2014-15	2015-16
Younger People in Residential Aged Care	13	13	13
Younger People in Home Care Packages	42	42	42

10. The estimated cross-billing contributions are outlined at Table 3 as the product of multiplying Tables 1 and 2:

Table 3: Total cross-billing contributions

Cohort	2013-14 (\$m)	2014-15 (\$m)	2015-16 (\$m)
Younger People in Residential Aged Care	\$0.69	\$0.71	\$0.73
Younger People in Home Care Packages	\$0.96	\$0.99	\$1.03

Older people in Northern Territory Specialist Disability Services

11. The Commonwealth agrees to pay the Northern Territory for the cost of delivering specialist disability services to older people (aged 65 years and over, or Indigenous Australians aged over 50), for the period 2013-14 to 2015-16, less:

- a. the estimated amount of funding provided to the Northern Territory through the National Disability Specific Purpose Payment (SPP) for older people in Northern Territory specialist disability services; and
- b. the estimated amount of funding provided to the Northern Territory through the *National Partnership Agreement on Pay Equity for the Social and Community Services Sector* (SACS) for older people in Northern Territory specialist disability services, subject to the extension of the current National Partnership which is due to expire on 30 June 2016.

12. The estimated cross-billing contributions are outlined at Table 4:

Table 4: Total cross-billing contributions

Cohort	2013-14 (\$m)	2014-15 (\$m)	2015-16 (\$m)
Older People in Specialist Disability Services (aged 65 and over)	\$0.31	\$0.32	\$0.33
Older People in Specialist Disability Services (Indigenous aged 50 – 64)	\$4.99	\$5.16	\$5.34

13. As per Clause 11, the cross-billing contributions for specialist disability services to older people is in addition to funding provided to the Northern Territory for older people through the National Disability SPP, and the National Partnership Agreement on SACS. The funding for older people in these agreements is outlined at Table 5:

Table 5: Funding for older people in the National Disability SPP and the National Partnership Agreement for SACS

Cohort	2013-14 (\$m)	2014-15 (\$m)	2015-16 (\$m)
National Disability SPP - Older People in Specialist Disability Services (aged 65 and over)	\$0.40	\$0.44	\$0.47
National Disability SPP - Older People in Specialist Disability Services (Indigenous aged 50-64)	\$3.33	\$3.60	\$3.84
National Partnership Agreement for SACS - Older People in Specialist Disability Services (aged 65 and over)	\$0.02	\$0.04	\$0.05
National Partnership Agreement for SACS - Older People in Specialist Disability Services (Indigenous aged 50-64)	\$0.17	\$0.30	\$0.43

Budget Neutral Adjustment

14. The Parties agree that the Budget Neutral Adjustment is calculated in 2013-14 to offset the additional cost to the Commonwealth of net additional financial responsibilities taken on as part of the National Health Reform Agreement (i.e. the additional cost to the Commonwealth of Home and Community Care (HACC) for older people, and the cost of specialist disability services for older people, less the costs of responsibilities transferred to the Northern Territory for younger people in aged care).

15. The Parties agree that from 2013-14, the Budget Neutral Adjustment is fixed at the 2013-14 amount and grown at 3.5 per cent per annum. The arrangements for the Budget Neutral Adjustment for 2016-17 and beyond are detailed in Schedule C: Cross Billing and Budget Neutrality Arrangements in the Northern Territory.

Table 6: Budget Neutral Adjustment to the Commonwealth

Amounts	2013-14 (\$m)
Younger people in residential aged care	\$0.69
Younger people in Home Care Packages	\$0.96
Older people in specialist disability services	-\$5.30
Additional cost to the Commonwealth for HACC	\$0.59
Budget Neutral Adjustment	\$3.07¹

¹Components may not add to total due to rounding

Payment Arrangements

16. With respect to the 2013-14 costs, the Commonwealth will pay the Northern Territory the balance of all payments in a single payment of \$0.59 million by 30 June 2016.
17. With respect to the 2014-15 costs, the Commonwealth will pay the Northern Territory the balance of all payments in a single payment of \$0.61 million by 30 June 2016.
18. With respect to the 2015-16 costs, the Commonwealth will pay the Northern Territory the balance of all payments in a single payment of \$0.63 million by 30 June 2016.

Table 7: Calculation of net payments for 2013-14, 2014-15 and 2015-16

Amounts	2013-14 (\$m)	2014-15 (\$m)	2015-16 (\$m)
Younger People in Residential Aged Care	\$0.69	\$0.71	\$0.73
Younger People in Home Care Packages	\$0.96	\$0.99	\$1.03
Older People in Specialist Disability Services	-\$5.30	-\$5.48	-\$5.68
Budget Neutral Adjustment	\$3.07	\$3.17	\$3.28
Total payment from the Commonwealth to the Northern Territory¹	-\$0.59	-\$0.61	-\$0.63

¹Components may not add to total due to rounding. A negative number represents a payment from the Commonwealth to the Northern Territory.

