23 July 2021

I acknowledge the Traditional Owners and Custodians of the lands on which we are all meeting today and their continuing connection to land, sea and community.

I pay my respects to their Elders, past, present and emerging. I would like to extend that acknowledgement and respect to any Aboriginal and Torres Strait Islander peoples here today.

Thank you for invitation to speak to you today.

Outcome of Disability Reform Ministers' Meeting

You would all be aware of the decisions at the recent Disability Reform Ministers' Meeting (DRMM), the main one being the decision to not proceed with independent assessments.

Let me start by being very clear – the Agency fully supports and agrees with that decision.

That is the governance model at work, especially for changes involving or requiring legislation.

I'll also take this opportunity to acknowledge again the real difficulties and challenges of our interactions with the disability sector, with many of you, over the past few months.

It has not been easy for anyone, including my staff, but particularly for participants. And for my part, that is a source of regret.

I hope also everyone involved can acknowledge the good faith and good intent of all involved, whether or not specific views and proposals are agreed with or not.

Shared goal

I know we continue to share the same goal – to make the Scheme the best it can be and ensure it is in place for generations to come.

The Agency fully recognises we cannot play our part in achieving this goal without working closely with the disability sector and participants.

Where we are today

I think we can collectively agree that the NDIS has reached a critical point in its short history.

We are just eight years into the Scheme that took varying state support systems, block funding and limited choice for individuals and built a new system of individual, tailored support that gave greater freedom, choice and control to Australians with disability.

In those eight years, we have welcomed more than 465,000 people with disability from across the country into the Scheme, developed individual plan budgets for each person and supported them to use that plan to increase their independence and pursue their goals.

We took the challenge on at pace to make sure people with disability were not without supports, or different levels of support while we transitioned to the new and better support system.

During that time, we have also learnt lessons, gathered data and began to truly understand what was working and what wasn't.

As we reached national roll out, we recognised issues with how the Scheme was being delivered.

These issues were backed up by the Tune Review in January 2020.

The government agreed, or agreed in principle, to all 29 recommendations from that plan and we got to work to deliver on those recommendations.

We released our Participant Service Charter and Service Improvement Plan and committed to the Participant Service Guarantee, ahead of legislation, giving participants greater confidence in the time we would take to make decisions on access, planning and reviews.

These are critical pieces of work that are already improving the Scheme and we have more work to do.

Next steps

As a result of the outcomes from DRMM, the Agency is working to reset its course around Scheme reform.

Ministers have made a commitment to work in partnership with people with lived experience of disability through the Independent Advisory Council and disability representatives on the co-design of a new person-centred model.

The model will be designed to deliver consistency and equity in access and planning outcomes, consistent with legislative requirements for assessments set out in the NDIS Act.

We will be progressing work on a framework for consultation and engagement that will see us have more robust co-design principles in place with sector organisations but also more direct engagement with the community.

We are, essentially, co-designing what co-design will look like.

We'll work closely with the sector to make sure our co-design approach benefits from the lived experience of people with disability.

The focus here is on determining how we best work together to achieve our common goal.

Consistency and fairness in decision-making

Consistent and fair decision-making is a clear priority for participants.

What does consistent and fair mean?

- People in like circumstances get like outcomes
- All relevant info properly considered
- Irrelevant info not considered
- The information is itself reliable.

Independent Assessments were intended to provide that consistent information to the Agency to drive our consistent and fair decision making.

We must now look at other ways to make sure we gather the information we need to deliver those consistent and fair decisions for all participants.

And the ethos or intent of the Scheme of course is to make those decisions as individualised as possible – about the particular circumstances, goals and aspirations of each person; what is reasonable and necessary for them specifically.

And we need to make them in a timely way.

We need to make them efficiently – in the sense of within the amount of funding given to the Agency, as opposed to the Scheme, to do it.

And we have make them all having regard to ensuring the financial sustainability of the Scheme, as required by the Act.

