

## APPENDIX D – BALANCE OF CASH AND IN-KIND CONTRIBUTIONS IN NEW SOUTH WALES

1. This appendix sets out and updates the balance of cash and in-kind contributions and the existing programs that are expected to be drawn on in providing direct services or be transitioned into cash contributions, as agreed in paragraph 42 of the IGA and clause 13 of Appendix A, above.

### Commonwealth cash and in-kind contributions

2. The approach to the transition of existing Commonwealth disability programs is outlined below:
  - a. transition of existing Commonwealth programs into cash contribution in launch sites will occur either in part or in full at launch commencement, or as participants enter the NDIS; or as contracts expire over the launch period; and
  - b. some programs will continue in-kind in launch sites for the duration of the launch period, due to the national focus of those programs.
3. All existing disability service arrangements listed below will be transitioned from in-kind contribution to cash contributions to the Agency in launch sites in accordance with the approaches outlined in 2a.
4. Based on these approaches, the following Commonwealth disability services/programs, as set out in Table 1, are expected to transition (either in part or in full) into cash contributions in launch sites only at commencement or as participants enter the NDIS.

**Table 1**

	2013-14	2014-15	2015-16
Helping Children with Autism	\$0.2 million	\$0.4 million	\$0.8 million
Better Start for Children with Disability	..	\$0.1 million	\$0.2 million
Continence Aids Program	\$0.1 million	\$0.3 million	\$0.7 million
Disability Employment Services: Work Based Personal Assistance	..	..	..
Mobility Allowance	\$0.3 million	\$1.1 million	\$2.1 million

	2013-14	2014-15	2015-16
Total	\$0.7 million	\$1.9 million	\$3.8 million

.. ' represents an amount of less than \$50,000.

5. Based on the above approaches, the following Commonwealth disability services/programs as set out in Table 2, are expected to transition (either in part or in full) into cash contributions as contracts expire.

**Table 2**

	2013-14	2014-15	2015-16
Disability Employment Assistance: Australian Disability Enterprises	\$1.1 million	\$2.9 million	\$5.6 million
Targeted Community Care: Mental Health Respite Carer Support	\$0.1 million	\$0.3 million	\$0.5 million
Targeted Community Care: Personal Helpers and Mentors Program	\$0.5 million	\$1.4 million	\$2.8 million
After School Aged Care for Teenagers with Disability	\$0.1 million	\$0.1 million	\$0.3 million
Respite Support for Carers of Young People with Severe or Profound Disability & Young Carers Respite and Information Services	\$0.1 million	\$0.2 million	\$0.3 million
Total	\$1.8 million	\$4.9 million	\$9.5 million

6. The following Commonwealth disability services/programs set out in Table 3 will remain as in-kind subject to transition strategies, developed by the Commonwealth in consultation with the Agency.

Table 3

	2013-14	2014-15	2015-16
Partners in Recovery: Coordinated Support and Flexible Funding for people with severe and persistent mental illness	\$0.3 million	\$1.4 million	\$1.9 million
Improved Support for people with younger onset dementia	..	..	\$0.1 million
Hearing Services Program & National Auslan Booking Service	\$0.2 million	\$0.7 million	\$1.3 million
Support for Day to Day Living in the Community: A structured activity program	..	..	\$0.1 million
Total	\$0.5 million	\$2.1 million	\$3.3 million

.. represents an amount of less than \$50,000.

7. The updated Commonwealth share of funding for NDIS funded supports (updated from Table 3, Appendix A) that is estimated to be provided in cash and through direct provision of services is shown in Table 4.

Table 4

	2013-14	2014-15	2015-16
Commonwealth cash contribution to the NDIS	\$13.5 million	\$37.2 million	\$83.3 million
Commonwealth in-kind contribution to the NDIS	\$2.3 million	\$6.8 million	\$3.3 million
Repayment of Commonwealth grants*	\$5.5 million	\$15.9 million	\$32.2 million
TOTAL	\$21.3 million	\$59.9 million	\$118.8 million

\*Repayment of Commonwealth grants includes funding transferred from NSW to the Commonwealth for clients ageing over 65 in the scheme.

