

# Annual Report 2015-16

The National Disability Insurance Agency

For the National Disability Insurance Scheme (NDIS)

Simple English version

# Introduction

This is a report about the National Disability Insurance Scheme. In this report it will be called the NDIS. The report will talk about the NDIS during the last year, from the beginning of July 2015 to the end of June 2016.

There are definitions for some difficult words in this Annual Report. The first time we write difficult words in a new section, they are **bold**. There is a glossary of what the words mean on page 68.

This is the third year and third annual report for the NDIS.

This report will discuss:

- the NDIS and how it has grown over the year
- the National Disability Insurance Agency. They manage the NDIS. We will call them 'the Agency' in this report.
- how the Agency managed the money for the NDIS over the year
- how **service providers** and other Agency partners work with the NDIS

## What is the NDIS?

The NDIS is a new support **scheme** for people with disability in Australia. A new system was needed to make disability services and **funding** fair across Australia.

The government decided to start the NDIS in 2013 after a report was written about the old system in 2011. In the old system, the government gave a set amount of money to **support services**. This money was shared between people with disability without talking to them about their actual needs. With the NDIS, every person can get help to plan for their supports, and apply for the money they actually need.

The NDIS is designed to provide the right support to people with disability.

It will help each person:

- make a plan for their supports
- discuss what money they need for their supports and how to apply for it
- talk to **community experts** about services available to them.

There will be more information about these things later in the report.

The NDIS will allow people with disability to have more **choice and control** over the supports they need. This will enable their independence and full **participation** in the broader community.

It is creating an opportunity for people with disability to live 'an ordinary life'.

### The Agency

The National Disability Insurance Agency manages the NDIS.

### Special features of the NDIS

- People with disability are included in all decisions the Agency makes about the NDIS.
- People with disability have more choice and control.
- The NDIS involves the whole nation of Australia. Before, funding was separate between states and territories.
- It is based on **insurance principles**. This means following the same ideas that insurance companies use to divide money. It means starting to plan for a person's support needs as early as possible, even if they are maybe only needed later. These insurance principles will be talked about in more detail later in this report.

## **What is the NDIS doing now?**

The NDIS has been tested in seven towns and cities in Australia. These places are called **trial sites**. The places where the NDIS has been trialled over the last three years will go into full NDIS on 1 July 2016. Many more places in Australia will also start the NDIS after July 2016. It will then rollout across the rest of Australia. This will take a few years.

The three-year trial of the NDIS started in 2013.

Two trial sites moved to full NDIS rollout earlier than expected in 2015. They are the Nepean Blue Mountains (New South Wales) and Townsville (Queensland).

The NDIS reached 35 695 participants over the three years to 1 July 2016.

By 2019, the NDIS expects to support 460 000 people with disability.

Since the start of the trial there has been \$2.4 billion dollars worth of support promised to people.

# Table of contents

<b>Introduction</b>	<b>2</b>
What is the NDIS?	3
<b>Section 1: Getting ready for NDIS</b>	<b>7</b>
The NDIS this year	8
An ordinary life	10
Insurance principles	11
The Agency's vision, mission and goals	12
How is the Agency implementing the NDIS?	13
Working with participants	14
Working with the community	16
Working with partners	18
Working with service providers	19
Supporting diverse communities	20
Getting the market ready	21
Assistive Technology	23
Important dates for the NDIS	25
Bilateral agreements	26
Numbers from trial and early transition sites	27
Highlights across trial and early transition sites in 2015-16	28
NDIS Ready	30
Continuous improvement	31
Reference packages and first plans	31
Outcomes Framework	31
The Agency's people and culture	33
The Agency Board	34
Independent Advisory Council	36
Management committees	38

The NDIA organisation	39
Workforce planning	42
<b>Section 2: Performance report</b>	<b>45</b>
Program 1.1: Reasonable and necessary care and support for participants	46
Program 1.2: Community Inclusion and Capacity Development (CICD) Grants	48
Program 1.3 Agency costs	49
Goal 1: The National Disability Insurance Scheme is financially sustainable. It is governed using insurance principles.	50
Goal 2: People with disability are in control and have choices.	52
Goal 3: Community satisfaction. The community has ownership, confidence and pride in the NDIS and the Agency	54
Financial performance	56
<b>Section 3: Governance</b>	<b>58</b>
Who governs or leads the NDIS?	59
How does the NDIS fit into the National Disability Strategy?	60
External scrutiny	62
Facilities and Workplace Health and Safety	64
Reportable items	65
Glossary	68

# **Section 1: Getting ready for NDIS**

## The NDIS this year

The final year of trial up to 30 June 2016 has given many lessons to the Agency and the people it will support. The Agency has been listening to people's experiences of the trial, to build and deliver a good NDIS. The Agency will always listen and learn from NDIS participants. More improvements to the NDIS will occur as the NDIS grows.

Some facts for the year are:

- The NDIS is on time according to the Agency's plan.
- The Agency has spent money on the NDIS within the planned **budget** for the year.
- The Agency's has employed many staff with disability. There is 16 per cent of the total staff with disability.
- Most participants say they are happy with the NDIS. There is a 95 per cent satisfaction score.

Over the year the NDIS has done many things. The list below is a summary of those actions. Most of the points will be talked about in more detail later in the report.

### Listening

- Listening to participants, carers and families
- Listening to a group called the **Independent Advisory Council** (IAC or the Council)
- Listening to people who are experts in areas like mental health or intellectual disability. They hold meetings called reference groups.
- Listening to Agency staff with disability through the **Staff Participant Network** (SPN) online.

### Learning

- Learning from seven trial sites who provided vital lessons.
- Learning from two regions that decided to transition to full NDIS early.
- Learning from information about participants collected by the Agency.
- Learning from people with extra support needs, like people from rural and remote areas.

### Building

- Building a better **NDIS price guide** for the cost of supports.

- Building reference packages for funding based on experiences of experts and participants.
- Building an important survey called the **Outcomes Framework** to measure the NDIS's success.
- Building confidence of the service providers through the change to NDIS. This includes giving them local information packs about the marketplace. These are called **market position statements**.
- Building on the way the NDIS is given to the community. This is called the **Service Delivery Operating Model**.
- Building the **Information, Linkages and Capacity building (ILC)** funding program. This will help each community help others with disability better, even if they are not part of the NDIS. This program is due for release in August 2016.
- Building the **capacity** of individuals, families, peer support networks, communities and service providers.

## Delivering

- Delivering public education about the NDIS via social media. One example is the *NDIS Ready* campaign.
- Delivering the trial phase of the NDIS on time and on budget.
- Delivering high satisfaction. 95 per cent of participants said their planning process was 'good' or 'very good'.
- Delivering new **Information and Communication Technology (ICT)**.
- Delivering plans for innovative supports, including funding for new **Assistive Technologies (AT)**.
- Delivering increased confidence of participants in using transport, and getting education and employment.

## An ordinary life

The most important thing about the NDIS is helping people get the things they need to live an ordinary life.

Some everyday things that help make to 'an ordinary life' for everyone include:

- good relationships
- a sense of belonging
- **autonomy** (doing things on your own)
- involvement in decision-making
- opportunities to challenge and contribute to things that affect them.

People with disability need choice and control to have an ordinary life. They need to be able to create **goals**, and have control in the **planning and delivery** of their supports.

The NDIS will help them to have an ordinary life.

The NDIS will support people by

- helping to plan what they need
- giving them money to get support using insurance principles
- helping the community be more inclusive

## Insurance principles

There are four main insurance principles that are used by the NDIS to decide about funding. These are:

### **Evidence**

This is usually called **actuarial evidence**. It is evidence of the experiences of the person. It also uses statistics. It tells the Agency the reason why a person needs support.

### **Planning for a whole lifetime.**

This means planning for supports that might be needed throughout a person's life.

### **Investment**

Investing means spending money and time on supports and services early. It often means buying things that are not used today but are used in the future. Investment is giving resources to people so they can research the best way to help.

### **Capacity building**

This means improving the ability of individuals and communities to help participants. Participants also increase their ability to help themselves.

Early investment in support and planning is good. Problems can be seen early and support supplied. If early support assists a participant significantly, they may no longer need the NDIS later in life.

## **The Agency's vision, mission and goals**

The Agency has a plan for the NDIS. The Agency has created the vision, the mission and goals to help explain the plan. These help everyone who works for the NDIS to understand the plan.

### **Vision**

The Agency plans to increase social and economic independence for people with disability.

### **Mission**

The Agency plans to build and manage a world leading NDIS for all Australians.