Now let me tell you we make 10,000 decisions a week that affect participants; made by thousands of staff, in dozens of locations right across the country (and that's counting a new plan as one decision – each plan can involve tens if not hundreds of specific points – something I'll come back to).

That's a huge challenge. That's a key part of what we have to solve for together moving forward.

What information is to be gathered, in what way, applied in what way, to make those 10,000 decisions a week.

Commitment to transparency / focus on sustainability

You would be aware we have recently released our interim Annual Financial Sustainability Report (AFSR) summary, which outlines the sustainability pressures facing the Scheme.

The Chairman of the NDIA also agreed at the Ministers Meeting that the Board would positively consider releasing the full 2021 AFSR, which is currently being worked on by the Scheme Actuary.

It is important, as the Ministers noted, that everyone involved has a unified understanding of the Scheme cost drivers and assumptions.

At its heart, it is very simple though.

Two questions: the Scheme currently has 466,000 participants – how many net new participants will join each year?

Secondly, this year participants spent $53,500 each on average. How will that amount change or grow each year? Multiply them together – and you have the Scheme costs?

Now that's in aggregate – one big group of all participants. We model the Scheme with 2000 different groups – and try and answer those same two questions for each group.

The total commitment from the Commonwealth, states and territories for the 2021-22 financial year is $26.5 billion – up from $23.2 billion in the year just finished. I can guarantee every cent of that at least will be spent.

And given the forecast answers for those two questions, as set out in the interim Annual Financial Sustainability Report summary, that spend will continue to rise very strongly – to $40.6 billion in 2024-25.

We want to continue working together on a shared understanding of those assumptions and drivers, and on what level of spend in what time is seen by all Australians as financially sustainable.

Future directions

You may have heard me speak before – at JSC– about Phoebe's Sundays.

It comes from a letter, written by Phoebe's father, to a newspaper. I spoke with him.

At its core, it's about the concept that participants and their families should be able to choose what works best for them – in this case, it's about how Phoebe and her family spend their Sundays.

Phoebe's father posed the question: "what is reasonable and necessary for Phoebe and our family?" in relation to whether support workers can take Phoebe out on a Sunday, when costs are higher, and if so, how many Sundays in a year.

He makes the point that the decision on just that one question can change Phoebe's funding by many thousands of dollars.

He also highlights that there are hundreds of decisions to be made in every person's individual NDIS plan.

The intent of the Scheme was never for public servants to be making this many decisions about the life and supports of participants.

This does not deliver choice and control as originally intended by the Scheme.

Our focus continues to be on a Scheme that has a more flexible use of funding, rather than tightly defined supports – to acknowledge that Phoebe and her family are in the best position to determine how she spends her Sundays, and any other day of the week.

Other

There are many other components of the way forward.

I've already touched on it but we are focused on meeting the standards set out in the Participant Service Guarantee, even before it is legislated.

We know there are improvements we can make to assistive technology, home modifications, supported independent living (SIL) and Specialist Disability Accommodation (SDA) – and we know those improvements will be better for your involvement.

We have a strong focus on digital transformation to improve the participant experience, with projects underway to improve our CRM, the app and portal, and points of payment.

We will also focus on:

- Participant safety
- Participants with the most complex needs
- Rural and remote and indigenous delivery
- Support for decision making
- Genuine home and living options.

And, of course, we continue with our ongoing response to COVID-19.

In listing those things, I also know that one of our learnings is the need to better share that roadmap and how it fits together.

And as I've said already, the roadmap itself and the improvements within it will be better for your involvement.

Close

I'll finish by reiterating mine and the Agency's commitment to work together – with participants, the disability sector and the broader community – to achieve the goal of making the Scheme better and make sure it's sustainable and available for generations to come.

I acknowledge the passion and commitment you all have to making the Scheme better.

The challenge we have in front of us is how we 'get this right' – together. It's food for thought for us all, and a challenge I look forward to working through with you.

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4 May 2021

Disability reform Ministers' meeting on 9 July

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8 October 2021
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