

Reasonable, necessary and valued: Pricing disability services for quality support and decent jobs

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Natasha Cortis, Fiona Macdonald, Bob Davidson & Eleanor Bentham

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Research Team

Dr Natasha Cortis (UNSW Sydney), Dr Fiona Macdonald (RMIT University), Dr Bob Davidson (Macquarie University), and Eleanor Bentham (RMIT University)

Further information:

Dr Natasha Cortis +61 2 9385 7833 n.cortis@unsw.edu.au

Social Policy Research Centre

UNSW Arts & Social Sciences
UNSW Sydney NSW 2052 Australia

T +61 2 9385 7800

F +61 2 9385 7838

E sprc@unsw.edu.au

W www.sprc.unsw.edu.au

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Abbreviations

ACNC	Australian Charities and Not-for-Profits Commission
ASU	Australian Services Union
CPOW	Centre for People, Organisation and Work, RMIT University
DSW	Disability support worker
HSU	Health Services Union
NCOSS	NSW Council of Social Service
NDIA	National Disability Insurance Agency
NDIS	National Disability Insurance Scheme
NDS	National Disability Services
RCM	Reasonable Cost Model
SACS	Social and Community Services
SCHADS Award	Social, Community, Home Care and Disability Services Industry Award 2010
SIL	Supported Independent Living
SPRC	Social Policy Research Centre, UNSW Sydney

Executive Summary

Research aims

This report is concerned with prospects for quality services and decent jobs under Australia's National Disability Insurance Scheme (NDIS). Specifically, it examines how the prices set by the National Disability Insurance Agency (NDIA) are:

- affecting disability support workers;
- enabling employers of disability support workers to meet their industrial obligations; and
- supporting development of a skilled, high-quality, and decently remunerated disability support workforce.

Data sources

To understand and assess NDIS pricing arrangements, data was collected from several sources:

- Government policy documents, industry submissions and reports were used to understand the structure of NDIS prices relevant to disability support work, and the assumptions underpinning price setting.
- These documents, along with findings from a survey of CEOs of not-for-profit organisations registered to provide NDIS services in NSW, were used to understand how pricing arrangements are shaping employers' decisions about the types of employment opportunities and services on offer.
- Interview and survey data from employees helped capture the experiences and perspectives of workers providing disability services under the NDIS. This enabled assessment of how pricing arrangements are affecting working arrangements and disability support workers' capacity to deliver quality services under the Scheme.

Key findings

Together, the data shows the range of ways that disability support work has been under-priced in the NDIS. Prices for disability support work set by the NDIA according to the 'Reasonable Cost Model' do not enable minimum Award conditions to be met, and prevent employers who offer above-Award conditions from meeting their legal obligations. Prices do not account for what is required to deliver high quality services, and arrangements are not fully enabling disability support workers to deliver services which are personalised, co-ordinated, responsive or safe. Quality is likely to diminish in the process of NDIS expansion. Particular issues include:

- Prices do not recognise the time needed to deliver quality services to NDIS participants. As a result, disability support workers are under pressure to work intensely in their jobs and have inadequate time to build relationships with participants, follow up on participants' needs, co-ordinate and communicate with supervisors and other workers, complete paperwork, debrief,

and handover between shifts, all resulting in lower quality support and increased risks for participants.

- Prices are not covering the induction and training required to enable staff to address the health and other complex needs and behaviours of participants, raising the risks that NDIS participants' needs will not be met. Some staff have been required to train in unpaid time or to personally cover the costs of mandatory training.
- Prices are limiting the pay and career progression of support workers and supervisors. Prices assume low Award classifications and do not account for the remuneration levels required to attract experienced staff or to encourage upskilling.
- Many disability support workers have very fragmented working time. Multiple very short shifts with unpaid time between them results in long working hours and inadequate time for rest. Unpredictable working time is also contributing to poor work-life balance.
- Pay for disability support work is low, exacerbated by under-classification and underemployment from short shifts. Low pay is undermining efforts to expand the workforce.
- Casualisation is contributing to financial insecurity for staff and worker turnover, disrupting services and exacerbating risks for participants.
- Physical injuries, exhaustion, stress and other negative psychological impacts arise from combinations of unsafe working conditions, high work intensity, overwork, lack of support, and workers' recognition that participants are not receiving the quality of supports they deserve.

Impact of NDIS prices for disability support work

While the NDIA will increase prices for 2017-18 in line with minimum wage and cost of living increases, these changes do not overcome underlying problems in the structure of prices, which are shifting the costs of provision onto workers and undermining quality. Although disability support workers' commitment to NDIS participants means they frequently perform unpaid work to compensate for under-resourcing, the level of under-pricing is such that the quality of supports is inevitably diminished.

Pricing is undermining quality in a range of ways, including through the loss of co-ordinated team approaches to support, lack of time for communication among workers and supervisors, reduced oversight and safeguarding, and increased casualisation. Promoting choice and control of people with disabilities is an important policy principle. However, to put these principles into practice requires that frontline staff have access to the resources needed to build strong relationships and tailor services to individual needs.

A disability support system predicated on cost-shifting onto low-paid workers is unsustainable. Under current conditions, it will be difficult to expand the disability services workforce, placing the supply of quality services at risk. Prices need to properly recognise and value frontline workers, and provide incentives for service providers to employ, support and retain a workforce capable of providing high quality services and supports.

1. Introduction

This report provides new evidence of how NDIS prices are contributing to service quality and workforce risks. It is structured as follows.

- The first section provides background information about the NDIS (Section 1.1), and explains the significance of NDIS prices (Section 1.2) and our focus on the prices for services and supports involving disability support workers (Section 1.3). We then outline the evidence on which the work builds (Section 1.4), and explain the multiple methods used in the study (Section 1.5).
- Section 2 shows evidence of the general pressures experienced by employees (Section 2.1) and employers (Section 2.2), arising from NDIS pricing arrangements.
- Having established that prices are causing difficulties for disability support workers and providers, we then turn to examine NDIS pricing in detail, outlining the base hourly price and circumstances under which it is varied (Section 3), followed by a more detailed analysis of the assumptions made in setting prices for the services and supports provided by disability support workers (Section 4).
- Section 5 then outlines evidence collected from workers and employers to show the impact of the NDIS and in particular, how pricing arrangements are failing to recognise the time support workers need to complete the mandatory and essential aspects of their work, as well as for co-ordination, relationships and professional development.

Overall, this shows that although many disability workers compensate for under-resourcing by performing unpaid work to ensure participants' needs are met, the systematic under-pricing of disability work in the NDIS contributes to high levels of risk in the service system (discussed in Section 6).

1.1 About the NDIS

The National Disability Insurance Scheme (NDIS) has been repeatedly described as Australia's largest social reform since the introduction of universal national healthcare (Gilchrist, 2016; NDIA, 2016b; Productivity Commission, 2017). It follows decades of activism underlining the importance of self-determination for people with disability, and the inadequacies of underfunded, paternalistic and inequitable models of support provision (Productivity Commission, 2011). The NDIS seeks to overcome the inadequacies of previous arrangements by promoting client choice and control through a market model, broadly following examples of consumer-based reforms in other liberal welfare states (Riddell et al., 2005; Ungerson, 2004; Wilberforce et al., 2011).

Rather than directly providing services or contracting commercial or not-for-profit providers to provide services to NDIS participants, the government, through the NDIA, funds individual packages of supports for eligible people with disability, to meet their individual needs. Once

allocated a plan, NDIS participants¹ are assigned a budget to meet the service and support needs which were deemed 'reasonable and necessary' by the NDIA, and contained in their individual plan. Providers are paid from consumers' allocated funds on invoice at rates currently set by the NDIA, although some items require approval of the NDIA following a quote. The majority of Scheme costs are arising from meeting participants' needs for assistance with daily living (NDIA, 2017c) and, as such, the rates set for this set of supports are particularly important for participants, providers and the ongoing sustainability of the Scheme.

The Scheme is ambitious in scale, with the individualised fee for service model intended to replace most programs which were previously block funded by the Australian Government or the States and Territories. The program will support an estimated 460,000 people by 2020, including many people with previously unmet needs (Buckmaster, 2017). It is expected to create 20 percent of all new jobs in Australia in the process of transition to the Scheme (Productivity Commission, 2017, p. 22, citing Bonyhady, 2016, p5.). Associated, the cost to governments is projected to increase from \$4.2 billion in 2016-17 to \$22 billion in 2019-20 (Buckmaster, 2017) and, although the intention was that participant plans be fully funded, cost containment is quickly becoming the dominant Scheme priority (Productivity Commission, 2017).

A managed market

Essentially the NDIS establishes a managed market, shaped through the activities of government. The NDIA, as the statutory agency responsible for implementing the Scheme, effectively 'constructs' the market through:

- Demand levers, including:
 - determining eligibility using parameters set under the NDIS Act;
 - working with participants to assess their needs and form a plan; and
 - funding participants' packages at particular levels; and
- Supply levers, including:
 - registering organisations and individuals able to provide support to NDIS participants²; and
 - setting the maximum prices that registered providers can charge for supports, which shapes providers' viability and decisions about supply.

In future, the market will also be shaped by additional quality and safeguarding arrangements, with the NDIS Quality and Safeguards Commission planned for 2018 intended to handle complaints and investigate incidents, with worker screening left to the States and Territories (DSS, 2016).

How the NDIA, as market manager, uses these levers establishes the resource environment for the NDIS and shapes the extent to which the Scheme can achieve goals of independence and

¹ We use NDIA term 'participant' to refer to someone who is receiving services under the NDIS. The term 'client' or 'service user' is used in the report where it has been used by others, such as service providers or workers in interviews, or to refer to people using disability services but not as part of the NDIS.

² Note however, that participants who self-manage are not required to use registered providers, so can source services and supports from organisations which are not NDIS registered or bound by NDIS prices.

wellbeing for participants. As with social care in the UK and elsewhere, there are risks of rationing and under-provisioning arising from restrictions to eligibility, poor quality planning and cost containment through price controls (Lewis & West, 2014). Indeed, Australian evidence is emerging that NDIS plans can be highly variable and may not necessarily fully or fairly recognise participants' support needs (Browne, 2017; Warr et al., 2017). On the supply side, providers may avoid providing less lucrative services or operating in areas in which they are less viable, contributing to 'thin markets' (Senior Officials Working Group for the Disability Reform Council, 2015). Quality risks may arise from registration of unscrupulous or otherwise low quality providers, or from poorly developed accountability and enforcement arrangements. Setting prices too high risks enabling profiteering and low value for money for participants, while setting them too low will make it difficult for service providers and workers to deliver services at acceptable levels of quality (NDIA, 2017a; Productivity Commission, 2017).

1.2 The significance of NDIS prices

Although risks to quality can also arise from other elements of the NDIS model, we are concerned with how NDIS prices are shaping the supply of disability services and supports, and impacting on disability support workers and the quality of support they are able to provide.