### **Goals**

The Agency wants people with disability to be in control and have choices

The NDIS needs to be financially sustainable.

The community needs confidence and pride in the NDIS

# How is the Agency implementing the NDIS?

## **Service Delivery Operating Model**

The Agency has developed a guide to running the NDIS called the Service Delivery Operating Model. It shows how the NDIS will be implemented.

It tells us:

- who the Agency provides services to
- what services the Agency provides
- what service providers the Agency uses
- what business processes and procedures the Agency uses
- how the Agency enables these business processes and procedures to work.

The Service Delivery Operating Model offers people with disability, their families and their carers the following support:

- referral to supports
- planning of supports
- coordination of supports
- payment of NDIS funded supports.

There was significant work in 2015 to measure the quality of how services are delivered to participants. The Agency took many of the recommendations from this work to design the NDIS Service Delivery Operating Model.

## **A co-design approach**

The NDIS involves many people working together. It includes participants, community groups, service providers, NDIS Planners and other Agency partners. When they work together on improving parts of the NDIS, it is called co-design.

Involving people with disability in the design of the NDIS has helped make it more relevant to them. It guides the ongoing development of how the NDIS is delivered and improved.

The Agency will make sure co-design is included in the ongoing work on the NDIS.

## Working with participants

There has been significant work over 2015-16 to make the planning process for participants better.

The NDIS helps participants:

- with their **informal support**
- get community services and supports
- get reasonable and necessary funded supports
- get mainstream services and supports.

### The participant pathway

Five steps have been developed to follow with each participant through the NDIS. Once the full NDIS is rolled out, a participant will follow these five stages.

1. Accessing the NDIS
2. Creating a participant plan
3. Plan approval by the Agency
4. Implementation and monitoring the plan
5. Reviewing the plan

### Choice and control

The NDIS wants to increase the choice and control that participants have. Participants will control the **reasonable and necessary** supports and services they need.

#### Choice and control includes:

- Having access to information, knowledge and experience. This allows people with disability to understand the choices and options available to them.
- Power over resources and relationships.
- Opportunity to think about alternatives to the current services and resources.
- Support in decision making from trusted others.

#### A reasonable and necessary support must

- be related to the participant's disability

- must not include day-to-day living costs that are not related to a participant's disability needs.
- represent value for money
- be likely to be effective and beneficial to the participant

# Working with the community

## Information, Linkages and Capacity building

The NDIS is giving people with disability a stronger connection with their community. It represents an opportunity to increase inclusion. People with disability will be able to become active in their communities. The Agency is working on this through Information Linkages and Capacity building (ILC).

There has been a major work in 2015-16 to prepare for ILC for release after the trial phase.

There have been two main areas of effort. The first one is making sure people with disability have the information, skills and confidence they need. This is called **personal capacity building**.

The second area of work has been improving the ability of the community to include people with disability. This is called **community capacity building**.

Funding called Community Inclusion and Capacity Development (CICD) will sit within ILC.

In July 2015, all governments in Australia agreed to a **policy framework** for ILC. The ILC policy outlines five kinds of activities that will be in ILC in the future:

1. information, linkages and referrals
2. capacity building of mainstream services like hospitals and schools
3. community awareness and capacity building
4. individual capacity building
5. Local Area Coordination (LAC).

The fifth area, **Local Area Coordination** is managed by the Agency separately to ILC. There will be more information about Local Area Coordinators in this report.

## ILC commissioning framework

The ILC commissioning framework is the Agency's action plan for ILC. It will start from August 2016.

It explains

- the role of ILC
- how ILC activities will be selected and funded
- how performance will be measured and managed.

In 2015 more than 1000 people took part in workshops to talk about what they expected from ILC. The Agency heard how important ILC was to people and what they hoped it would achieve.

Then, in December 2015, the Agency wrote a draft version of the ILC action plan, or commissioning framework. Meetings were held across Australia to provide information and receive feedback about it. More than 1000 people attended one of the meetings.

All of the feedback has been included the next version of the ILC action plan. It will be released in late 2016.

ILC will not start nationally in 2016–17. Each state and territory will transition to ILC at a point that works with the timing of the NDIS in their area. The first territory to start ILC will be the Australian Capital Territory (ACT) on 1 July 2017.

### **How will the Information, Linkages and Capacity building work?**

ILC funding will be distributed through **grants**. Organisations may apply for a funding grant, to make an activity or project possible. A good example of ILC would be doing something that connects young people with disability who live in a rural area with each other.

## Working with partners

The Agency needs to work with other people and groups for the NDIS to work. The Agency needs them to carry out some services for people with disability. These groups are called partners. Over the year, many new relationships have started and other partnerships have grown stronger.

Partners will be involved in the Agency's planning for the NDIS. They will bring strong skills, experience and ideas that the Agency will explore. As the Agency learns to work with new partners, it will use their ideas to improve services.

### Local Area Coordination

Local Area Coordinators from partner organisations will work in local communities across Australia to:

- assist NDIS participants connect to their community
- work with the community to make it more inclusive.

Within the first five years of the NDIS it is expected that Local Area Coordinators will:

- support 60-70 per cent of all participants
- provide help to connect to and build informal and natural supports
- provide help with the planning process and effective implementation of plans
- work with community, providers and mainstream services
- be visible and active in the community

### Community Connectors

Community Connectors are partners who work in NSW's Nepean Blue Mountains and in Queensland. They have a good understanding of the community they are working with. They also have a good understanding of the NDIS. They can help participants and their families understand the NDIS. Then the participant might have a conversation with an NDIA Planner or Local Area Coordinator.

### Early Childhood Early Intervention partners

**Early Childhood Early Intervention (ECEI)** support is to help children under six years old. It has been developed to help families have access to advice and early support. People who work in Early Childhood Early Intervention (ECEI) are from partner organisations.

# Working with service providers

## **Service provider readiness**

Service providers give support services and products to participants of the NDIS.

Many new organisations, or service providers, have registered with the NDIS over 2015-16. At 30 June 2016, just over 3500 providers were registered to deliver supports under the NDIS. This is an increase of more than 1500 providers over 2015-16.

Participants have choice and control over the providers they use. But, participants whose plans are managed by the Agency must use a provider who is registered with the NDIS.

By 2019, the money spent on disability supports will more than double the current level. It is expected that approximately \$22 billion will be spent per year, supporting around 460 000 participants.

In the past, funding was given straight to providers by governments. Now, participants in the NDIS will be in control of paying their providers directly. This means that the market will grow in the coming years. This will create opportunities for existing service providers and for new providers.

## **The service provider toolkit**

The Agency created an NDIS Provider Toolkit in 2015-16. This was to help providers prepare for full NDIS rollout. The NDIS Provider Toolkit helps people and organisations that want to become a registered provider under the NDIS.

The Agency understands that there are many changes for providers with the NDIS. The NDIS Provider Toolkit answers many questions from providers about the NDIS.

The NDIS Provider Toolkit contains important information about:

- how the NDIS operates
- how to register as a provider
- how to manage the supports provided to participants. This includes how to claim for payment.
- how to manage registration
- any changes to provider processes within the NDIS

## Supporting diverse communities

The Agency wants to improve access for people and communities with extra circumstances.

There has been much work over 2015-16 on how the NDIS can help four groups in particular:

- people living in rural and remote areas of Australia
- Aboriginal and Torres Strait Islanders
- people from Culturally and Linguistically Diverse (CALD) communities.
- people with identified mental illness and psychosocial disability.

In the future, there will be different plans or **strategies** for each of the four groups.

For example, people with disability living in rural and remote areas may not have many providers to choose from. The Agency has a strategy to help them access services in other ways.

## Getting the market ready

The **market** is a word used for the large group of businesses that supply supports and services.

Many other activities have happened over the year to get the market ready for the full NDIS rollout.

These actions are supported by the *Integrated Market Sector and Workforce strategy*. It was released in June 2015. This strategy helps the Agency to ensure good value for money for participant's supports.

### **Housing Innovation showcases**

The Housing Innovation showcases are exhibitions of potential housing options for participants. The first showcase was in Sydney in April 2016. A second one was in Victoria in May 2016. Over 1300 people attended these two events.

### **Remote disability service provider forum**

A remote disability service provider forum was held in Adelaide in March 2016. It was an opportunity to share views on the range of disability services that work best in remote areas.

### **Publication of market position statements**

The Agency was asked to provide information about the markets in different areas over the NDIS trial. This led to the development of market position statements for most states and territories over 2016.