### **New South Wales cash and in-kind contributions**

8. NSW has one disability services program that encompasses all disability service types.
9. The approach to transitioning NSW's existing disability program is outlined below:
  - a. Transition of existing services into cash contributions will be on a service provider basis and will align with the rollout of the NDIS for each LGA and the participant flow arrangements, as outlined in Appendix C.
  - b. Transition arrangements will take account of the need to ensure continuity for existing participants (or transitioning to alternative arrangements where relevant), including participants that reside outside of launch area.
  - c. Transition arrangements will take account of the readiness of existing providers to transition to new financing arrangements. This includes NSW's contractual requirements which include three months' notice for renegotiation of contracts.
  - d. A service provider's funding that transitions to cash will only be subject to transition once the bulk of its eligible participants have entered into the NDIS.
  - e. If the contractual scope of a service provider is substantially beyond the boundaries of a launch site, only the launch site portion of total funding will be transitioned into the NDIS, taking into account any residual funding requirements to ensure continuity of services outside of the launch site.
  - f. Transition arrangements will also take account of the complexities of individualising NSW's direct service delivery.
  - g. It is understood that NSW will not have residual responsibilities for younger people accessing residential and packaged aged care services as they transition to the NDIS.
  - h. The Commonwealth will ensure that there is a simultaneous transition for NDIS Participants and people aged over 65 currently in disability services that allows both groups to transition at the same time and preserve existing shared accommodation and shared services where appropriate.
10. The extent to which NSW's existing disability services in launch site can transition from in-kind to cash contributions will depend on several factors including:

- a. Finalisation by the Design Working Group of the NDIS policy framework, including eligibility, Tier 2 services, interfaces with other service systems, and determination of Tier 3 block services;
  - b. Development of operational arrangements for the individualising of existing service provider contracts;
  - c. Engagement with existing service providers on the new funding arrangements; and
  - d. Agency operational capacity.
11. Large residential centres are expected to remain as an in-kind contribution to the NDIS in recognition of their fixed cost, and to ensure that the current redevelopment timetable for these facilities is retained. Similarly, other government-operated supported accommodation services (such as group homes) are also expected to remain as in-kind contributions.
  12. Some cashing out of large residential centres and government-operated supported accommodation services may occur depending on residents' decisions regarding future support and the availability of appropriate alternatives.
  13. NSW's contributions to the NDIS and the continuation of existing state services are outlined in Table 5 below. This includes repayment of Commonwealth grants (including a repayment for those who turn 65 in the scheme).
  14. NSW funding is capped at \$550 million over three years, plus \$35 million over four years. Total expenditure each year will either be cash or in-kind contributions associated with participants transferred or entering the NDIS, or associated with service provision to existing clients in the launch site yet to be transitioned from state administered services.
  15. While the total contribution will not change, as per clause 29 of the IGA, it is recognised that the estimated mix and balance of in-kind and cash contribution may vary due to actual implementation factors. Consistent with the IGA, this appendix may be updated at any time on an ongoing basis with agreement between NSW and the Commonwealth, who are required to provide at least one month's notice to the Agency of any such change.

Table 5

	2013-14	2014-15	2015-16
NSW expected cash contribution to the NDIS plus repayment of Commonwealth grants [A]	\$26.0 million	\$42.0 million	\$115.8 million
In-kind contribution to individual support packages and local support coordination [B]  *see clause 12 and note some of the amounts in years 2 and 3 may transfer to cash as clients choose alternative responses	\$10.7 million	\$61.6 million*	\$90.4 million*
Repayment of Commonwealth grants [C]	\$5.5 million	\$15.9 million	\$32.2 million
SUB-TOTAL (NSW funding for individual support packages and local support coordination) [A + B- C = D]	\$31.2 million	\$87.7 million	\$174.0 million
Additional in-kind contribution (including local area coordination) and costs associated with provision of support for clients not yet transitioned [E]	\$135.7 million	\$94.2 million	\$23.9 million
TOTAL NSW contribution [D + E = G]	\$166.9 million	\$181.9 million	\$197.9 million

16. NSW's contribution to launch includes funding for Ability Links NSW and other local area coordination and decision support functions (LAC component) – refer table 6 below. These services will likely remain as an in-kind contribution.

**Table 6**

	2013-14	2014-15	2015-16
Ability Links	14	14	14
Aboriginal Ability Links	-	2	2
Diagnosis Support Workers	4	4	4
Other NSW LAC capacity	-	14	30
Total	18	34	50
Value	\$1.9 million	\$3.7 million	\$5.7 million