NDIS prices are significant as they are the prime means of determining the levels of funding allocated to participants to purchase the services and supports deemed 'reasonable and necessary' in their plan. They also set a limit on what providers can charge, although in some circumstances providers may obtain NDIA approval to fund supports over these levels. The NDIA claims that it sets prices to maximise value for money for participants, and to give providers flexibility, reduce risk of business failure and attract new providers to the sector (NDIA, 2017a). To do this, the intention is that price caps strike a balance for consumers and providers, being 'as low as possible (but still achievable by providers)', yet higher than a 'theoretically efficient level' to be achieved in the future (NDIA, 2017a).

A series of lengthy documents set out prices for different kinds of services and supports that can be provided under the NDIS. Prices for 'core' supports such as assistance with self-care, daily living and accessing the community are derived from a base hourly price, which is varied in some circumstances according to geography, intensity, time of day and week, number of people being assisted and the specific type of service (NDIA, 2016c, 2016d). The base hourly price is derived from the NDIA's 'Reasonable Cost Model' (RCM), developed by a Joint Working Group comprising the NDIA, National Disability Services (the peak body for not-for-profit service providers) and consultants. The RCM has been described as a 'bottom-up' model (NDIA and NDS, 2014, p. 10) or 'ground-up' model (NDIA, 2014, p. 2), in that it was developed by seeking to identify and quantify all of the costs involved in providing eligible people with disability with assistance with self-care activities and assistance to access the community (NDIA and NDS, 2014, p. 2). The RCM consists of a range of components, each based on a series of assumptions. It claims to set prices at levels 'sufficient to cover the efficient costs of a reasonable quality support provider' (NDIA, 2014). Indeed, prices are intended to cover the full costs of providing supports deemed 'reasonable and necessary' in participants' plans, so that user co-payments will not be required, and so that providers can grow capacity (NDIA, 2016c).

The NDIA regards the current prices to be transitional, and its role in price review³ and price setting to be temporary, as part of a phase of change leading to a fully deregulated market⁴. The NDIA proposes to eventually deregulate prices, although price setting looks set to remain a feature of the Scheme for a decade post full Scheme rollout (DSS, 2017).⁵ The vision is that ultimately the NDIA will not play a price setting role, as the 'mature' marketplace will determine the prices of supports.

1.3 Focusing on NDIS prices for disability support work

This report focuses on prices for disability support work, and explores how these prices affect prospects for decent working conditions and for support workers' capacity to work with participants in co-ordinated, responsive and respectful ways. Disability support workers are important as they work at the frontline, providing direct support and assistance to people with disability to meet daily living needs, and participate in the community. Disability support workers are also numerically significant in the disability service workforce, and financially significant to the Scheme. Indeed, most funding for NDIS plans is associated with assistance with daily living, which involves the direct care and support that disability support workers provide: 69.3% of funds in the Barwon trial site and 78.9% of funds in the Hunter site were dedicated to this set of supports (NDIA, 2017c).

1.4 Building on existing evidence

Material in this report builds on existing evidence about the place of the workforce in consumer-centred reform of human services and how frontline disability workers are faring in the process of change. Prior to the NDIS launch, research highlighted possible workforce risks associated with individualised funding models (Cortis, Meagher, Chan, Davidson, & Fattore, 2013). That review pointed out how few studies have captured the perspectives of workers, despite their central place in delivering services and implementing change, and despite accumulating evidence associating individualised funding models with risks for workers. These risks relate to service continuity and job security, income security, skill development, health and safety, and rights to voice and representation.

In the last few years, there does not appear to have been a significant expansion of the Australian or international literature; however, there has been considerable public focus on outcomes for support and care workers of the market-based social care system in the United Kingdom under very tight financial constraints (e.g. House of Commons, 2017). Although some research has identified links between pricing and workforce risks (e.g. Mavromaras, Moskos, & Mahuteau, 2016) relatively little scholarly attention has been specifically dedicated to the detail of this interface.

³ Various reviews include: Personal Care and Community Participation 2016-17 Price Review - Discussion Paper (NDIA, 2016d); Context for 2016-17 NDIS Pricing Decisions (NDIA, 2016a); Summary of new and updated price arrangements for 2016-17 (NDIA, 2016e). Further reviews are underway or planned.

⁴ Recent changes include: in 2016, the hourly price for one-to-one support was increased by 3.9% in eastern states and 1.9% in other states and territories. Remote and very remote loadings increased to 18% and 23% and supported independent living prices in all areas were increased by 3.9%. Prices for most other supports increased by 2%. Prices were deregulated for participants who were self-managing their plans (around 8% of participants as at 30 June 2016 (COAG Disability Reform Council, 2016).

⁵ The NDIA has stated its transitional 'glide path' to an 'efficient' and eventually deregulated price allows for Equal Remuneration Order adjustments but no cost increases above this (NDIA, 2016e).

Since the review by Cortis et al (2013) the literature continues to highlight how individualised funding can shift risk from employers to workers. Macdonald and Charlesworth (2016) point out how employment outcomes under the NDIS depend on the underlying cost containment agenda and how services are regulated and monitored. Mladenov, Owens, and Cribb (2015) point out that although personalisation and consumer based funding embody ideals of both social justice and marketization, priorities of marketization can over-run social justice considerations. In relation to recent experience in the United Kingdom (UK) they suggest personalisation has been used as an ideological cover for austerity. The UK experience has continued to highlight the employment risks associated with low prices for adult social care services including disability support (Equality and Human Rights Commission, 2013; Rubery, Grimshaw, Hebson, & Ugarte, 2015) and inadequate employment regulation (Hayes, 2015), with poor quality jobs for support and care workers going hand in hand with increased risks for the quality of support provided to consumers (Commission on Dignity in Care, 2012; HM Government, 2012). Australian service providers have also recently identified job quality as a risk for service quality under the NDIS (NDS, 2016, p. 29).

In their review Cortis et al. (2013) identified uncertainty of demand, increased demand at short notice, increased administrative burden and higher transaction costs as some of the pressures likely to adversely affect workers as organisational costs and risks are passed on. The pressures on providers of the low price for one-on-one personal support under the NDIS (NDS, 2016, p. 26) can be added to these pressures, although to date there has not been any detailed scholarly analysis of the shortcomings of different elements of the price.

This report also builds on overseas research showing how, under consumer-based funding, providers have shifted risks and costs onto workers. This has been well illustrated in examples of two Scottish not-for-profit providers documented in recent case studies (Cunningham, 2015, 2016). In moving to personalised social care (and facing effective cuts to service funding of up to 25%) the organisations reported losing money on delivering services or having to subsidise service delivery from organisation resources. Both organisations closed some services but also responded to these pressures by reducing staff numbers or demoting staff to lower skill and pay levels, cutting pay rates, hiring new staff at lower skill levels, increasing the use of casual and zero-hours contracts, introducing split shifts, reducing paid leave and pension conditions, intensifying work, increasing full-time weekly hours, reducing training and/or charging employees for training, and reducing supervisory and management positions. The impacts on social care workers included reduced morale, reduced real and nominal pay rates, longer working hours, reduced leave, more fragmented work days and weeks, reduced training and development opportunities, reduced career prospects and greater employment insecurity.

These types of organisational responses and consequences for workers can be seen more generally in the adult social care sector in England. Cost pressures underlie the failure of some social care providers to pay social care workers the national minimum wage. Indeed, up to 220,000 social care workers have been estimated to be earning less than the minimum wage (Hussein, 2011). Key contributors include unpaid travel time, unpaid time spent in training and supervision, unpaid time assisting service users in emergencies, and overrun in support time beyond that which is recognised in hourly prices (Hayes, 2015). An investigation into 80 providers (HM Revenue and Customs, 2013) found that almost half (47%) were not compliant with National Minimum Wage regulations, while the Low Pay Commission (2016, p. xxvii) recently singled out social care workers

as particularly at risk due to employer non-compliance with minimum wage regulation. Social care work in England has very high levels of employment on 'zero hours contracts' meaning workers do not have stable hours or stable incomes; in 2016 it was estimated that almost a quarter (24%) of adult social care workers and a half (49%) of domiciliary (homecare) workers were employed on zero-hours contracts (Skills for Care, 2016, p. 28).

Early findings from the evaluation of the NDIS pilot sites suggest that the low NDIS price may be leading to the emergence of similar issues in Australia. The interim evaluation found increased use of casual and contract staff by providers in trial sites compared with non-trial sites (Mavromaras et al., 2016). In interviews, service providers reported difficulties in meeting industrial relations responsibilities due to low prices; increased use of casual and contract arrangements for support workers; reclassification of support roles at lower pay and skill levels; increased staff workloads; and increased problems with recruitment and retention including the loss of skilled staff. Providers were delivering less training and supervision than they had been at the beginning of the trial. Together, these factors were reported to be resulting in concerns about the declining quality of support.

1.5 Methods

To build on this evidence and assess whether NDIS pricing arrangements enable providers to meet their industrial obligations and provide decent employment opportunities, information was drawn from a range of sources.

Review of pricing arrangements

Reports from the NDIA, Productivity Commission and other government agencies were collated and analysed to understand the design of pricing arrangements, and their underlying assumptions. Explanation of the NDIS Reasonable Cost Model (RCM) is primarily contained in the key documents published in 2014 when the RCM was established (NDIA 2014, NDIA & NDS 2014). Subsequent NDIA documents explain changes in assumptions and variables in the RCM (NDIA, 2016e) including detailed annual Price Guides issued by the NDIA (NDIA, 2016c, 2016d). Primarily drawing on these documents, an analysis of the RCM was conducted to identify in detail the elements of the model and the assumptions and data used to generate the base hourly rate and the current price guides, with a particular focus on prices for disability support work.

Alongside analysis of pricing arrangements, we analysed reports and submissions of service providers and their peak bodies, including National Disability Services (NDS).⁶ These reports and policy documents helped deepen understanding of the assumptions underpinning NDIS pricing arrangements and their impacts, and to identify any evidence about employment issues and challenges evident under current pricing arrangements.

Interviews with workers providing disability services

To explore how NDIS pricing arrangements are shaping workers' experiences and perceptions of delivering disability services, the research analysed interview data from 20 disability support

⁶ Documents included providers' submissions to the NDIA's *Personal Care and Community Participation 2016-17 Price Review Discussion Paper*, obtained under Freedom of Information.

workers—including some team leaders and supervisors—delivering services in the NDIS trial sites of Barwon, Victoria and in the Hunter, NSW.

Of the 20 interviewees, 8 were workers providing support to people participating in day activity centres, group homes, and providing personal support in the community or working as support co-ordinators. These interviews were conducted in February and March 2017 with interviewees recruited with the assistance of the unions commissioning the project. The other 12 interviews were undertaken between November 2016 and February 2017 by RMIT researchers. These interviews were with workers providing personal support and assistance to people with disability in the community and in private homes. Discussion of these 12 interviews draws on a working paper presenting work in progress by Bentham and Macdonald (2017) (attached to this report as Appendix A: CPOW Working Paper 2017-1).

Interviews centred on what workers thought was needed to ensure good quality support for people with disability who accessed their services and how they saw the NDIS impacting on the quality of support they and other support workers are able to provide, and on their job quality. While the interviewees identified positive changes for some people with disability as a result of the NDIS they also identified significant problems, many of which relate to NDIS pricing.

Interviews were audio-recorded and transcribed. Key themes, and excerpts of the interviews which illustrate them, are presented in this report. Case studies are used to give more in depth information about how individual interviewees experienced their work. More information about the methods are in Appendix B and Appendix C.