The market position statements provide information on:

- the estimated demand for supports,
- an understanding of what is available (**market supply**)
- information from providers working in these local markets.

Market position statements are on the NDIS website as they are made ([www.ndis.gov.au](http://www.ndis.gov.au)).

### **Pricing**

The Agency reviewed and updated pricing for NDIS supports in four key areas:

- pricing for personal care, community participation and **supported independent living**
- price loadings (extra costs) for remote locations
- new supports and price for support provided by plan managers
- pricing and payments information for **Specialist Disability Accommodation (SDA)**.

### **A new list of supports**

Over the year there was extensive work on the NDIS Price Guide. This is a simpler and shorter price list, which will make it easier for providers to claim money. It will reduce confusion amongst participants and providers about supports that the NDIS will pay for.

### **Introduction of a new Information and Communications Technology system**

There will be further work on the Information and Communications Technology (ICT) system over the next three years. The Agency will also be introducing a new NDIS Myplace online payment portal for stakeholders.

The Agency will work hard to introduce the portal, working with participants, providers and partners. It will be important to resolve any issues quickly.

The Agency experienced issues with the Myplace Portals after 1 July 2016. The Agency apologises for any inconvenience to participants and providers. Payments are now being processed successfully.

## Assistive Technology

Assistive technology products are electronic tools to help people with disability. Examples include computers, apps on smartphones or **tactile** walking sticks. Accessibility features are making life easier for people with disability in their daily lives. Assistive Technology (AT) enables people with disability to maximise their independence at home, in the community and in the workplace.

The Agency has outlined the following actions for AT:

- promoting the take-up of technology solutions,
- empowering participants to choose technology that best supports their needs
- deliver a sustainable NDIS so participants have more independence.

It is important to note that strong evidence of need and the benefit that will be delivered will still be required for AT to be supplied through the NDIS.

The AT strategy was released in October 2015.

### **The importance of Assistive Technology in trial sites**

As AT evolves it will provide more opportunities for people with disability. Experiences from the trial sites indicated that AT will be very important as the NDIS rolls out nationally from July 2016.

By the end of May 2016, AT was included in 35 per cent of participants' plans, rising to over 55 per cent for participants who are over 45 years old. Of over 400 AT support item types, the two largest assistive products requested were for:

- personal care and safety
- personal mobility

Personal care and safety products include bathroom or bedroom equipment. Personal mobility equipment includes items such as wheelchairs, walkers, hoists and transfer equipment.

### **NDIS New World Conference: Disability in the 21st Century**

There was a conference in October 2015 called *NDIS New World Conference: Disability in the 21st Century*.

The conference was held for two main reasons:

- There is interest about the NDIS from technology companies around the world. Australia hopes to contribute to better technology options for people everywhere.
- By the year 2020, the Agency expects participants in the NDIS will spend \$1 billion a year on AT. It is important that participants know about the technology.

Many experts spoke at the conference about how technology can improve the lives of people with disability. More than 1500 delegates attended and there was a great sense of optimism and hope throughout the three days.

## Important dates for the NDIS

### **Year one from 1 July 2013**

Trial sites have been operating since 1 July 2013 in:

New South Wales (NSW) - the Hunter region

Victoria (VIC) - the Barwon region

South Australia (SA) for 0 to 14 year olds only

Tasmania (TAS) for 15 to 24 year olds only

### **Year two from 1 July 2014**

Trial sites have been operating since 1 July 2014 in:

Northern Territory (NT)

Western Australia (WA)

Australian Capital Territory (ACT)

### **Year three from 1 July 2015**

The trial continued in five of the seven sites.

### **Sites that transitioned to the NDIS early**

The NSW Government and the Queensland Government decided to transition some locations into the full NDIS before the end of the trial.

These were:

NSW Nepean Blue Mountains. This was for up to 2000 children and young people under 18 years of age from 1 July 2015.

Queensland. Planning started for up to 600 participants in the early transition sites.

## Bilateral agreements

### What are bilateral agreements?

Bilateral agreements are contracts between state governments and the Agency. The agreements show the roles and responsibilities between each of them when they transition to the full NDIS. Each state also needs an operational plan as part of the bilateral agreement.

### NDIS Bilateral Agreement report to 30 June 2016

Australian Capital Territory bilateral agreements have been signed 7 December 2012. Operational plans have been signed

New South Wales bilateral agreements were signed 16 September 2015. Operational plans have been signed.

Northern Territory bilateral agreements were signed 16 May 2016. Operational plans are developing.

Queensland bilateral agreements were signed 16 March 2016. Operational plans are being negotiated

South Australian bilateral agreements were signed 11 December 2015. Operational plans have been signed.

Tasmanian bilateral agreements were signed 11 December 2015. Operational plans have been signed.

Victorian bilateral agreements were signed 16 September 2015. Operational plans have been signed.

Western Australian bilateral agreements have not started. Operational plans have also not started.

Negotiations are continuing between the Commonwealth Government and Western Australian (WA) Government on full transition arrangements.

## Numbers from trial and early transition sites

### Nationally across Australia

36 307 participants were expected to join the NDIS by 1 July 2016

35 695 participants joined by 1 July 2016

30 281 participants have approved plans by 1 July 2016

\$36 049 is the **average package cost** for each person per year (excluding large residential centres)

\$39 065 is the average package cost for each person per year (including large residential centres)

## Highlights across trial and early transition sites in 2015-16

The following information provides one example of an action that happened in each of the states and territories in 2015-16.

### **South Australia (SA)**

There has been a focus on information and engagement for children and young people in South Australia. The SA Youth Advisory Group was created in 2015. In 2016 an Early Childhood Early Intervention (ECEI) team has been established in SA.

### **Northern Territory (NT)**

The Agency funded the renowned Barkly Desert Harmony Festival, held from 31 July to 5 August 2015. The focus for the festival was on the skills and capabilities of people with disability. The events included a performance by the Australian Opera.

### **Victoria**

Victoria has made a significant contribution to NDIS plans for:

- Assistive Technology (AT),
- the Rural and Remote strategy,
- the Aboriginal and Torres Strait Islander Engagement strategy,
- the Culturally and Linguistically Diverse (CALD) strategy.

### **Tasmania**

Tasmania has done work with Local Area Coordination (LAC) and many lessons from this will be used nationally.

### **Australian Capital Territory (ACT)**

The ACT offers special support to communities that might find it difficult to access information about the NDIS. These include:

- Aboriginal and Torres Strait Islander people,

- Culturally and Linguistically Diverse (CALD) communities,
- members of the gay, lesbian, bisexual, transgender and intersex (LGBTI) communities,
- families with young children.

### **Western Australia (WA)**

There has been significant focus on people living in psychiatric hostels in WA. The project is supported by a collaboration of organisations working in the mental health sector.

### **New South Wales (NSW) – the Hunter region**

In 2015-16 there has been a focus on attracting and supporting new providers to become registered providers.

### **Early transition site - Queensland**

The Early Childhood Early Intervention (ECEI) approach was implemented in Townsville and Charters Towers.

### **Early transition site - New South Wales (NSW) – Nepean Blue Mountains**

The Nepean Blue Mountains were focused on the needs of 0 to 17 year olds. Work on Early Childhood Early Intervention (ECEI) in the Nepean Blue Mountains provided good lessons for the NDIS.

## NDIS Ready

In May 2016, the Agency launched a promotional campaign called NDIS Ready. It was made to raise community awareness about the NDIS full rollout from 1 July 2016.

NDIS Ready activities in 2015-16 included:

- A launch at Parliament House in Canberra.
- Production of eight videos with participants and people getting ready to join the NDIS.
- The videos were promoted on social media.
- People posted photos of themselves holding the #ndisready sign and 'I love the NDIS' image to their photos on social media.
- An 'NDIS Ready communications toolkit' was created to help people promote getting ready for the NDIS.
- NDIS Ready information sessions for potential participants and providers were held in all new sites.
- NDIS Ready will continue to be used to raise awareness as new sites across Australia transition into the NDIS.

## Continuous improvement

The NDIS is just beginning the important task of rollout across Australia. There is still much work to do on the NDIS. Some of the areas the Agency will be working on are:

- new technology supports
- **data** gathering to measure and report on results
- market position statements
- improving price controls for participants
- enhancing the employment market nationally for people with disability.

Two other important areas of work over 2015-16 that will help to continually improve the NDIS in the future are:

- reference packages for first planning
- the Outcomes Framework.