Expiry of the Schedule

19. This schedule will expire on 30 June 2016.

Schedule K

Arrangements for provider of last resort services during transition

1. This schedule sets out the framework for provider of last resort services during the transition to the full NDIS in the Northern Territory (NT).
2. Given the comparatively high costs of establishing and delivering services in small communities and the lack of economies of scale to provide human services, there is a significant risk of service failure where there are thin or non-existent markets, including limited supply and very low demand for services.
3. In these circumstances, there is a clear need to develop a framework for 'provider of last resort' service arrangements to mitigate service delivery risks. This framework will identify:
 - a. situations or circumstances where provider of last resort services are required (including insufficient market supply, and provider failure);
 - b. objective assessment of when market interventions are required;
 - c. market development activities to mitigate the need for providers of last resort;
 - d. scope and scale (including support types, participant cohorts, and areas/communities) of provider of last resort arrangements; and
 - e. governance mechanisms to support provider of last resort arrangements
4. The Parties agree that an effective and timely mechanism must be in place and able to be activated during transition, to ensure that eligible participants are able to access the reasonable and necessary supports identified in their approved plans, even in remote communities or where there have been consistently thin or non-existent markets.
5. Provider of last resort services are intended to meet interim participant needs whilst more sustainable services are implemented and should be used only under circumstances where all other options have failed.

Roles and responsibilities

6. In line with the Heads of Agreement between the Commonwealth and NT Governments on the NDIS, the National Disability Insurance Scheme (NDIS) will provide all eligible NT residents with access to a scheme based on insurance principles that guarantees lifetime coverage for participants for the cost of reasonable and necessary care and support.
7. The NDIA is the responsible entity for ensuring provider of last resort services are in place for all participants in the NT.

Objectives

8. The Parties agree to the following objectives for provider of last resort service arrangements in the NT:
 - a. to achieve certainty over access to services for participants living in remote communities in the NT who currently receive specialist disability services through the government sector;
 - b. to ensure equitable access to services of the NDIS to remote disability participants in the NT where thin or non-existent markets prevail, and participants are at-risk of service gaps;

- c. to support the long-term goal of competitive disability markets and market signals in the NT, including in remote settings, to deliver the efficient and effective implementation of the NDIS as a sustainable national insurance scheme while maintaining focus on outcomes for participants during the transition period; and
 - d. to ensure that, in a community at high risk of service failure, the use of established mainstream systems as default service providers inconsistent with the principles outlined in Schedule I is avoided.
9. Solutions will be established to avoid inappropriate default to the acute medical system as the provider of last resort. However, where access to the acute medical system is not for the primary purpose of the NDIS, services and supports will be met by the health system as outlined in the Applied Principles and Tables of Support approved by the Council of Australian Governments (COAG).
10. These objectives should be read in conjunction with Part 5 of the Bilateral Agreement between the Commonwealth and the NT for the transition to an NDIS – Aims of the Transition.

Implementation

11. The respective roles and responsibilities of the governments and the NDIA will be further detailed as part of the Operational Plan and set out in Sector and System Readiness and Remote Markets Working Arrangements for Transition (Operational Plan Working Arrangements). The Operational Plan Working Arrangements will be developed following finalisation of this Agreement in consultation with the NDIA.
12. In implementing this schedule, the following principles will underpin the framework:

1. Risk - in the planning stage, new participants at risk of market failure or lack of service provision will be identified. Appropriate risk mitigation processes at the individual and community level will be established for communities or regions at-risk of market failure.
2. Transparency – arrangements will be appropriately costed and clearly expressed, for both existing and new participants.
3. Person centred - the arrangements established will ensure that, save in exceptional circumstances, the primary contact for participants requiring provider of last resort services will be interfaced seamlessly. The relationship between the provider and the participant will be culturally appropriate and prioritise the needs of the participant. This includes the provision of timely and accessible services as close to home as possible.
4. Non-exclusivity - clear, simple and cost effective methods to enable the majority of the market to operate competitively, whilst allowing for provider of last resort services to be carried out.
5. Barriers to entry – arrangements established should not unintentionally or otherwise create barriers to entry in respect of the market for the provision of registered services to regions transitioning into the scheme where there is a service gap or market failure.
6. Supply of services – each NDIS service region of the NT will have identified planning and processes in place to address the potential need for provider of last resort arrangements, which may include bulk purchased services as part of the transition to full scheme.
7. End of service – provider of last resort services will be time limited and the NDIA will ensure appropriate assessment, planning and funding at the outset to articulate a coordinated pathway to facilitate the delivery of the participant’s supports as intended.