Survey of disability workers

A survey of disability services workers was conducted by the three unions, and findings were provided to the research team for analysis and inclusion in the report. Responses came from 1476 people working with people with disability. Of these 74% were female, and around a third were aged over 55. Around a quarter said they supervise other staff in their current role. As the survey asked if workers deliver services in an NDIS area or to NDIS participants, perceptions can be compared for those working under NDIS providers and others. A little over half of respondents (54.7%) were working in an NDIS rollout area or with participants of the NDIS.

Further details about the methodology, key characteristics of the sample, and supplementary data are provided in Appendix F. Additional analysis is available in Cortis (2017). Some material from this survey was also reported by Health Services Union (2017).

Survey of employers

Information about providers' experiences was drawn from a survey of CEOs of not-for-profit community service providers in NSW, conducted in February 2017 (Cortis and Blaxland, 2017). This is supplemented by information from policy submissions and other public documents. Of the 398 organisations whose CEOs responded to the survey, 135 (33.9%) were registered to provide services under the NDIS. These registered providers were asked specific questions about perceptions of NDIS pricing arrangements. These survey items were followed with the open-ended question 'Do you have any other comments on what NDIS means for your organisation and staff'. Full findings are reported in Cortis and Blaxland (2017). This information was used to understand

how organisational leaders were experiencing the pricing model, and any differences in perspectives among different types of NDIS providers. Supplementary tables are in Appendix G.

2. Experiences of delivering services under NDIS

This section presents an overview of how employers and employees are experiencing the NDIS and observing that problems are arising from current pricing arrangements. First, data from employees shows that, despite their high commitment to people with disability and to principles of consumer rights and control, many disability workers are finding it difficult to achieve what they consider to be acceptable standards of quality under the NDIS model, and do not see it as positive for people with disability or their families (Section 2.1). Providers are also experiencing difficulties operating under NDIS pricing arrangements (Section 2.2). This material highlights how both employees and employers are finding it difficult to work under current arrangements. It provides a basis for our closer examination of the design of the pricing model and the assumptions underpinning it, in Sections 3 and 4. The adequacy of these pricing arrangements is then assessed, based on the experiences of service providers and employees who have been working under the NDIS (Section 5).

2.1 Employees' experiences of service delivery under NDIS

Both the interviews and the data from the employee survey show that employees are finding it difficult to deliver quality services under the NDIS. The interviews show how frontline disability services workers are very positive about the key focus of their jobs: providing support and assistance to people with disability. All employees spoke of the satisfaction of working closely with people and supporting them to gain independence and to live fulfilling lives. They also spoke of enjoying many of the challenges of their work that required them to be creative and to resolve problems to best support the people they worked with. The fulfilling nature of working closely with people with disability and helping them achieve milestones in their lives is explained by this interviewee:

I find it immensely rewarding that, through my work, I can support someone and achieve maybe a small milestone.. ...And it's just, it keeps you on your toes that you've got to think beyond the box, well okay, if that's not going to work maybe we should try that and in that I find that challenging. You get someone to laugh or you get someone to (achieve a personal milestone), it just seems to, it just gives me a fulfilment, I suppose. (Employee 1)

That workers valued making a difference in the lives of people with disability lives was also highlighted in Bentham and Macdonald (2017), for example:

(I)t's good to wake up every morning and think that you have the opportunity to influence somebody's life today and that you can choose to make that a positive influence, and help someone with their goals that otherwise without you they wouldn't have been able to do. (DSW22, Bentham and Macdonald, 2017)

When asked about the qualities necessary for providing good support to people with disability, workers identified the importance of skills acquired through training and preparation for the specific needs of the individuals they were working with; being able to respond to individual needs and

goals; and having respect for clients and for their independence. However, the interviewees also explained how it was difficult to provide services in ways that met their ideals of quality support under the NDIS. Many pointed to lack of time to develop familiarity and trust which are well recognised in practice scholarship as the basis through which clients and workers attune to each other to negotiate individual-centred support (Denton et al., 2015; Rugkasa et al, 2014). Interviewees also identified a lack of consistency and co-ordination in teams, lack of flexibility and spontaneity to address clients' needs, and lack of safeguards.

Exemplifying several of these themes, a support co-ordinator with almost 20 years' experience in the disability sector explained how she observed difficulties meeting the needs of people with disability under the NDIS, largely because of a presumption that participants can access kin-based care and because of time pressure and fragmentation between systems and workers:

Whereas previously there's been a lot of time to work with people in a more person-centred way, get to really know them, what their goals are, how we're going to help them, and support them to achieve those goals. ...(Now) (t)here are a lot of participants out there that you feel really concerned about because their family may not have capacity to provide for their disability support needs, and you're working a really complex system I suppose where there's lots of different isolated systems, trying to work together to support somebody and it doesn't always work very well... (Employee 5)

When asked about the impact of the NDIS on participants, workers noted that increased choice was benefiting some people with disability. However, experienced employees who had been working in the NDIS trial sites highlighted some negative impacts on the quality of support and assistance provided. They felt there was reduced scope to provide quality support, and that the pricing model was a key contributor. When asked about the quality of support that participants were receiving under the NDIS, one interviewee expressed concerns that were typical: that although staff were trying their hardest, the resources available under the NDIS and the emphasis on economic efficiency precluded quality provision:

I suppose there were a lot of people who weren't getting supports (prior to NDIS), and we were very aware of that. And to be honest, for some people the NDIS has been the best thing that's ever happened. ... (But) If you want to provide a quality service, you can't provide it for the hourly rate that the NDIS has determined... I mean I know from working in this organisation that we do absolutely the best we can as far as providing an excellent quality service. But I think it's problematic where maybe there's too much counting of money. And an unwillingness to be flexible, and creative, and yeah, it's just really challenging. I can't see it as being a positive thing, really, to tell you the truth. It's really quite depressing. (Employee 4)

Employees identified only negative impacts of the NDIS on the quality of disability support jobs. Many of the negative impacts they experienced relate to funding and the pricing of disability support work, which reduced resources available, fragmented service delivery arrangements and increased the prevalence of short hours and casual positions staffed by people with little experience or training. Of the 20 workers interviewed seven said they were taking active steps to

leave their current jobs—including six who said they were leaving disability work altogether—while several others were thinking about leaving.

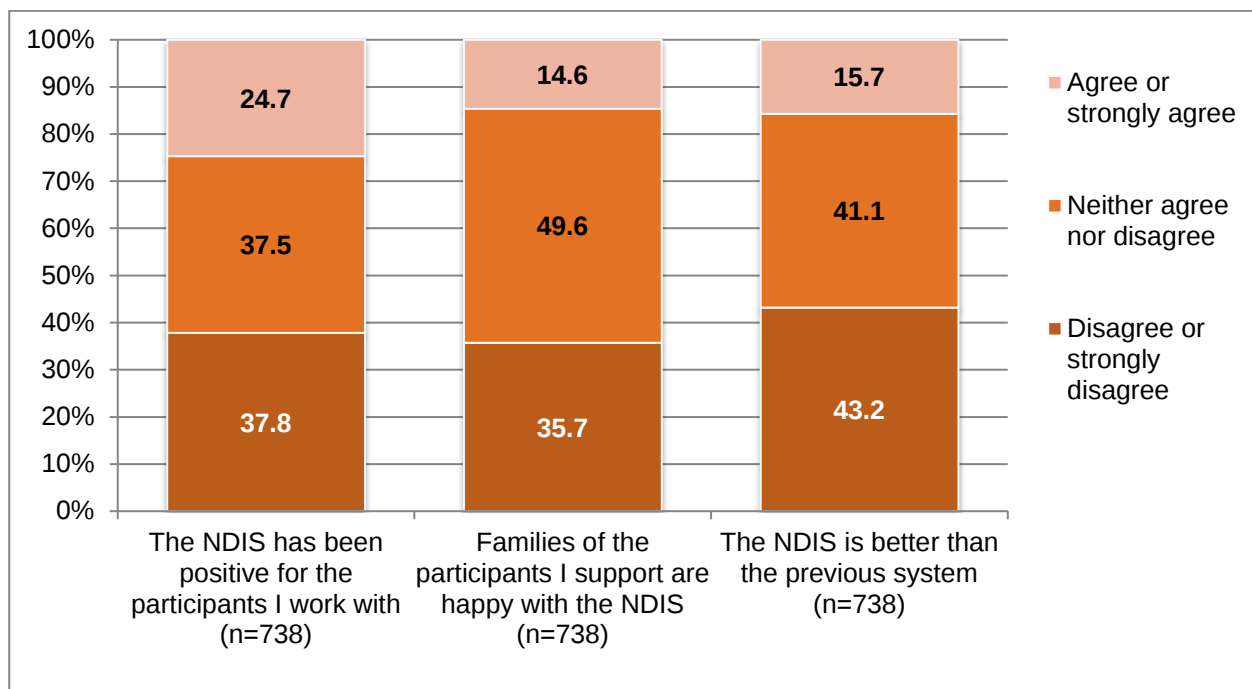
As well as low pay and underpayment, employees highlighted interlinked problems of extended and fragmented working days and weeks, including: unsocial hours and weekend working; a lack of days off; unpaid work; inadequate or no training; poor supervision and/or organisational support (especially for new employees); increased work intensity and overwork (often unpaid); casualisation; stresses caused by a decline in the quality of supports and risks to participants' safety; and additional health and safety issues for staff. These factors contributed to workers' intentions to leave. One support worker described how the combination of stresses related to seeing the decline in quality of support for her clients, together with all the other negative aspects of the job, made it difficult to stay even though—and largely because—she was deeply committed to her clients:

I'm waiting to see how things pan out but, and I know a lot of staff are anxious about how (the NDIS) is going to work for our clients. But if it really goes downhill, and it breaks my heart to see what's happening with our clients, I don't know that I could stay. The stress would be too hard. I have actually looked at what, how much people at Safeway and Big W get paid, I have actually looked into that. *Interviewer: And what did you think?* Oh well you go to work... you do your job and that's it. You can leave it all at work. You're not ringing up and saying how's such and such doing and, when you come back in the next day, well how did that all work out, what did the doctor say about this, what's the policies and procedures we're following now, signing for medication, signing for money... you walk in, you walk out. (Employee 1)

Data from the survey of disability workers corroborates the concerns expressed by the interviewees. While many respondents working in NDIS rollout areas or with NDIS participants were unsure or neutral about the impact of the Scheme, only a minority agreed it was generally having positive impacts on participants (see Figure 2.1). Around a quarter agreed or strongly agreed that 'the NDIS has been positive for the participants I work with', but many more (37.8%) disagreed. Around half of respondents were unsure or neutral on the issue of whether families of participants were happy with the Scheme, but many more disagreed than agreed (35.7% compared with 14.6%). Similarly, 43.2% disagreed with the statement that 'The NDIS is better than the previous system', while 15.7% agreed.

A breakdown by service type, which shows that across all service types more respondents disagreed than agreed, is provided in Appendix F: Details and supplementary data from worker survey.