### **Reference packages and first plans**

Reference packages are 'typical' support packages for participants with a similar level of function. They are being developed to assist with measuring how the NDIS is working for particular groups.

The amount of funded support in reference packages depends on age, disability type, and level of function. Reference packages will allow the Agency to see whether funded supports are the right fit for participants.

A pilot of the reference packages commenced in February 2015 and data has now been collected for around 16 500 participants.

The first plan process builds on the reference packages. The first plan process asks questions about eight areas of life for the participant. It helps refine the reference packages to form each participant's first plan.

### **Outcomes Framework**

An Outcomes Framework is a type of survey for measuring the quality of the support experienced by participants. It will help to measure the medium and long-term benefits of the NDIS to participants, families and carers.

The Outcomes Framework asks questions about eight areas of participant experience (known as **domains**).

The eight participant domains are:

- choice and control
- daily activities
- relationships
- home
- health and wellbeing
- lifelong learning
- work
- social, community and civic participation.

The Outcomes Framework was piloted in the first three months of 2015.

There is a full report on the Outcomes Framework questionnaires. This can be viewed on the [NDIS website](#)<sup>1</sup>.

---

<sup>1</sup> [www.ndis.gov.au](http://www.ndis.gov.au)

## The Agency's people and culture

Agency staff and partners work across all states and territories. People are recruited, supported and valued for their unique skills and experiences.

The Agency has a commitment to people working together to deliver quality service. The way the Agency's staff work with each other and the community they serve is important.

### The Agency's values

The Agency's values help it to shape how its people behave across the Agency. The values are:

**Assurance** - The Agency is committed to certainty of funding for effective supports.

**Empowerment** - The Agency works to ensure participants have choice and control.

**Responsibility** - The Agency shares responsibility with participants, the community and providers.

**Learning** - The Agency seeks an opportunity to learn and continually improve performance.

**Integrity** - The Agency does what it says it will do. This is important to build trust and respect among people with disability.

### Creating a values-based organisation

The Agency places the ideas of people with disability at the centre of everything it does. During 2015-16 the Agency continued to build a good culture to allow this.

A focus of 2015-16 was establishing the Agency's workforce to ensure it was NDIS Ready across Australia. Nineteen new offices opened in 2015-16 and the Agency workforce increased by 485 employees.

In 2015-16, the Agency did the following to improve staff values:

- Created a Rewards and Recognition program to reward good staff performance.
- Created the Staff Participant Network (SPN) for employees to share their experiences and ideas.
- Held the Agency's first leadership forum.

## The Agency Board

The Agency's Board is responsible for guiding the Agency and its performance.

The Board is responsible for writing the Agency's Corporate Plan 2016-19. This can be found on the Agency's website ([www.ndis.gov.au](http://www.ndis.gov.au)).

The Board currently has a Chairperson and seven members. There are four vacant positions. All of the current Board Members were appointed to their roles on 1 July 2013.

Mr Bruce Bonyhady AM is the Chairperson who leads the Board. Mr Bonyhady is appointed to 31 December 2016. He went to all Board meetings in 2014-15 and 2015-16.

Ms. Fiona Payne is a Board Member. Ms. Payne is appointed to 31 December 2016. She went to all Board meetings in 2014-15 and 2015-16.

Ms. Geraldine Harwood is a Board Member. Ms. Harwood is appointed to 31 December 2016. She went to all Board meetings in 2014-15 and 2015-16.

Mr Glenn Keys is a Board Member. Mr Keys is appointed to 30 June 2017. He missed two Board meetings in 2014-15 and one in 2015-16.

Mr John Hill PSM is a Board Member. Mr Hill is appointed to 31 December 2016. He went to all Board meetings in 2014-15 and 2015-16.

Mr John Walsh AM is a Board Member. Mr Walsh is appointed to 30 June 2017. He went to all Board meetings in 2014-15 and 2015-16 except one.

Mr Martin Lavery is a Board Member. Mr Lavery is appointed to 30 June 2017. He went to all Board meetings in 2014-15 and 2015-16 except one.

Professor Rhonda Galbally AO is a Board Member. Professor Galbally is appointed to 30 June 2017. She went to all Board meetings in 2014-15 except one, and all in 2015-16.

### Agency Board Committees

The Board is advised by three committees

- the Audit, Risk and Finance Committee (ARFC)
- the Sustainability Committee
- the Information and Communication Technology Committee (ICT).

### **Audit, Risk and Finance Committee (ARFC)**

The ARFC gives advice to the Board on

- the Agency's risk management;
- control and compliance;
- financial responsibilities.

### **Sustainability Committee**

The Sustainability Committee reports on managing the financial sustainability of the NDIS. It reports on the following:

- access to the NDIS by participants
- the costs of reasonable and necessary supports
- costs of mainstream services.

### **Information and Communication Technology Committee (ICT)**

The ICT Committee provides advice to the Agency and the Board on:

- the quality and implementation of the ICT strategy
- the progress against ICT project timelines
- the cost of alternate systems
- alignment between the ICT strategy and the Agency Strategic Plan
- general functioning of ICT across the Agency.

## Independent Advisory Council

The Independent Advisory Council (IAC or the Council) is a group who provide independent advice to the Agency Board. The Council includes members with a disability.

The Council has visited most of the Agency's seven sites. It has held meetings with participants, providers and Agency staff. The Council draws from these meetings to provide feedback to the Agency and the Board.

### **Significant work by the Council in the first two years:**

- They created the concept of 'an ordinary life'
- They helped with the Agency's Outcomes Framework
- They revised a more simple catalogue of supports
- They helped develop reference packages

### **In 2015-16 the Council worked on the following areas of the NDIS**

- helping people with disability have choice and control without risks
- capacity building
- improving the participant planning process
- improving strategies for people with psychosocial disability
- creating an Intellectual Disability Reference Group (IDRG)

### **Intellectual Disability Reference Group**

In 2015 the Council set up the Intellectual Disability Reference Group. The group has discussed many topics, including:

- access to the NDIS
- planning and implementing support if participants lack informal support
- participants who may have difficulty making decisions
- participants with behaviour problems
- information, linkages and capacity building
- participants in large residential centres
- parents who have an intellectual disability.

The Independent Advisory Council will continue to provide advice to the Agency Board.

The members of the Council are:

- Professor Rhonda Galbally AO
- Dr Ken Baker
- Mr Dean Barton-Smith AM
- Ms Jennifer Cullen
- Mr Kurt Fearnley OAM\*
- Ms Sylvana Mahmic
- Ms Janet Meagher
- Ms Joan McKenna-Kerr
- Dr Gerry Naughtin
- Mr Michael Taggart
- Mr Dale Reardon

\*Mr Fearnley resigned from the Independent Advisory Council on 5 May 2016.

# Management committees

## **Executive Management Group**

The Executive Management Group (EMG) make the final decisions for the Agency.

The purpose of the EMG is to:

- advise the Chief Executive Officer (CEO)
- oversee the Agency's financial situation
- oversee governance committees
- ensure that the Agency does what it needs to.

The EMG is made up of the Agency's CEO and each of the Deputy CEOs.

## **Internal committees**

The Agency's internal committees making decisions on matters relating to

- people and culture
- operational policy
- transition to full NDIS

The internal committees to provide advice and reports to the EMG.

In 2015-16, the Agency's focus moved from monitoring the trial to preparing for the transition to full NDIS.

# The NDIA organisation

## The Executive

Chief Executive Officer

Mr David Bowen

Deputy Chief Executive Officer, Stakeholder Relations

Ms Louise Glanville

Deputy Chief Executive Officer, Organisational Capability

Ms Carolyn Smith

Deputy Chief Executive Officer, Operations

Mr Ian Maynard

Scheme Actuary

Ms Sarah Johnson

## Agency staff

At 30 June 2016, the Agency had 1505 employees across the 28 sites and National Office.

Agency staff are employed under the Public Service Act 1999 (PS Act).

## Workplace diversity

The Agency values staff from diverse backgrounds and experiences.

The Agency strives to be a leader in accessibility and inclusion. It continues to implement the Accessibility Action Plan 2013–17.

In 2015-16 the Agency developed its inaugural Reconciliation Action Plan 2016-17.

The Agency continued to deploy specific strategies including

- the use of intern positions for people with disability
- Aboriginal and Torres Strait Islander people
- women to apply for leadership roles.

## **People with disability**

Nearly 16 per cent of the Agency workforce identified as having a disability by 30 June 2016. The Agency has already passed its target of 15 per cent of its workforce identifying as having a disability by June 2016.

To achieve this goal, the Agency:

- included a person with disability on each selection panel for service delivery roles
- delivered disability confidence training to National office staff.
- reviewed the Agency's Attract Support Retain Policy. This is for the employment of people with disability.
- employed 12 graduates, with just under 50 per cent identifying as having a disability
- participated in an intern program to provide up to 10 intern positions for people with disability

## **Aboriginal and Torres Strait Islander employment**

As at 30 June 2016, nearly two per cent of the Agency's employees identified as Aboriginal and Torres Strait Islander.

The Agency took actions specific to employing Aboriginal and Torres Strait Islander people.

The actions were:

- Helping develop the Indigenous Australian Government Development Program (IAGDP)
- An Agency staff member provided skills and expertise to an Indigenous community for a period of six weeks
- Made an Aboriginal and Torres Strait Islander Cultural Awareness online training package
- Creating activities to observe National Reconciliation Week, as well as NAIDOC Week
- Developed its Reconciliation Action Plan, endorsed by Reconciliation Australia.

## **Women**

In June 2016, 74 per cent of the Agency workforce was female. There are fewer women in senior positions.

## **Staffing statistics**

The Agency has a large number of non-ongoing employees because of the workload for specific projects.

The average age of staff is 42 years old.

The average length of service with the NDIA is 15 months.

15 per cent of the staff work part-time.

## **Ethical standards**

The Agency promotes good standards of behaviour by providing extensive information to staff.

The Agency's staff website (intranet) contains information on:

- the APS Values and Code of Conduct
- bullying and harassment
- acceptance of gifts and benefits
- conflict of interest and outside employment
- ethical behaviour in practice
- social media policy
- links to relevant external websites.

The Agency has included the following training for all staff:

- Work Health and Safety for employees
- fraud awareness at the Agency
- security awareness
- APS Value and Employment Principles and Code of Conduct
- information handling and the Agency
- Public Interest Disclosure Act 2013 (PID Act). This information is also published on the Agency's intranet.

# Workforce planning

## **Recruitment**

The Agency needs the right people, with the right skills, in the right jobs, at the right time.

## **Keeping staff**

To have a satisfied workforce, the Agency must motivate, develop and keep its employees.

The Agency listens to feedback. It offers flexible working arrangements and opportunities for staff to gain experience in other parts of the Agency.

## **Absence from work**

The average amount of days Agency that employees were not at work (because of illness or other reasons) was 7.5 days. This is based on full time employment (FTE). This is much less than in 2014-15 (11.6 days). It compares well against the APS overall rate of 12 days.

## **Employment arrangements**

An enterprise agreement is a contract about what staff expect for wages and conditions from the Agency as their employer. It also covers what the Agency can expect from the staff.

The Enterprise Agreement (EA) 2012-14 was used for non-Senior Executive Services (SES) Agency staff for 2015-16.

In December 2015 the Agency's proposed EA was put to vote with an unsuccessful result. The Agency has continued to talk to employees their representatives. The Agency is working towards finishing the EA process in 2016-17. It will be a modern and simplified agreement.

## **Senior Executive Service benefits**

SES employees are offered payment and benefits under section 24(1) of the Public Service Act 1999. The Agency pays them a salary and gives them a company car.

## **Learning and development**

The Agency is committed to developing its workforce. Employees are provided with training and on-the-job support. There is more detail about training courses in Ethical Standards on page 41.

Development areas in 2015-16 were:

- all new staff attended **induction** training
- **business systems** training
- participant pathway.

This training is given to Agency staff and Local Area Coordinators.

In 2015-16 more than 16 143 learning courses were completed via the Agency's learning management system (LEAP).

Many staff also accessed external learning opportunities through other organisations.

## **Assistive Technology for the Agency workforce**

The Agency provides Assistive Technology (AT) to its staff and contractors with disability.

The Agency identifies the need for AT when a new employee or contractor joins the Agency. This is to enable staff to access technology and undertake their duties.

The Agency has 46 staff accessing eight different assistive technology software products. These products assist staff in many ways, such as low vision, mobility or learning impairments.

## **Employee engagement**

This year, Agency staff members took part in the 2016 APS Employee Engagement Census. The Census is an important survey to measure staff satisfaction. 2016 participation achieved an Agency response rate of 72.4 per cent.

## **Performance pay**

No performance pay arrangements apply in the Agency.

## **Performance management**

The Agency has implemented a new approach to Performance Development of its staff. It works on 100 day planning cycles.

## **Performance Development Framework**

The Performance Development Framework (PDF) is electronically accessible to staff through the intranet. It assists the Agency to improve the performance of everyone in the Agency.

As part of performance development, every employee needs to have a 100 day plan.

The employee leads their 100 day plan based on the team direction set by their manager. Plans have between three to five outcomes to work towards.

## **Work health and safety performance**

The health, safety and welfare of its staff is very important to the Agency. The Agency's Work Health and Safety Policy shows the Agency's belief in looking after its people. The Agency supports access to information about overall health and wellbeing for its staff.

Specific actions taken in 2015–16 included:

- independent auditors came to assess the health and safety management system
- due diligence training was held for Agency staff
- health, wellbeing, injury and illness management web pages for staff were added to the intranet
- the Health and Safety Representative Network was approved
- the Work Health and Safety e-learning package started
- Wellbeing Champions Network launched
- prevention of psychosocial injury training was delivered nationwide
- 176 staff workstations were checked
- the Agency's Early Intervention Program training
- over 376 staff participated in the influenza vaccination program.

The Agency will continue to assess its workplace health and safety rules.

## Section 2: Performance report

This section of the 2015-16 Annual Report talks about whether the Agency's has reached its goals and aims over the year.

The Agency reports on what action was taken over the year to with plans detailed in two important documents. These documents are:

1. 2015-16 Portfolio Budget Statement (PBS). We will discuss three **programs** given to the Agency by the government (Department of Social Services).
2. 2015-19 Corporate Plan. The Corporate Plan details the **goals** of the Agency.

## **Program 1.1: Reasonable and necessary care and support for participants**

Reasonable and necessary supports are financial or social supports funded by the NDIS in a range of areas. They may include education, employment, social activities, independence, living arrangements and health and wellbeing.

These supports will help participants to:

- pursue their goals, objectives and aspirations
- increase their independence
- increase social and economic participation, and
- develop their capacity to actively take part in the community.

### **Aim**

The Agency aims to provide funding for reasonable and necessary support to eligible people with disability. This is to ensure they are in control and have choices.

### **Performance over the year**

The Agency reached the right number of people with support through the NDIS. Of 35 695 participants, 30 281 have an approved plan.

The Agency is happy with the cost of participant plans in comparison to expected cost.

Participants are able to choose their supports and who provides their supports.

The Agency has measured participants' progress through an Outcomes Framework.

There is a good proportion of participants partially or fully self-managing participant plan finances. There are 35 per cent which use a combination of Agency management and self-management, and 7 per cent are self-managed. Most plans are completely Agency managed (58 per cent).

\$2404.3 million of support has been committed to participants with approved plans. Of this \$2404.3 million, \$915.7 million (38 per cent) is estimated to have been provided in 2015-16

*Note: the management of the plan in this instance refers to the financial management of the plan. Participants can self-direct their supports whilst the agency manages the financial side of the plan.*

## **Program 1.2: Community Inclusion and Capacity Development (CICD) Grants**

Community Inclusion and Capacity Development (CICD) Grants increase participation in the community for people with disability.

### **Aim**

The Agency will provide funding to community organisations. This is to help increase social and community participation for people with disability.

### **Performance**

The Agency funded community inclusion and capacity development activities undertaken by various organisations. There were nearly 40 organisations that received funding. A full list of the organisations, their activity and the cost can be viewed on the website.

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

## Program 1.3 Agency costs

The NDIS needs to be able to support people with disability for a long time. It is important for the NDIS to remain economically sustainable. It is important to see any cost pressures early and do something about them.

### **Aim**

The Agency needs to manage the Agency operating resources to keep the NDIS going. These resources include money, time, staff and equipment to run the NDIS.

### **Performance**

The costs were in line with original estimates.

Management of short-term and long-term NDIS costs has been satisfactory.

The number of participants is on track.

There has been good progress on bilateral agreements.

There is a good ratio of Agency operating costs to funding expenses.

# Goal 1: The National Disability Insurance Scheme is financially sustainable. It is governed using insurance principles.

## Aim

It is important that the NDIS can go on into the future. It must have the money it needs to keep going. This is called **financial sustainability**.