Figure 2.1 Percentage of respondents who agreed with statements about the impact of the NDIS on participants and their families



Source: Survey of disability workers

2.2 Employers' difficulties operating under NDIS prices

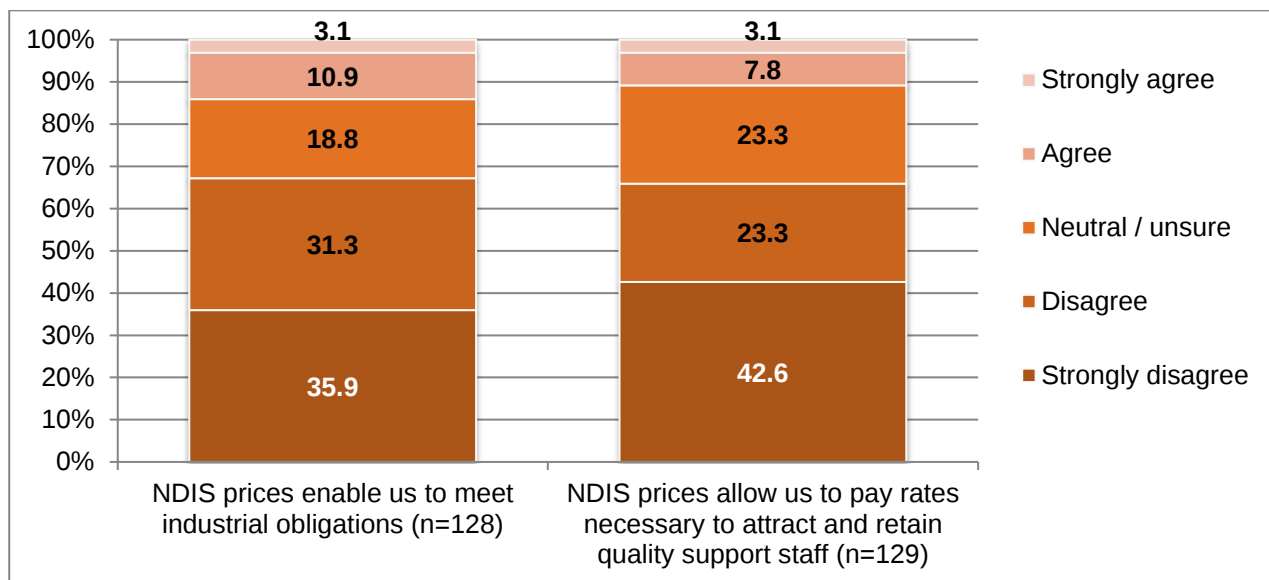
Like the employees interviewed and the workers who took part in the survey, employers have also reported that approaches to NDIS prices are not conducive to quality service provision. The peak body for not-for-profit disability service providers, National Disability Services (NDS), has argued the NDIA's approach places too much emphasis on managing disability markets through price setting, with low prices for disability support causing providers to carry the burden of cost-containment (NDS, 2017). National Disability Services has argued that prices are too low to cover providers' overheads and the margin necessary to cover future costs, and, as such, the pricing mechanism precludes existing providers from developing the additional service capacity required to meet demand (NDS, 2017). Based on surveys of their members in 2016, they found two in three providers agreed or strongly agreed that they would be unable to provide services at the prices offered under the NDIS (NDS, 2016, p. 15). Close to half of providers (46%) agreed or strongly agreed that quality would need to fall in order to provide services at the prices offered (NDS, 2016).

National Disability Services also found that, in 2016, aligning NDIS prices with the actual costs of supply were the highest priorities for 58% of NDS members (NDS, 2016). They have articulated the need to increase one-to-one support prices, establish a mechanism to set more appropriate prices for services delivered to participants in groups, change prices to more accurately reflect jurisdictional and geographical differences in costs, and set prices that better reflect complexity of support (NDS, 2016, p. 24). They have also reiterated the Auditor-General's concerns that the design of the Scheme failed to consider possible conflict of interest between the NDIA's role as both funder and price regulator; that is, that low price setting could be used to achieve funding goals of containing costs, rather than recognising the costs of service provision and providing adequate resources (Auditor-General, 2016; NDS, 2017).

The arguments of NDS and employers, however, have not closely focused on the link between price levels and workforce issues. To explore this in more depth, specific questions were asked about workforce management under NDIS pricing arrangements in the survey of not-for-profit CEOs conducted in NSW as part of a larger survey that is reported in more depth in Cortis and Blaxland (2017). Figure 2.2 shows that overwhelmingly, employers delivering services under the NDIS are finding that NDIS prices are undermining their capacity to operate as 'good' employers:

- 2 in 3 (67.2%) CEOs disagreed with the statement 'NDIS prices enable us to meet our industrial obligations' and only 14.0% agreed. 18.8% were neutral or unsure, showing that a substantial proportion are uncertain about pricing adequacy.
- 2 in 3 (65.9%) CEOs disagreed with the statement 'NDIS prices allow us to pay rates necessary to attract and retain quality support workers' and only 10.9% agreed. Almost 1 in 4 (23.2%) were neutral or unsure, again showing a high level of uncertainty about the operating environment.

Figure 2.2 Registered providers' perspectives on pricing (%)



Source: Survey of Employers, see Cortis and Blaxland (2017)

In the open-ended survey question, there was some recognition that pricing arrangements depend on the type of service and practitioner employed. In general, pricing was most problematic for organisations employing support workers, as those employing allied health practitioners received prices more attuned to actual costs. Several organisations made general comments on the difficulties they faced in managing and developing their workforce under the NDIS, for example:

There is still considerable uncertainty in relation to how we can best manage our workforce under an NDIS - balancing choice and control for participants

whilst still meeting industrial and professional obligations under existing NDIS pricing. (CEO of medium sized non-metropolitan service⁷)

Others delved deeper to focus on particular areas of difficulty arising from the price. These respondents focused on the amount of activity required of the organisation which was not paid for under the NDIS (including administration and travel time), the difficulty of skilling staff, and the need to subsidise provision from other sources. Typical comments included:

An enormous amount of backoffice work that is not paid for by the NDIS (CEO of small non-metropolitan service)

Covering travel cost is a major concern as most of the clients we support live in rural remote areas. Without adequate funding to cover travel, our service may not be able to continue to provide support to clients in these areas. There are no other services in some of the areas we provide support in. (CEO of medium sized non-metropolitan organisation)

Low NDIS prices are causing staff to be employed on lower wages, making it difficult to attract and retain quality staff. This will lead to decrease in quality services provided to people with disability. Staff will receive less training to the detriment to the people with disability. (CEO of medium sized non-metropolitan organisation)

Providers' comments were, however, imbued with commitment to the principles of choice and control underlying the NDIS, mixed with disappointment about the Scheme and uncertainty about prospects for future provision. For example:

Whilst we agree that the NDIS is the greatest social reform since Medibank, it is chaotic, underfunded, poorly priced and with almost daily changes in rules and policy. We fear that it will lead to a deskilling of our workforce and we cannot yet identify how the pricing will permit the essential back office operations. We have been providing NDIS services for over two years, but almost every package has to be subsidised from our diminishing equity. (CEO of very large multi-state organisation)

Many linked the NDIS, and NDIS prices, in particular, with a range of workforce challenges:

The hourly rate is unsustainable and does not allow funds for training or CPD⁸ or staff meetings or supervision. This all is covered by the org as a commitment to maintaining quality. Hours cannot be guaranteed so we look to a casual workforce in our regional areas, we cannot meet demand with staffing and are constantly short staffed. Travel is a nightmare in regional

⁷ Organisations with less than 20 staff are described as small, those with 20 to 50 staff are described as medium, those with over 50 are described as large, and those with over 200 staff are described as very large.

⁸ Continuing Professional Development

areas with agencies needing to pay mileage as well as travel time. (CEO of medium sized non-metropolitan based)

Another focused on the failure of NDIS prices to reflect providers' industrial requirements:

The lack of alignment between how NDIS is funded and employers obligations under the Modern Award (particularly in NSW with higher rates under transitional arrangements) make it incredibly difficult to attract and retain quality staff and operate at a level of efficiency and quality that is sustainable (Human resource manager in very large multi-state organisation)

Another explained how the NDIS had diverted the organisation from its focus on quality, to its focus on market share:

Competition between other providers and an unspoken message that staff needed to try and 'win' business to secure their own work changes the nature of our organisations focus from providing quality services to splitting attention to having to 'capture' business. I believe this may have counterproductive consequences to the overall industry and depersonalisation of our sector in the future. (Senior manager in large multi-service, multistate organisation)

As the data presented so far shows, both employers and employees note a range of difficulties of working under the NDIS and of the NDIS pricing arrangements. To explore these issues in more depth, the remainder of the report introduces the design of NDIS prices (Section 3) then details the assumptions underpinning prices for disability support work (Section 4). We more closely explore the adequacy of pricing arrangements in Section 5.

3. NDIS prices for services requiring Disability Support Workers

Having shown that employers and workers are experiencing difficulties working under NDIS in Section 2, Section 3 provides an overview of the design of NDIS prices for services requiring disability support workers, as a basis for systematically assessing the adequacy of prices. Prices for disability support work are the major component of Scheme costs and are expected to increase as full Scheme rollout increases demand for support workers. Section 3.1 outlines 2016-17 prices for services provided by disability support workers, with further detail about the structure of prices in Section 3.2. Section 4 examines the assumptions underpinning the base hourly rate for disability support work, and grounds for variation according to geography, intensity and other factors (Section 4.7).⁹ Section 5 assesses the adequacy of prices for disability support work, using data collected from disability support workers and leaders of service provider organisations.

3.1 2016-17 Prices

Prices for services provided by disability support workers are set out in four Price Guides.¹⁰ These guides set out prices for three major ‘support purposes’ (Core, Capital, and Capacity building). Each contain a number of ‘support categories’, which contain support items (‘line items’). Two support categories are relevant to disability support workers:

- Assistance with Daily Living (containing 43 relevant support items)¹¹, and
- Assistance with Social and Community Participation (containing 27 support items).

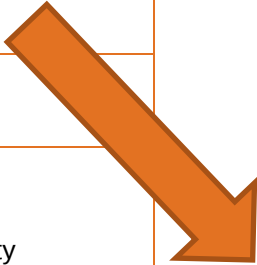
Figure 3.1 shows the structure of these categories. Appendix D sets out their 70 items and their prices. Together, prices for these Support Categories are important because they set the amount of funding allocated to participants to access assistance from disability support workers, and because they are the main components of Scheme costs (NDIA, 2017c). Assistance with daily living, and with social and community participation are also critical to Scheme costs given the prevalence of disability types among NDIS participants: 30% of NDIS participants in Barwon were people with intellectual disability (29% in Hunter), and almost a quarter of participants were people with autism and related disorders (22% in Barwon and 23% in Hunter) (NDIA, 2017c, p. 95). People with these types of disabilities are likely to require assistance with daily living and with social and community participation, and so can be expected to draw on disability support workers (NDIA, 2017c, p. 95).

⁹ Analysis is based on 2016-17 prices and the best available information about how these were developed. However, at the time of writing, a complete account of how prices were determined is not in the public domain.

¹⁰ The four guides for 2016-17 have identical structures and definitions, but refer to different areas: non-remote areas in the four eastern states (NDIA, 2016b) and other jurisdictions (NDIA, 2016c), plus separate guides for remote areas, and very remote areas. Differences in prices between each guide are shown in Appendix D, and the sources of the differences are explained below. Other than actual prices, any citations in this report for NDIA (2016c) are identical for the other Price Guides.

¹¹ There are three service types under Assistance with Daily Life that do not use Disability Support Workers (Figure 4.2).

Figure 3.1 NDIS Services, by Support Purpose and Support Category

PURPOSE	CATEGORY	
Core	1. Assistance with Daily Living	
	2. Transport	
	3. Consumables	
	4. Assistance with Social & Community Participation	
Capital	5. Assistive Technology	
	6. Home	
Capacity building	7. Coordination of Supports	
	8. Improved Living Arrangements	
	9. Increased Social and Community Participation	
	10. Finding and Keeping a Job	
	11. Improved Relationships	
	12. Improved Health and Wellbeing	
	13. Improved Learning	
	14. Improved Life Choices	
	15. Improved Daily Living Skills	

1. Assistance with daily living		Number of support items
• Assistance with self-care activities: day		10
• Assistance with self-care activities: overnight		4
• Centre Based Group		4
• Assistance with Daily Life		4(*)
• Supported Independent Living (SIL)		18
• Assistance in a shared living arrangement		3
TOTAL		43

4. Assistance with Social & Community Participation		Number of support items
• Assistance to access community, social and recreational activities		10
• Group-based community, social and recreational activities		16
• Assistance with Daily Life (community, social and recreational activities)		1(*)
TOTAL		27

Source: NDIA 2016c, p.5

Source: Derived from NDIA 2016c, pp.24-33. Note (*): There are some items that are not necessarily provided by disability support workers, e.g house maintenance, linen, meals.

3.2 The structure of NDIS prices

The NDIS prices relevant to 'Assistance with Daily Living' and 'Assistance with Social and Community Participation', and which therefore underpin prices for disability support work, are derived from three main elements:

1. First, the **base hourly rate**, is paid for services provided (a) in a non-remote area (b) on a weekday in the daytime (c) on a one-to-one basis (d) with a participant who does not have complex (high intensity) needs. The base hourly rate has been derived using the NDIA's Reasonable Cost Model (RCM), based on a set of assumptions and data concerning six factors: the level of disability support workers, the time-allocation of disability support workers, the level and workload of supervisors, staffing on-costs, corporate overheads, and a 'return on capital' margin.¹² The assumptions underpinning the base hourly rate are detailed in Section 4.
2. Second, a number of factors may be applied to vary the base hourly rate to take account of differences in participants and service situations. These **variation factors** relate to geographic location, the intensity (or complexity) of the support needs of a participant, the time of the day or week that the service is provided, and the number of participants being supported. These factors are also based on various assumptions (discussed in Section 4.7).
3. Third, there are a number of relevant Support Items where the prices have apparently been based on **benchmarks** established by the NDIA on the basis of empirical data from a small sample of providers, rather than being directly derived from the base hourly rate and four variation factors (although some take into account the number and/or level of need of participants). The most significant of these services is Supported Independent Living (SIL). These prices are not the key focus of our analysis.

Figure 3.2 summarises this structure, showing that of the 70 relevant prices, 37 are directly derived from the base hourly rate, combined with the four variation factors. The NDIA has stated that these are 'cross-checked against rates under schemes covering similar services, such as the Transport Accident Commission (TAC) in Victoria (NDIA, 2017a, p. 7).

Since the pricing methodology was introduced in July 2014 (NDIA and NDS, 2014), prices have been periodically adjusted upward from the initial base hourly rate of \$38.78, but the underlying methodology has been not been substantially amended. However, the NDIA is currently reviewing its underpinning assumptions (NDIA, 2017a), and the intention is to align rates across the two sets of state and territory jurisdictions. In 2016-17 the base hourly rate for daytime self-care was \$42.79 in the four eastern states (NDIA 2016c), \$43.58 in the other four jurisdictions (NDIA, 2016d), and higher in remote and very remote areas (see Appendix D). Appendix D also shows how current prices vary according to the time service delivery, the number of participants and other features of the service.

¹² The term 'base hourly rate' was not used in the original Joint Working Group report (NDIA and NDS, 2014). That report uses the term 'hourly rate' to refer to this concept), but the term 'base hourly rate' has now been adopted by the NDIA (NDIA, 2017b). This ensures that the concept is not confused with the large number of hourly rates used for the various Support Items.

Additional points relevant to understanding the context of pricing arrangements are in Appendix E, including that prices were set using the Social, Community, Home Care and Disability Services Industry Award 2010 (the SCHADS Award) (also discussed in Section 4), indexation arrangements, assumptions about provider characteristics, the vision for an efficient price, and levels of transparency in price setting arrangements. Next, in Section 4, we more closely examine the assumptions underpinning current prices, before assessing these in Section 5.

Figure 3.2 Services provided by disability support workers by basis for deriving the price

BASIS OF PRICE	SUPPORT TYPE	Number of SUPPORT ITEMS
Base Hourly Rate	Assistance with self-care activities: day	10
Level of disability support workers	Assistance to access community, social and recreational activities	10
Time-allocation of disability support workers,	Group-based community, social and recreational activities	16
Level & workload of supervisors	Assistance with Daily Life (specialised home-based assistance for a child)	1
Staffing on-costs	TOTAL	37
Corporate overheads		
Return on capital (margin)		
Four Variation Factors		
Geographic location		
Intensity (need) of participant		
Time the service is provided		
Number of participants		
Other Bases for Prices	Assistance with self-care activities: overnight	4
Primarily derived from benchmarking based on the empirical experience of a small sample of providers	Centre Based Group	4
	Assistance with Daily Life	4
	Supported Independent Living	18
	Assistance in a shared living arrangement	3
	TOTAL	33

4. Detailed assumptions underpinning pricing arrangements

This section outlines the assumptions underpinning the 2016-17 price arrangements based on the Reasonable Cost Model (RCM) in more detail, to provide a foundation for assessing the extent to which they recognise the full costs of disability support work (in Section 5). Specifically, we explore the assumptions underlying six major components of the RCM:

- The classification of disability support work at a particular pay-point under the Social, Community, Home Care and Disability Services Industry Award 2010 (SCHADS Award) (Section 4.1);
- how disability support workers spend their time (Section 4.2);
- supervisors' time and workloads (Section 4.3); and
- staffing on-costs (Section 4.4), corporate overheads (Section 4.5) and margin (Section 4.6).

4.1 Classification levels of disability support workers

The RCM assumes that disability support workers are employed at SACS (Social and Community Services) Level 2.3 of the SCHADS Award (NDIA and NDS, 2014, p. 2). The NDIA deemed this level to be a 'reasonable direct staff pay-point, qualification or experience level' for Disability Support Workers (NDIA, 2014, p. 2). Earlier statements indicated this level was chosen as 'the reasonable minimum qualification and experience level' for disability support workers (NDIA, 2014, p. 3). However, more recently (NDIA, 2017a, p. 10) the NDIA has described this level as an *average* rather than minimum, indicating that some workers could be expected to be employed below Level 2.3, as well as above it. The 2016-17 rate for a SACS 2.3 level disability support worker is \$24.70 per hour (which represents 58% of the base hourly rate of \$42.79 in the four eastern states).

4.2 The time allocations of disability support workers

The base hourly rate assumes that disability support workers spend less than 5% of their paid non-leave time away from participants. This derives from the assumption in the RCM that 85% of a worker's paid time *including* leave is 'client-facing' or spent with participants, and that 95% of a worker's paid time *excluding* leave is with participants. This has been described by the NDIA as a 'minimum utilisation rate' (2014, p. 3). Thus, under the RCM, only 10% of a disability support worker's paid time is deemed to be leave¹³, leaving only 5% of time 'on duty' but not with participants or travelling between participants (equivalent to 3 minutes per hour). There does not appear to be any publicly available data or detailed analysis about the extent to which these

¹³ NDIA (2017a, p. 10) sets out the NDIA's assumptions underlying the figure of 10% of a disability support worker's paid time is leave: staff are entitled to 10 days paid personal leave and all 10 days are used; staff are entitled to 4 weeks paid annual leave and all 4 weeks are taken each year; there is a 17.5% leave loading for the 4 weeks annual leave; and staff are entitled to 8.67 weeks long service leave after a 10-year tenure, and 17.98% of employees qualify for long service leave.

assumptions reflect the time demands on disability support workers arising from the range of essential tasks required of workers when they are not with participants, and whether administration, handover and communication between disability support workers, supervision, training, team meetings, breaks, and other requirements are accounted for.

The NDIA has previously indicated that the assumed time that disability support workers are not with participants could be reduced in future: 'Staff utilisation rates are a key lever in the cost of disability support services and for a more competitive supply of such services. The current industry utilisation rates and the efficient utilisation frontier may be materially different.' (NDIA, 2014, p. 3). More recently, it has indicated that it 'is considering expanding on the assumptions relating to utilisation' (NDIA, 2017a, p. 11).

4.3 The levels and workloads of supervisors

The RCM assumes that supervisors are employed under the Award at SACS Level 3.2, seen as 'an average pay-point and experience level for program management and administration' (NDIA, 2014, p. 3). As it is assumed to be an *average*, it could be expected that some supervisors will be employed below it (NDIA, 2017a, p. 10). The RCM also assumes a 'supervision span' of 1 supervisor for 15 staff (1:15). As noted above, the original assumption (NDIA and NDS, 2014, p. 12) was that the 1:15 ratio applied for both standard and more complex (high intensity) support, but more recently the NDIA has implied the 1:15 ratio is only for 'standard needs' (NDIA, 2017a, p. 1). The NDIA has also said that increasing the supervision span from 1:15 to 1:18 is one of the major means by which the transition to an 'efficient' price will be achieved (NDIA, 2014, p. 4).¹⁴

4.4 Staffing on-costs

Common practice is to include a loading of 25-30% for staff on-costs, which is broadly the amount outlined by the Joint Working Group on Pricing (NDIA and NDS, 2014, p. 12). The NDIA has stated that the RCM allows for staffing on-costs that include superannuation and workers' compensation (NDIA, 2014; NDIA and NDS, 2014, p. 3). It has also noted the specific assumptions for superannuation (9.5% of total salary costs) and workers' compensation (4%) (2017a, p.11). However, it is not clear from public documents precisely how this element of the RCM was calculated, and which other costs, if any, were included, making it difficult to assess its adequacy.¹⁵

4.5 Corporate overheads

Corporate overheads are normally assumed to include the costs of governance, back office support, service and staff development and quality assurance, logistics for organising service sessions (e.g. IT rostering software), and business development activities. The RCM assumes an

¹⁴ As part of a current review of pricing, the NDIA is considering whether this assumption 'is appropriate for the current state of the NDIS, ...[and how it] may vary according to the complexity of need.' (NDIA, 2017a, p. 11).