The Agency has three years of information from the trial sites to make estimates of how much it will cost.

The Agency understands the financial sustainability of the NDIS by looking at:

- participant numbers
- how many support packages have been committed to participants
- the actual payments for supports provided

## Performance

The Agency looked at the costs in Victoria and the Hunter trial site in NSW (as at 30 June 2016). The analysis suggests that costs to date are satisfactory.

The Outcomes Framework has shown that participants achieved results in line with their approved plans. At 30 June 2016, 199 675 individual goals were recorded within approved participant plans. Participants have said:

- 36 per cent met expectations
- 47 per cent of goals were partly met
- 3 per cent exceeded expectations

The NDIS makes positive change in the lives of families and carers of people with disability. In the Outcomes Framework pilot, the families/carers of participants aged 25 and over answered that the NDIS had helped:

- Support to care: 57 per cent
- Rights and advocacy: 39 per cent
- Accessing services: 56 per cent
- Succession plans: 6 per cent

- Health and wellbeing: 48 per cent.

The cost of reasonable and necessary supports is also on track. The number of eligible participants who accessed the NDIS is at 83 per cent of the bilateral target. Some sites have more than 100 per cent of the target (ACT, SA, TAS, NT and VIC).

The Agency established a way of measuring market sustainability, diversity and efficiency.

- It started development of NDIA Market Stewardship framework.
- It created market position statements for some trial sites.
- The Agency also released a Specialist Disability Accommodation (SDA) report. This was about draft pricing and payments.
- At 30 June 2016, 3519 service providers were registered with the NDIS.

## **Goal 2: People with disability are in control and have choices.**

### **Aim**

The Agency wants to build the capacity of people with disability to exercise choice and control.

The Agency wants all people with disability to have independence and social and economic choices. There is a special focus on people who are vulnerable or marginalised.

The agency wants to recognise and nurture informal support and care arrangements. There is a special focus on children and other vulnerable people.

### **Performance**

#### *Choice and control*

Over the trial period the Agency developed the Outcomes Framework. The Agency asked participants, families and carers about different areas of their lives.

The Outcomes Framework showed participants have choice and control over the supports they access. They can also control how and when these supports are accessed.

Participants are utilising more support in their second plans compared with their first plans. This may be due to an increasing capacity to put funded supports in place. Or it may be due to increasing market capacity for NDIA supports.

Participants have access to a range of relevant service providers and opportunities. 3519 service providers were registered with the NDIS.

The introduction of bundled supports from 1 July 2014 has increased participant flexibility.

From 1 August 2015 the catalogue of supports was made easier to use.

#### *Vulnerable groups*

During 2015-16, there was an increase in Aboriginal and or Torres Strait Islander participants. This went up from 4.4 per cent at 30 June 2015 to 6 per cent at 30 June 2016.

Culturally and Linguistically Diverse (CALD) participants has remained the same as last year (4 per cent).

Participants with Autism have the highest amount of approved plans (31 per cent).

The second highest participant group is those with intellectual disability (23 per cent).

From 30 June 2015 to 30 June 2016, participant plans that are Agency-managed went down from 62 per cent to 58 per cent. Plans managed in combination went up from 33 per cent to 35 per cent. Self-managed plans went up from 6 per cent to 7 per cent.

Up to 30 June 2016, 84 per cent of people who submitted an access request were eligible and a further 5.2 per cent are in progress.

#### *Informal supports and communities*

The Agency is working to understand the level of informal support provided to participants (as part of the first plan approach).

The Outcomes Framework will tell the Agency which participants are accessing mainstream services.

National consultations on the Information, Linkage and Capacity (ILC) Commissioning Framework are complete. Feedback provided has been reviewed and incorporated into the next draft of the framework to be released shortly. ILC Program Guidelines will be released by the end of the 2016.

## **Goal 3: Community satisfaction. The community has ownership, confidence and pride in the NDIS and the Agency**

### **Aim**

The Agency aims to respect and seek the views of people with disability. It also listens to their families, carers and the community.

The Agency also wants to raise community awareness of how to support people with disability.

### **Performance**

2153 participants were asked about their level of satisfaction.

95 per cent responded that their experience of the NDIS was either good or very good.

There have been 83 complaints against the Agency with the Administration Appeal Tribunal (AAT).

- 20 due to access issues
- 63 due to plan issues
- 58 of the complaints have been resolved

772 decisions have been reviewed internally after being formally requested. Compared with 41 523 access requests and 30 281 approved plans, the Agency is pleased with the result.

Participants and the community are satisfied that they have been involved in the design of the NDIS.

Participants and the community are satisfied with how the NDIS is delivered. This has been through the work on the Service Delivery Operating Model.

The Agency has continued to implement recommendations from the Citizen's Jury of the NDIS.

The First Plan process was improved based on feedback from participants.

Agency offices regularly engage with advisory groups, including participant and community groups.

### **Working with government**

There was one COAG Disability Reform Council meeting in the reporting period (4 March 2016 in Adelaide).

The Parliamentary Joint Standing Committee on the NDIS held one private briefing on 2 March 2016. The Agency was represented by the Chairman, the Chief Executive Officer and the three Deputy CEOs.

The Joint Standing Committee visited trial sites and early launch sites in 2015-16.

Bilateral agreements for transition have been signed between the Commonwealth and NSW, Vic, Tas, Qld, NT and SA.

Operational Plans have been signed for NSW, Vic, SA and Tas. The Commonwealth, Qld and NT governments continue to work together to progress planning.

On 28 April 2016, the Commonwealth Government announced the Perth Hills trial site would be extended by 12 months to 30 June 2017.

As at 30 June 2016 the Agency had 18 operational sites. There is an aim to having 32 operational sites open for 1 July 2017.

### **Citizen's Jury**

The Agency invited participants to speak about their experience in a Citizens' Jury held in February in Sydney this year. The Citizens' Jury is based on some processes of a courtroom jury. It supports people to have a say on important NDIS issues.

## Financial performance

### Actual costs for 2015-16

\$800.5 million was spent on reasonable and necessary care and support for participants

\$7 million was spent on community inclusion and capacity development grants

\$266.7 million was spent on Agency Costs

Total \$1 074.2 million

### Ratio of operating expenses to NDIS costs

The cost of running the NDIS is in line with expectations. Costs are going downwards towards target. The Agency is happy with this.

### Financial approval

The Australian National Audit Office approved the Agency's 2015-16 financial statements.

### Funding

The Agency is funded by contributions from the Commonwealth, state and territory governments.

In 2015-16, states and territories contributed \$276.6 million for care and support for participants. The Commonwealth contributed \$638.8 million. The Commonwealth's contribution included

\$267.5 million for care and support for participants

\$10.7 million for grants

\$302.8 million for Agency operating costs

\$57.8 million in funding office buildings and other assets for the NDIS (capital funding).

The Agency also received the value of \$197.3 million of support through other existing programs that are transitioning into the NDIS.

In 2015-16 the Victorian Government spent \$13.5 million to move the Agency's National Office in Geelong.

### **Financial performance 2015-16**

The Agency ended 2015-16 with an operating surplus of \$15.8 million, compared to a surplus of \$0.4 million in 2014-15.

### **Forward position**

In 2016–17 total expenses are forecast to be more than \$4.2 billion including \$3.5 billion of payment for NDIS participants.

### **Statement of financial position**

#### ***Equity***

The total equity of the Agency at 30 June 2016 was \$125.6 million, representing

- contributed equity of \$89.5 million
- reserves of \$1.9 million
- retained surplus of \$34.2 million.

#### ***Assets***

Total assets increased by 54.8 per cent to \$396.3 million at 30 June 2016. The Agency has sufficient cash reserves to fund its debts as and when they fall due.

#### ***Liabilities***

The Agency's total liabilities increased by 31.5 per cent to \$270.7 million at 30 June 2016.

## **Section 3: Governance**

## Who governs or leads the NDIS?

The NDIS is managed by the National Disability Insurance Agency (the Agency).

The Commonwealth Government established the National Disability Insurance Scheme Act 2013 (NDIS Act). The NDIS Act guides everything the Agency does.

The Commonwealth Minister who manages the NDIS Act is, The Hon. Christian Porter MP, Minister for Social Services. He is responsible for the NDIS Rules. Minister Porter was appointed on 21 September 2015.

The Agency is governed by a Board. The Board of the Agency is responsible for the performance of the Agency. The Board manages its costs from year to year.

The Board is advised by the NDIS Independent Advisory Council (IAC).