¹⁵ Table 1 in NDIA and NDS (2014, p. 12) shows on-costs of \$8.76 which represents 38% of the 'salary cost including client-facing time' of \$22.56 per hour that is shown in the table. There may be various reasons for this high number, for example if it also includes the on-costs for supervisors and program management/administration staff as well as Disability Support Workers (NDIA, 2014, p. 3), and/or some allowance for staff development. Alternatively, the \$8.76 is 23% of the total 'per hour price of \$38.78 shown in that table, which is unduly low, and 27% of the sum of the salary cost and on-costs (\$31.32).

allowance of 15% for 'reasonable infrastructure and overhead costs' while acknowledging 'that providers can choose to run their operations in any number of different ways' (NDIA, 2014, p. 4). The 15% is based on the 'total salary, management, and non-client-facing expenses' (NDIA 2017a, p.11). In setting the rate of 15%, the 2014 Joint Working Group considered benchmarks and data from the NSW and Victorian NDIS trial sites; from health, aged care and mental health providers; and from earlier benchmarking studies (NDIA, 2014, p. 4). In July 2014, the NDIA proposed that the movement to the 'efficient' price' should include a reduction in the allowance for corporate overheads (NDIA, 2014).

4.6 Return on capital (margin)

The RCM assumes a margin of 5% as a 'return on capital'. The 5% (presumably applied on top of the staffing, supervision and overhead costs detailed above) is intended to ensure sufficient working capital (cash flow) for daily operational needs, and to meet a number of future expenses (e.g. replacing depreciated assets, new investment and innovations, and major unforeseen contingencies). The 5% does not appear to include provision for the payment of dividends to owners or shareholders, but such payments are not explicitly excluded.

Ensuring that providers have adequate working capital is especially important at present, as NDIS providers adjust to receiving their revenue from individual participants after the services are provided, rather than through block funding in advance of service provision. In deciding to use 5%, NDIA stated that 'there is no real benchmark information available for Australian disability suppliers' and presented data on a number of relevant measures of return to providers from other human service sectors, before concluding that:

While NDIA is not in the business of dictating return characteristics of suppliers we believe that an overall net profit below 4% is likely to be problematic. Below 4% most organisations struggle to keep pace with inflation let alone replacing critical assets or business innovation. The working group agreed to 5% [but this] should be regularly reviewed against relevant aged care and community health results for reasonableness. (NDIA, 2014, p. 5)

4.7 Variation to the base hourly rate

Sections 4.1 to 4.6 have outlined the assumptions underlying the base hourly rate for disability support work. This price can then be varied in recognition of the diversity of participants and circumstances in which NDIS services are provided. The pricing model involves the application of *four variation factors* to address differences in:

- the geographical location of the service;
- the intensity (complexity) of the participant's support needs;
- the time when the support is provided; and
- the number of participants being supported.

These factors are applied variously to the different service types. Along with the assumptions underpinning the base hourly rate, assumptions about these variations also affect the funding

allocated to participants to access services provided by disability support workers. A brief outline of these variation factors are below, with the resulting differences in 2016-17 prices shown in Appendix D.

Geographic location

NDIS prices vary according to jurisdiction and remoteness. A number of the prices for the four eastern states are slightly less than for the other four jurisdictions.¹⁶ These differences are gradually being removed, as the NDIA intends to align the prices across jurisdictions in coming years. In addition, there are loadings for remote areas (18%) and very remote areas (23%). These loadings, which are based on the Modified Monash Model¹⁷ are applied to the (higher) base hourly rate for the non-eastern state jurisdictions (\$43.58 in 2016-17). For the 2017-2018 financial year, these loadings will be increased to 20% (remote) and 25% (very remote). At the time of writing the rationale for this is not clear.

Intensity (complexity) of participant support needs

Participants are assessed by NDIA as having standard or high intensity support needs¹⁸ For participants with high needs, a loading is applied. The various pricing documents recognise that 'high intensity [support] requires additional experience, risk management, and supervision' (NDIA and NDS, 2014, p. 12), and that the higher rate for supports 'may be considered when 'frequent (at least 1 instance per shift) assistance is required to manage challenging behaviours... [and] continual active support is required due to high medical support needs.' (NDIA, 2016d, p. 17).

However, additional demands of high intensity participants recognised in the above statements are not reflected in the loading. The original formulation of the RCM noted that 'higher intensity support in the model is built from the same support worker pay-point with lower utilisation, but this mix may not reflect the actual reality of the cost of providing these supports' (NDIA and NDS, 2014, pp. 10-11). In fact, the price loading for more intense needs only takes account of the additional worker time required away from participants. Thus the prices for supports for high intensity participants assume 'client-facing time, *including* leave' is 80%, not 85% and that 'client-facing time, *excluding* leave' is 90%, not 95%.

Time when the support is provided

NDIS prices for a number of service types requiring disability support workers vary by the time of day and/or the day of the week when the service is provided. Depending on the particular service type, there are up to six periods for which prices may be set, namely (i) daytime (6am-8pm) (ii) weekday evening (8pm-12am) (iii) Saturday (iv) Sunday (v) public holiday (not used for group programs), and (vi) overnight. The reasons for differences in prices between these periods are not

¹⁶ This is relevant for 32 of 65 support items (5 of the 70 in total are by quote only).

¹⁷ <http://www.health.gov.au/internet/main/publishing.nsf/content/modified-monash-model>

¹⁸ There is also a category of 'low' intensity, which is only used for Supported Independent Living, based off benchmark prices, rather than the RCM. Note that from July 2014 the NDIA had used the term 'Intensity' to refer to the level and complexity of the support needs of a participant. NDIA (2017a) has used 'complexity' while 'intensity' has not been used at all in that document. This report primarily uses 'intensity', as this is the term used in the current Price Guides.

completely apparent but they appear to reflect the shift loadings and penalty rates in the SCHADS Award at the time the RCM was developed.

Number of participants

This factor applies to 'Group based community, social, and recreational activities', with separate prices for two or three participants. A provider only receives in total the base hourly rate (\$42.79) for each activity, with the cost allocated equally between the number of participants. In effect, this assumes that there are substantial economies of scale, with no extra costs arising from each additional person. Where there are more than three participants in any group activity, an additional disability support worker should attend, such that the ratio of participants to disability support workers should never be more than 3:1. Centre-Based Group and Supported Independent Living (SIL) services also each have different prices depending on the number of participants in the group or residence, but the prices for these services are not based on the base hourly rate.¹⁹

4.8 Other aspects of NDIS pricing

Other services provided by disability support workers

In addition to the prices for the 37 Support Items that are determined using the RCM (including the four variation factors) there are another 33 Support Items for services requiring disability support workers where the price does not derive (at least not directly) from the RCM and the four variation factors.²⁰ These services, which include supported independent living and assistance in shared living arrangements are shown in Appendix D. In most cases these are considered 'benchmark prices' whereby a provider can either accept that price or submit a quote (and seek NDIA approval) where its costs are higher than the benchmark prices. This arrangement contrasts with other prices, where the price is a firm cap (Australian Senate, 2016). The bases of the prices for these services are not clear from the public documents, but in general they appear to have been derived by seeking to establish 'benchmarks' based on the empirical experience of a small number of providers, especially those in the NDIS trial sites.

Other costs for services requiring disability support workers

There are also costs which the NDIA will cover which are not part of the RCM or variation model nor paid according to quote. These include the travel of workers, cancellation fees, and

¹⁹ In some cases, prices appear based on assumptions that there are economies of scale, while in others, they do not. For centre-based group supports for example, the same rate per participant is charged regardless of the number of participants, assuming no economies or diseconomies of scale. For supported independent living on the other hand, the indicative price per participant declines as the number of people assumed to be sharing accommodation increases. Thus, 'returns to scale' are assumed for supported independent living, presumably achieved through some 'sharing' of Disability Support Workers by participants (NDIA, 2016d, p. 12).

²⁰ Only 28 of these 33 Items actually have a price. The other five require a quote or are listed as 'Varies.'

establishment fees²¹, shadow shifts²², and case management²³. For disability support workers, the most significant of these is travel. Rather than providing a separate amount for travel, providers can use up to 20 minutes of the first hour of support to travel between participants, for services of less than four hours. In 2016-17, the Price Guide states that for travel to provide personal care and community access:

the time that a worker spends travelling from home to the workplace (or first participant) and from the workplace (or last participant) to home cannot be claimed at the hourly rate for the relevant support item [but] where a worker travels from one participant appointment to another, up to 20 minutes of time can be claimed against the second appointment at the hourly rate for the relevant support item. (NDIA, 2016c, p. 13)

The NDIS website clarifies that although the first 20 minutes of a service may be for travel, it is expected that the outcomes required in the delivery of support will still be met (NDIA, 2017b).

4.9 Future developments in NDIS pricing

There are a number of possible changes to future prices arising from measures that have been announced by the NDIA or about which the NDIA has expressed a view, including proposed price reviews (NDIA, 2016a), the move to 'efficient prices' by 2019-20 which would be aligned across jurisdictions, and eventual price deregulation (NDIA and NDS, 2014). A current review (NDIA, 2017a) is focusing on:

- the levels of price controls for supports under the categories of 'assistance with self-care activities' and 'assistance to access community, social and recreational activities';
- simplification of shared care price controls; and
- other specific updates to pricing arrangements.

Assessing the pricing model

Section 4 has provided a detailed account of the structure of NDIS pricing and the assumptions underlying the base hourly price, and other aspects of pricing arrangements. The next section builds on this by examining the appropriateness of the assumptions that underpin the various elements of the NDIS pricing model, using empirical data.

²¹ Details of cancellation and establishment fees are detailed in service agreements between participants and providers, however the NDIA will only pay a provider for 8 cancellations per participant, per year. (NDIA, 2016b).

²² Case management is charged as either 'Support connection' (\$56.61 per hour in 2016-17), or as 'Coordination of supports' (\$92.27) for participants with high needs and more complex situations. These supports are listed under a different Support Category from the Service Types that are the focus of this report, and are not typically provided by disability support workers (although in practice, some disability workers may carry out aspects of co-ordination to ensure continuity of services for participants).

²³ Providers can claim up to 6 hours of weekday support for the purposes of 'shadow shifts', which allow a new worker to accompany an existing worker to participants before they provide support on their own. These are considered necessary where participants have limited communication, or high medical or behaviour support needs (NDIA, 2016b). It doesn't cover 'buddying' of new staff in usual circumstances.

5. Assessing NDIS prices for disability support work

This section draws on data from employees (disability support workers) and from provider organisations to assess the adequacy of assumptions on which NDIS prices for disability support are based, and the challenges emerging from pricing arrangements.

The analysis shows the range of ways that disability service provision is under-priced under NDIS, as prices have been set based on assumptions which have failed to recognise the nature and value of disability support work. The level of under-pricing is such that NDIS prices do not enable minimum award conditions to be met without diverting resources from other functions. As the material shows, NDIS prices are predicated on:

- under-classification of support workers and supervisors;
- under-estimation of the time needed by both disability support workers and their supervisors to deliver quality services to NDIS participants, especially participants with more complex needs; and
- under-estimation of a range of other costs that providers must incur to develop and maintain quality staff and services.

Inadequate prices are having adverse effects on disability support workers, on providers, and on services received by NDIS participants, and contributing to the problems described in Section 2. For workers, access to training and induction are under pressure and levels of risk are high. Staff are performing unpaid work to compensate for systemic under-resourcing. Providers wishing to meet their basic industrial obligations are having to divert resources from other functions. In turn, these pressures on workers and providers are affecting the quality, responsiveness, equity, efficiency, and stability of services, and the overall sustainability of the NDIS.

This section examines each of the elements underpinning NDIS prices, which were outlined in Sections 3 and 4, and shows the adverse impact of the 2016-17 pricing model on workers and services. The elements of the base hourly rate are explored in Sections 5.1 to 5.6, while Section 5.7 considers the variation factors and other elements of NDIS pricing.

5.1 Classification levels of disability support workers

Assumptions made in the RCM about the skills requirement and award classification level of disability support workers is a key means through which the work is under-priced.²⁴ Specifically, the RCM assumes employment is at Level 2.3 of the SACS classification of the SCHADS Award.²⁵

²⁴ Moreover, the actual amounts that are calculated for all but one of the other assumptions underpinning the base hourly rate are essentially mark-ups on the rate payable for the assumed level of support workers. The exception is the level and workload of supervisors, but under-pricing of that factor also has similar effects on the other assumptions.

²⁵ In earlier statements by the NDIA, SACS Level 2.3 was described as a minimum level (NDIA, 2014). If set as a minimum, employment costs of current long-term staff, and the progression of new staff above this level will not be covered. However, the most recent statement from the NDIA indicates it is an average (NDIA, 2017a).

There is no allowance made for above award wages, for example those provided under an enterprise agreement.

The SCHADS Award sets out that an employee at Level 2 performs personal care services or 'elementary tasks within a community service program', involving functions which are defined by established routines. Level 2 staff are not expected to engage in problem solving and have only a 'limited scope to exercise initiative', working under general guidance and assistance which is 'readily available'.²⁶ Under the Award Level 2.2 is the *minimum* pay point for an employee with an appropriate Certificate level qualification, while Level 3.3 is the commencement level for graduates with a three-year degree.

Evidence from employers and from workers also shows that the classification level assumed for disability support work is too low. NDS for example, has stated that Level 2.3 is lower than the sector pays (NDS, 2017). Problematically, some employers have downgraded or 'frozen' staff classifications at this level as a result of NDIS prices. An employee explained in the survey:

We have been advised that our hourly rate is higher than what the NDIS rate is so as grade 3 employees, we will be now classed as grade 2. We won't lose pay immediately however we won't be getting a pay-rise until grade 2 rates catch up to ours.

Similarly, an interviewee highlighted how the classification assumed in pricing arrangements had precluded career progression in her organisation:

Our company argues that anyone on 2.4 is already costing us money and that's not true, but it's a really good stopgap for the company to say, 'Stop whingeing.' (Employee 2)

Level 2.3 is also too low, given the tasks performed by disability support workers. As shown in Bentham and Macdonald (2017) workers deploy a range of skills in the course of the working day, applying their knowledge across a wide spectrum of advanced skills, including knowing how to respond to complex health needs such as epilepsy, PEG feeding, calming people with dementia; responding to medical emergencies or violence; managing demanding workloads under time pressure including accommodating unforeseeable events; deploying negotiation and strategic skills to achieve the best for their clients; and working across agencies. Disability support workers often work on their own and perform these functions with minimal levels of support, with supervisors only available remotely, for example, over the phone or days later in planned supervision meetings.

Several of the workers we interviewed described the risks inherent in over-reliance on inexperienced staff members particularly in the NDIS context where training has been cut. For example, one supervisor spoke of her concern for participants because untrained casuals were being left to perform PEG feeding (in which a tube is inserted through the abdomen directly into the stomach to enable feeding):

²⁶ Corroborating this, the assumption that supervisors will be overseeing the work of between 15 and 18 staff (discussed below, under 'The level and workload of supervisors' suggests general guidance and assistance is unlikely to be readily available.

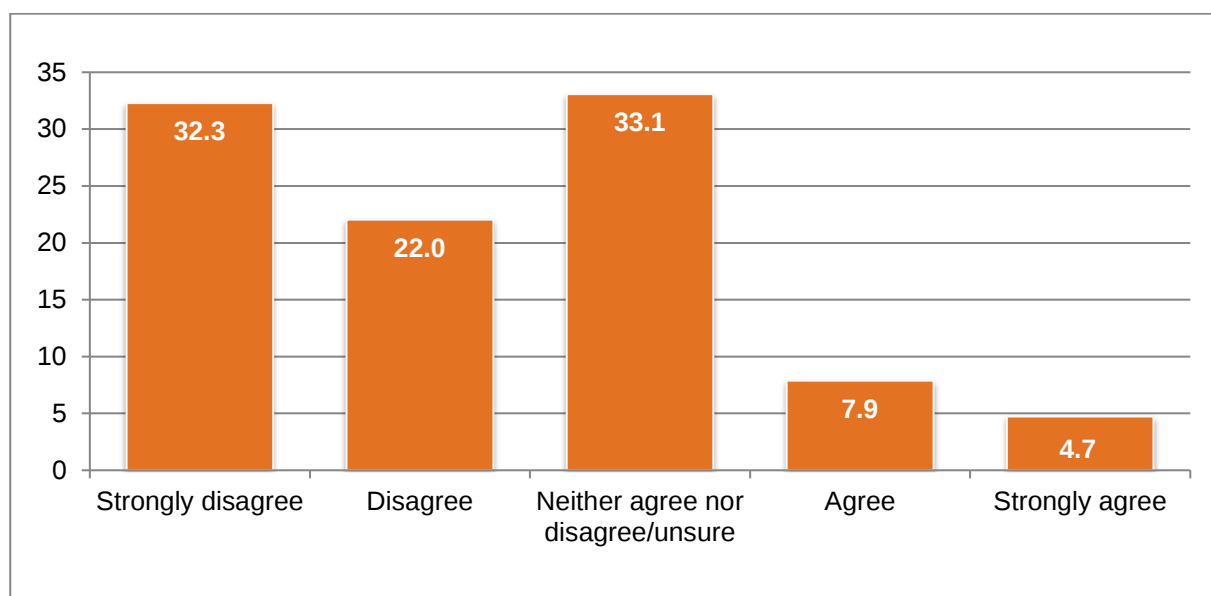
I've had staff members say that to me, 'Oh, how does she drink this?' ...(W)hen I started with this company I had weeks of training before I was supervised to do that ...[and transporting groups of people], now, it's, 'Off you go, get in the bus, have a good day, we'll see you when you get back...' (Employee 2)

Additional evidence of the problematic nature of assuming employment at Level 2.3 comes from the survey of employers in NSW. Indeed, in their comments, employers described Level 2.3 as 'entry level', and described how they instead needed to employ experienced staff and ensure they could advance through the organisation and be retained. This is reflected in the statement of a leader of a registered provider in NSW, who explained that Level 2 was not a classification they used, whilst also describing several other challenges arising from pricing arrangements. This CEO described the NDIS as:

A huge change as the NDIS hourly rates for direct care work barely cover entry level positions only (Level 2 SCHADS whereas we currently use level 3) so no room for any advancement. (CEO of medium sized metropolitan organisation)

The survey data shows that many employers shared the view that career advancement was restricted under NDIS. The employer survey asked for the level of agreement or disagreement with the statement 'Under NDIS, the organisation can provide pathways for staff to advance their careers'. More than half of organisation leaders (55.3%) disagreed or strongly disagreed, reflecting how the pricing assumptions are recognised to restrict career progression (see Figure 5.1).

Figure 5.1 Percentage of registered providers who agreed with the statement 'Under NDIS, the organisation can provide pathways for staff to advance their careers' (n=127)



Source: Survey of Employers, see Cortis and Blaxland (2017)

Based on comparison with definitions in the SCHADS Award, and on employer and disability worker accounts, Level 2.3 is considered entry level, and under-classifies disability support workers. This component of the price is misaligned to the actual profile of the workforce, creating

incentives to hire less qualified, competent and permanent staff. As expectations of the disability support workforce grow, and new skills demands arise from individualisation and quality and safeguarding measures (DSS, 2016), the assumption that workers will, on average, be employed at Level 2.3 provides a disincentive to organisations to support upskilling and career progression.

5.2 The time allocations of disability support workers

Evidence from disability workers and employers shows NDIS prices for disability support do not allow adequate time for quality support. For example, there is too little allowance made for legal requirements such as breaks for workers, and for essential tasks such as administration and co-ordination, or for the development of workers through training and time for supervisor and peer support.

Employees expressed high commitment to performing their jobs well, and pointed out how pressure on their time meant they undertook significant amounts of unpaid work. This is a common feature of under-funded support and care delivery. Rubery et al. (2015), for example, point out that arrangements in home care work in the UK have relied on workers' altruism. They observe

Current practices rely on care staff's goodwill to work more hours than they are paid for even when their hourly pay rate is already close to the minimum wage, to fund their own travel, and to constantly reschedule their times to maintain earnings. (Rubery et al., 2015, p. 769).

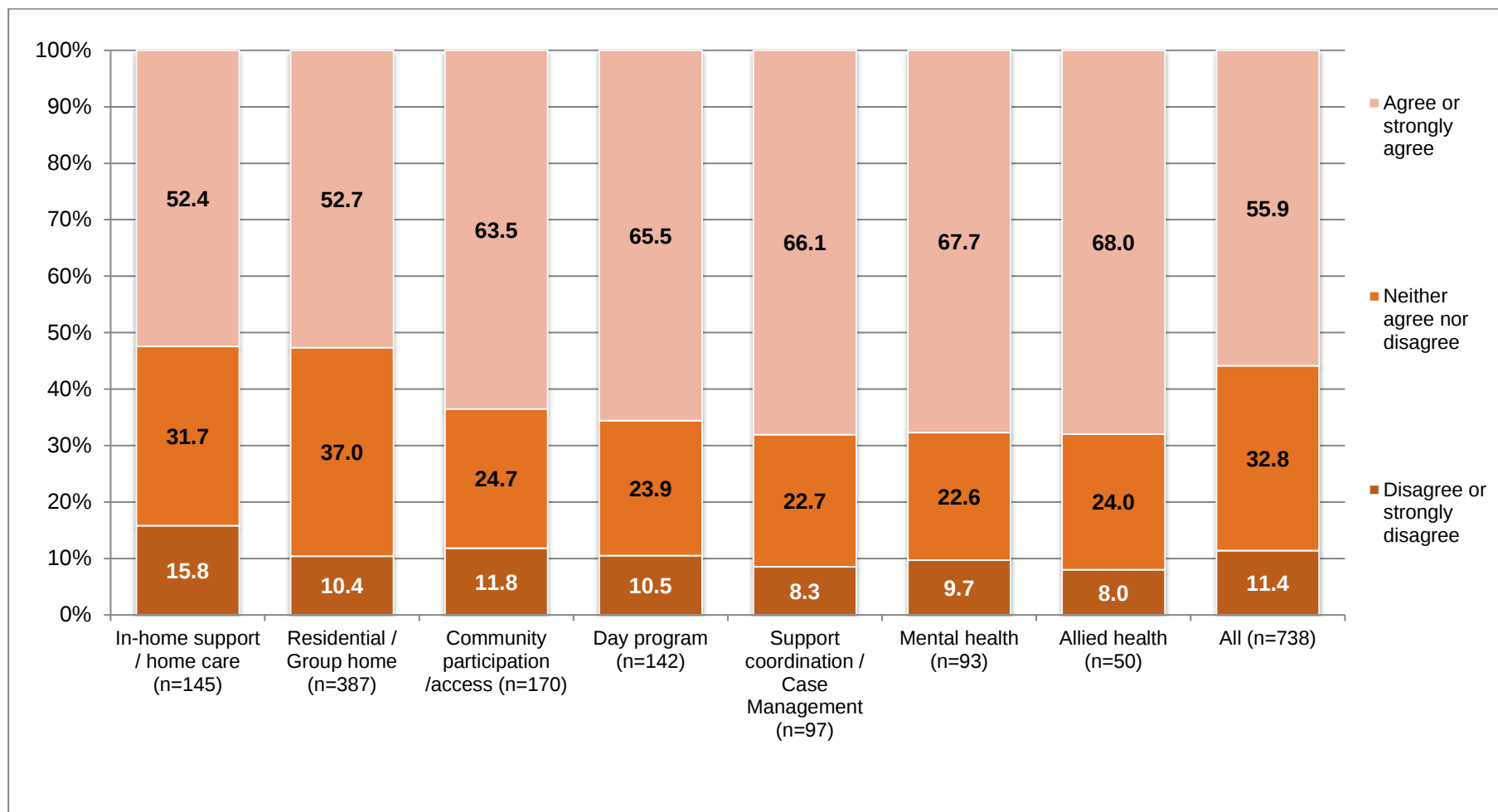
However, where employees contribute additional unpaid time, while cost pressures may be offset, evidence also shows the quality of services is inevitably affected.