There is a Council of Australian Governments (COAG). It is made up of Treasurers and Ministers from different states in Australia. The COAG Disability Reform Council (DRC) is the group specifically responsible for disability. Each state and territory helps make decisions on NDIS policy issues.

The Agency holds all funds contributed by the Commonwealth, states and territories. It manages funds and access to the NDIS. It approves the payment of individualised support packages.

## How does the NDIS fit into the National Disability Strategy?

The NDIS works alongside the National Disability Strategy. The strategy is Australia's commitments to the UN Convention on the Rights of Persons with Disabilities.

Mainstream services are those that all people generally use, including people with disability. They include hospitals, public transport and schools for example. These services may include government-funded services and private services. Mainstream service systems are obliged to provide services to all Australians. The Agency works closely with community and mainstream services to help them provide services.

Supports for participants cover the following areas:

1. health
2. mental health
3. early childhood development
4. child protection and family support
5. school education
6. higher education, vocational education and training
7. employment
8. housing and community infrastructure
9. transport
10. justice and
11. aged care.

### **Ministers responsible for the NDIS**

The Commonwealth Minister who manages the NDIS Act is, The Hon. Christian Porter MP, Minister for Social Services. Minister Porter was appointed on 21 September 2015.

The Hon. Scott Morrison MP was the Minister for Social Services before Minister Porter.

The Hon. Jane Prentice MP is the Assistant Minister for Disability Services, appointed on 18 February 2016. Senator the Hon.

Mitch Fifield was the Assistant Minister for Social Services before Minister Prentice.

### **Council of Australian Governments (COAG) Disability Reform Council (DRC)**

The DRC is led by the Minister for Social Services. The DRC makes decisions about NDIS policies. It makes recommendations to COAG on the transition to full Scheme.

### **Parliamentary Joint Standing Committee on the National Disability Insurance Scheme**

The Parliamentary Joint Standing Committee was created on 2 December 2013. The Committee's role is to review the implementation and administration of the NDIS. The Committee is made up of six members of the House of Representatives and six senators. The Committee is required to present an annual progress report to Parliament on the activities of the Committee during the year.

The Committee's second report on the NDIS was tabled on 12 November 2015. The report is published on the Australian Parliament House website ([www.aph.gov.au](http://www.aph.gov.au)). The Australian Government tabled its response to the second progress report in January 2016.

In 2015–16, the Agency worked on recommendations made by the Parliamentary Joint Standing Committee.

## External scrutiny

### Human rights complaints

The Australian Human Rights Commission (AHRC) received two complaints in which the Agency was named as a party. The complaints have now been concluded.

### Administrative Appeals Tribunal

The Administrative Appeals Tribunal (AAT) can review decisions made by the Agency. This includes decisions about whether a person is eligible for the NDIS.

During 2015–16, the AAT received 46 applications to review Agency decisions.

### Freedom of information

Under the Freedom of Information Act 1982 (FOI Act), the Agency is required to publish information to the public. This is part of the Information Publication Scheme (IPS).

The FOI Act gives any person the right to

- access copies of documents held by the Agency
- ask for information the Agency holds about them to be changed
- seek review of the Agency's decision not to allow the person access to a copy of a document.

During 2015–16, the Agency received 31 requests for access to copies of documents. There was one request for internal review of an access decision. There were no requests for OAIC to review the Agency's access decisions or complaints to OAIC.

### Ombudsman complaints

The Commonwealth Ombudsman received 26 complaints about the Agency during 2015–16. The Agency provided answers to the Ombudsman's questions. The Ombudsman closed 16 of the matters. Of the 26 complaints 16 were finalised without further action.

## **Privacy Act**

The Agency takes privacy seriously. This is required under the Privacy Act 1988 and the National Disability Insurance Scheme Act 2013 (NDIS Act).

The Agency must have a privacy policy and a privacy incident and complaints register.

The Agency actively promotes privacy awareness to Agency staff.

# Facilities and Workplace Health and Safety

## National Office

The Agency is currently seeking the new National Office in Geelong, Victoria. The design for the new National Office will deliver a high standard of accessibility.

## Work health and safety performance

The Agency acknowledges its employer responsibilities under

- the Work Health and Safety Act 2011 (WHS Act),
- the Safety, Rehabilitation and Compensation Act 1988
- anti-discrimination legislation.

The Agency wants to protect the health, safety and welfare of its workers while at work.

## Specific actions taken in 2015–16

- Engagement of external auditors to check Work Health and Safety (WHS)
- Due diligence training for Agency officers rolled out
- Health and wellbeing and injury and illness management web pages are available on the staff intranet
- The Health and Safety Representative Network was supported
- Implementation of the Work Health and Safety e-learning package
- Wellbeing Champions Network launched
- Prevention of psychosocial injury training delivered nationwide
- 176 workstations were assessed
- Rollout of the Agency's Workplace Health and Safety Early Intervention Program training
- Over 376 staff participated in the influenza vaccination program

## Reportable items

In 2015–16, the Agency reported zero incidents under section 38 of the WHS Act. The Agency undertook no investigations under Part 10 of the WHS Act.

The Agency's workers' compensation premium for 2015–16 was \$2.1 million.

### **Being environmentally friendly**

The Agency offices have ecological and sustainable measures that reduce energy and consumption costs.

The Agency installed energy-efficient lights for open-plan areas and meeting rooms. It used motion sensor control for the lighting. It installed energy-efficient air-conditioning systems that are operated via time clock. It installed low-flow sanitary fixtures

The Agency supplies general waste and recyclable waste bins to suit the size of the tenancy.

No energy or green ratings have yet been awarded to any Agency site.

The Agency will try to achieve energy or green ratings for stand-alone sites in the future.

In addition, the Agency has started changing its vehicle fleet to hybrid vehicles. The environmentally friendly vehicles will be transitioned in over the coming year.

### **Consultancies, contracts and purchasing policies**

During 2015–16, there were 54 new consultancy contracts made. Total actual expenditure on these was of \$4.7 million (GST inclusive).

There were 30 ongoing consultancy contracts during 2015–16. Total actual expenditure on these were \$10.9 million (GST inclusive) in 2015–16.

In total, during 2015–16, the Agency spent \$15.7 million (GST inclusive) on consultancy contract costs. In the 2014-15 financial year, the Agency spent \$12.3 million (GST inclusive) on consultancy contracts.

There is a continuing need for specialised services from consultants to support the NDIS to full rollout. Contracts for consultancy services provided to the Agency included:

- internal auditing services

- assistance and support for building the ICT platform
- external legal services.

The Agency has procurement policies that govern procurement of all goods and services. The Agency is committed to achieving value-for-money for all money spent.

#### **Australian National Audit Office Access clauses**

The Agency does not have any contracts let during the reporting period.

#### **Advertising and market research**

The Agency placed advertising for staff recruitment. This cost \$15 963 (GST inclusive).

#### **Grants Programs**

Three sets of grants were administered by the Agency in the 2015-16 financial year:

- Community Inclusion and Capacity Development (CICD) grants
- grants to support Local Area Coordination (LAC) Activities
- other NDIA grants.

#### **Australian National Audit Office**

The ANAO conducts an annual audit of the Agency's financial statements under the PGPA Act. The report can be found in Section 4 of the full Annual Report 2015-16, on the NDIS website ([www.ndis.gov.au](http://www.ndis.gov.au))

#### **Internal audit**

The Agency had an internal audit program in place throughout 2015–16. The program is based on identified areas of significant financial or operational risk.

The Agency's internal audit program reports on the Agency's financial and operational controls. It makes the CEO and Board aware of any issues.

The Audit and Risk Finance Committee the effects of disability and to improve (ARFC) has overall responsibility for the internal audit program. The ARFC has endorsed a two-year internal audit plan covering 2016 to 2018.

The 2015–16 internal audit program focused on transition to full NDIS.

### **Purchasing arrangements for ICT**

The Agency has an agreement with the Department of Social Services (DSS) for corporate and ICT services, which ended on 30 June 2016. DSS will continue to provide a range of other services to the Agency.

During 2015–16, the provision of ICT services was transferred to the Department of Human Services (DHS). From 1 July 2016, the majority of the Agency's corporate services will be provided by the DHS through a shared services arrangement.

### **Risk management**

The Agency's risk management strategy follows the NDIS Risk Management Rules 2013 (RMR).

The Agency has a Chief Risk Officer and an Assurance Team. They are responsible for implementing the risk management strategy.

The Board regularly listens to advice from management on how the Agency tackles risks. This includes reporting on the status and progress of major projects and operations.

The Board has an Audit, Risk and Finance Committee. They provide relevant assurance and advice on risks.

The Board has also established a Sustainability Committee. They assess, monitor, report and manage the NDIS financial sustainability. This role of the committee includes oversight of NDIS sustainability risks.

The NDIS Act led to creating the role of the NDIS Actuary. The Actuary is responsible for financial sustainability and risk management. The Scheme Actuary produces regular financial sustainability reports.

There is a Chief Risk Officer to provide risk reviews. This role has independent access to the Board through the Audit, Risk and Finance Committee.

### **Operational implementation**

Operational and project risks are monitored and managed by the Agency's senior executives regularly.

## Glossary

**Actuary** – a person who manages the financial decisions for the NDIS

**Actuarial evidence** – the information used to make decisions about the supports needed by a participant

**Approved plan** – a participant's plan that includes their goals. It also lists the supports required by the participant (informal, mainstream and NDIA-funded as approved by the CEO).

**Assistive Technology (AT)** – the full range of technological products that allow people with disability to be more independent.

**Autonomy** – having choice to do something yourself

**Bilateral agreement** – an agreement between the Commonwealth Government and state or territory governments. It outlines roles and responsibilities for the transition to full NDIS

**Bilateral agreement targets** – the number, location and age of participants that enter the NDIS in each site.

**Budget** – an amount of money set aside to spend on a person or project

**Business systems** – the technology that a business uses to process information and forms

**Carer** – someone who provides personal care, support and assistance to a person with disability and who is not contracted as a paid or voluntary worker

**Capacity** – the amount that someone or something can do

**Choice and control** – having the resources to make decisions

**Citizens' Jury** – a group that uses some processes like a legal trial-by-jury. It encourages people who do not usually say much to have a say on important issues.

**Co-design** – a design process which involves collaboration between people.

**Committed support** – funds included for reasonable and necessary supports for participants in approved plans

**Community services** – activities and services such as social, study, sporting or other interests, available from local non-government groups and government entities

**Data** – information about a person or project

**Domain** – a part of life that is common to many people. There are eight domains that are used to measure how participants are going in different parts of their lives.

**Early Childhood Early Intervention** – providing support early in a child's life. Early help can reduce the effects of disability and improve functional capacity

**Early transition** – trial sites that moved to the full NDIS before the end of the trial period, but before the full NDIS has been rolled out

**Efficient price** – a price determined by the Agency as the maximum amount to be included for certain supports in a participant's plan. This price is built up from the cost of wages, on-costs and organisational overheads and includes a margin for profit or re-investment

**Estimate** – an educated guess or prediction about how much money might be needed

**Evidence base** – the information needed to make decisions about funding and plans

**Formal supports** – see reasonable and necessary supports

**Full scheme** – also known as 'full rollout', or full NDIS. This is when the NDIS will be available to potential participants, specifically, in the Australian Capital Territory by July 2016, in New South Wales and South Australia by July 2018, and in Tasmania, Victoria, Queensland and the Northern Territory by July 2019.

**Funding** – money given for supports or for a project

**Funded supports** – see reasonable and necessary supports

**Funding envelope** – the Agency funding envelope refers to the monies contributed by state and Commonwealth governments for the operational and participant costs of the NDIS

**Goals** – the things a person or project aims towards in their life. The desired result of a plan

**Governance** – the leadership structure of a group. It defines the rules the group must work with

**Grants** – money that is given to fund a project

**Independent Advisory Council** – a group of people who advise the Agency Board on many parts of the NDIS

**Induction** – training about the workplace that is given when you start working for an organisation

**Informal supports** – are people who are part of the participant's personal social network. They might be related to the family or they might be a friend, a neighbour, a colleague from work, or members of a faith-based community.

**Information and Communications Technology** – the term used to describe the online equipment that allows sharing of information. It may also allow payments to be processed or to store information about a participant in one place

**Information, Linkages and Capacity building** – the term used by governments to describe the activities that will be supported by the NDIS to link participants and communities. The activities include providing information and making linkages and referral to community or mainstream services, building the capacity of people with a disability, families and carers, building community capacity, building mainstream service provider capacity, and local area coordination

**Insurance approach** – sharing the costs of disability services and supports across the community

**Insurance culture** – an organisational culture where staff, participants and stakeholders are aware of, and work is aligned to, insurance principles

**Insurance principles** – placing emphasis on making up-front investments that reduce participants' calls on the NDIS into the future, including investments in measuring lifetime costs, research and innovation, and community capability development

**Investment** – spending money or time early to get better outcomes in the future

**Local Area Coordination** – people who work in specific places who know a lot about the services available in a local area. They help participants plan for their supports

**Operational plans** – operational plans set out the key deliverables agreed between the Agency, state and territory governments and the Commonwealth Government to support the rollout of the full NDIS. Operational plans have been developed in partnership between the parties and serve as the overarching roadmap for transitioning to the NDIS as best achieved in each jurisdiction

**Lived experience of disability** – either personally living with disability or having a close relationship with a person with disability (for example, a family member or partner)

**Mainstream services** – government systems providing services to the Australian population, for example, health, mental health, education, justice, housing, child protection and employment services

**Market position statements** – the factsheets that talk about providers and the market in a local area.

**Market supply** – the products available from a supplier in a particular market at a particular price.

**NDIS Price guide** – the new catalogue of supports that shows the cost of products and services. Participants need this to plan what supports they need to apply for through the NDIS

**Outcomes Framework** – the Agency's survey and report for measuring success for people with disability in areas like choice and control, social inclusion, education, employment, health and housing

**Ordinary lives** – lives that include positive relationships, a sense of belonging, autonomy, active involvement in decision-making, and opportunities for challenge and contribution

**Package costs** – the cost to the NDIS Agency of providing funding and support to an individual participant

**Participant** – a person who is eligible for the NDIS. They are assessed as meeting the NDIS participation criteria under the NDIS Act

**Participant outcomes** – a way of measuring the aggregation of whether or not participants' goals are achieved combined with whether the Agency is meeting its objectives

**Participant's plan** – an approved plan consisting of a participant's statement of goals and aspirations and the reasonable and necessary supports approved by the CEO

**People with disability** – a person who experiences any or all of the following: impairments (abnormalities or changes in body function or structure); activity limitations (difficulties in carrying out usual age-appropriate activities); participation restrictions (problems an individual may experience engaging in community, social and family life)

**Planning process** – the process by which the Agency helps a participant to plan for the assistance they need from the NDIS to attain their goals

**Policy framework** – the description of the structure of a policy. It talks about why, when, how and who a policy is designed for

**Price guide** – the new catalogue of supports that shows the cost of products and services. Participants need this to plan what supports they need to apply for through the NDIS

**Psychosocial disability** – the term used to describe the disability experience of people with impairments and participation restrictions related to mental health conditions. These impairments and participation restrictions include loss of or reduced ability to function, think clearly, experience full physical health and manage social and emotional aspects of their lives

**Reasonable and necessary supports** – the supports that are funded under the NDIS Act. The NDIA publishes operational guidelines to assist decisions on what is to be funded as a reasonable and necessary support

**Reference packages** – a benchmark amount of support determined according to different characteristics of the population of NDIS Scheme participants such as age, health condition and 'severity' of disability. Reference packages will be used to monitor experience against the benchmarks

**Registered service provider** – a disability support provider that has met the NDIS Scheme requirements for qualifications, approvals, experience and capacity for the approved supports and the quality standards of the jurisdiction in which they operate

**Sector Development Fund** – a grants program designed to assist the disability sector, including people with disability, their families and providers, to transition to the new arrangements for disability supports under the NDIS

**Self-direction** – where an intermediary assists with some aspects (often financial) of management of the support, but where the participant and their family make all the decisions about the what, when, where and who delivers the support

**Self-management** – where funding and supports are managed by the participant and their family

**Service Delivery Operating Model** – the guide to how the NDIS will be delivered

**Staff Participation Network** – a place for staff members who are also participants, family and carers to talk. The SPN lets them talk about their experiences in a safe and supported

environment

**Strategies** – the term used for plans created to assist others

**Support package** – the term used by the Agency to describe the funding for the supports available to an individual participant

**Supports** – assistance that helps a participant to reach their goals

**Support services** – people or businesses that offer the help participants need to reach their goals

**Sustainability** – continuing something for as long as possible. Sustainability of the NDIS requires keeping money available to run it

**Trial phase** – the first three years of the NDIS

**Trial sites** – the NDIS sites at which different operating models for providing services to people with disability are being tested