Analysis of the pricing model in the context of the SCHADS Award shows prices do not adequately account for non-client facing time, including breaks. The pricing model assumes that just 3 minutes per hour of workers' time is not spent either with participants or travelling between them (Section 4.2). This allows for little more than the 10 minute paid tea break required every four hours under the SCHADS Award, leaving minimal time for other non-client facing activities.

The failure to fully recognise the time demands on workers places workers under pressure. In the survey of disability workers more than half of respondents (55.9%) agreed or strongly agreed with the statement 'Under NDIS, I don't have enough time to do everything in my job' and only 11.4% disagreed. This is shown in Figure 5.2. In open ended comments respondents elaborated on this, underlining how their work takes place under increasing time pressure under NDIS, for example:

There is a lot more pressure to take on new clients so that the case load has increased... ...Before we could spend extra time if needed with a client in crisis, now it is all about hours and money.

Figure 5.2 Percentage of disability workers who agreed with the statement 'Under NDIS, I don't have enough time to do everything in my job'



Source: Survey of disability workers. Note that respondents could deliver more than one type of service.

Similarly, the disability support workers who were interviewed for this study reported they had inadequate time in their jobs to do what was necessary to maintain participants' safety and well-being and/or to do the job as their employer required them, and this resulted in a high level of work intensity and hours of unpaid overtime. This was a major source of frustration and distress for frontline disability support workers. Support co-ordinators also experienced this problem:

The time you have allocated to each person is a huge factor in what sort of a service you can provide. And if you're a support coordinator ... there's a bigger responsibility to make sure that people have maximum, I suppose, support around understanding their plan and implementing it. But I still think there's a lot of restrictions around [that] because of all the aspects of the job that we have to fulfil, it's not just the direct contact, it's all the admin side of stuff, it's about the rostering of the time, it's all that sort of stuff that makes it I suppose less user friendly. I don't know. That's how I feel. ...And I haven't had any training [since commencing this role] and what I keep asking for is I just want, I really want someone from the NDIS to come here and just explain this scheme to us, so it's not so mystical. [But that hasn't happened] and then you're sort of, you're told that the best way to keep up to date is to read the NDIS, go on their webpage and read all the updates. But in reality I don't, I honestly don't have time. (Employee 5)

A worker in a residential setting who responded to the employee survey described staff as 'under the pump':

Responsibilities seem to be getting greater, as clients age and have more health problems. When this happens clients need more staffing hours, and therefore more funding, especially when chronic health issue need constant care. I notice a lot of staff under the pump, some working over hours for no pay at times to get things done, and generally being taken advantage of. It is hard to provide the levels of good quality support that is expected and anticipated, when the staff to client ratio is so low in some group homes.

Others identified a range of risks arising from the time pressures under NDIS. Another survey respondent summed up their experience under NDIS, which capture how time pressures were reducing scope to personalise services:

Clients going without more outings without rapport being built with the client. Less opportunities /funding for clients being treated as a number without existence. Clients being rushed or misunderstood without a carer that understands the client. e.g non verbal client / behavioral. Client being rushed on 1 hour outings rather than being able to take their time e.g unstable on their feet, cognitive issue / behavioral client. Less contact with staff whom the client know and have built rapport with. Strangers taking the clients for appointments. Client becoming house bound, as they don't feel comfortable with unknown services / staff. Client not getting heard! as the NDIS appointments are so rushed.

The failure of the RCM to adequately address the time demands upon disability support workers has had the effect of preventing workers and their supervisors from effectively carrying out all of

their essential tasks. This can be seen in relation to time available for communication between staff, administration, travel, training, and other activities integral to performing disability work.

Lack of time and opportunity for communication

A particular concern among disability support workers, and a source of risk, was the inadequate time allowed under the NDIS for handovers between support workers, for communication (including with office staff), and for support workers to complete required paperwork. Inadequate time for staff handovers was made worse by high levels of staff turnover and use of casual staff. Direct support workers interviewed said it was much more difficult under the NDIS arrangements to pass on important information to other support workers, even when that information was vital to participant wellbeing or service operations or recording was mandatory. As one respondent in the employee survey explained:

The system does not provide funding for anything other than direct support, therefore all the ancillary tasks such as note writing, documentation, communication with other stakeholders must be done in the employee's own time. In my case I spend at least one hour each day unpaid doing file notes etc. This needs to be looked at as all of this documentation is mandatory.

Many commented that communication was more difficult under the NDIS as, often, staff were not paid to attend team meetings. In some cases this was because their employer now allocated less or no time for team meetings. In other cases, more complex communication was required under the NDIS, as the 'team' supporting an individual now comprised multiple (and changing) individual support workers from several organisations, requiring more extensive cross-agency communication than previously. While the separation of different support services to different providers was seen to make it logistically difficult to communicate, in these workers' experiences the difficulties were worse because time for even basic communication, such as 'handover', was not funded. Any opportunity for support workers to share knowledge with workers from different organisations was severely restricted due to minimal time for support workers to do anything other than provide face-to-face support to participants. Several workers in residential services spoke of not wanting to use up too much of the small amount of time participants had in their NDIS packages for participation in community activities. One interviewee explained:

... and as much as we try to give a handover to the [other service provider] staff, there's a, if a client's only got 2 hours [a week] to get out into the community, you've got to be very short, quick [in your handover]. [For example, you might need to explain] 'this person needs clear boundaries, you can't fluff around, they don't cope well with open-ended questions, you need to say do you want a chicken sandwich or a ham sandwich because otherwise it's just not going to work. You need to get in the backseat of the car because they can't, they're too distracted with all the stuff that's in the front seat of the car'. There's a lot to handover. (Employee 1)

Workers felt quality was also undermined as they had insufficient time to give information to other support workers, or to receive information from other support workers, especially at the changeover of shifts. This communication is essential to ensure continuity of support and to maintain a good awareness of participants' needs and well-being. Interviewees also felt quality was

undermined where they were not receiving the information they needed from other support workers:

...[support workers] basically bring the client in, well some of them don't even bring the client in, they just drop them off at the front door and drive off. ...So, but they'll say, they'll turn around and go 'Joe Blow had a good time', Well what does that mean? What did you do? ... Well some clients are capable of [telling you], but not all clients are capable of doing that (Employee 1).

Time for administration

Workers also reported that increased paperwork associated with the NDIS had also increased their workloads causing spillover into unpaid work time. Bentham and Macdonald (2017) explain how one worker listed the tasks she had to complete in extra unpaid time at the end of a week and sometimes at the end of a shift. These included: recording any extra shifts in her diary; printing up her roster; fill out a claim form for her client's travel kilometres; making notes about any issues with clients; going into the office to deliver paperwork; discussing issues regarding clients with managers; discussing new clients with managers; correcting errors in rosters; and making appointments for clients.

In the other interviews, in which workers were asked if the NDIS had changed anything, one worker said: '...in some respects I see it's given more choices and more opportunities for people with disabilities'. She also said:

Our workload's increased, because we have to justify everything we do. Simply taking the ([participants out], because their goal might be to access the community more. ...We then have to justify in this, in these particular forms, every single time we take them out.... ...They say we should be able to get case notes and shift records and all our paperwork done within half an hour. It takes two staff half an hour to get it done and sometimes you still need longer. (Employee 6)

This worker felt in a dilemma about completing administration, as she needed to cut short her client's activities in order to complete her paperwork in her paid time:

... we've got to get all of this [paperwork] done. [For example] you're looking at your time because you're out on an outing where your client's having an absolute ball. You've got to be back by quarter past one because you finish at 2 o'clock. You know? So, you're potentially pulling a client out of an activity that [took] three hours to get them to be comfortable to be accessing the community, and now you're here, she doesn't want to leave, but you've got to go. (Employee 6)

Others also pointed out how the additional administration had been created by the NDIS. An interviewee in a service co-ordination role explained how she was struggling with the combination of a very high workload and the need to balance the needs of a large number of clients. Added to this she was now required to account for her work time in 15 minute slots that were allocated to individual clients' funding:

...I'm finding that this position is ... overwhelming and distressing ... *Interviewer: Okay. So what do you find distressing about it?* Probably the workload I guess, it's an incredible amount of work involved with each person. There's a lot of administrative kind of work that needs to be done. I have to account for every 15 minutes of my day, as far as rostering my time, and making sure that I'm using my time effectively. ... So there's a lot of kind of record keeping around making sure that I'm being fair and making sure that I'm using people's time wisely I suppose and if I am working with a particular person, because I could work up to 15 people a day I could be supporting, in that time I've got to be able to work out how many minutes did I work with that particular person, how many minutes did I work with the other person. (Employee 5)

This support co-ordinator, who was considering if she would stay in her job, said she used to spend time researching to support her clients but she no longer did due to the stress of overwork:

[I was doing this in] my personal time [but now] I really don't want to be going home from work and reading about the NDIS. Whereas in the past I didn't feel as overwhelmed, and I was able to, I was really interested in research, really interested in reading articles and looking up different service providers, and what they offered, and getting a really sound understanding of the system. But I think in this system it's just you feel so overwhelmed all the time. (Employee 5)

These sentiments were echoed in comments in the employee survey:

I have concerns about the viability of the NDIS. We have been told there is not allocated funds for administration however the administration requirements have significantly increased. In order to provide a plan that is individualized a provider needs to be flexible [and] to do this costs money. Each time a person chooses to make changes to their goals or planning it takes time and therefore money.

They also echo concerns raised in the evaluation of the NDIS (Mavromaras et al., 2016), in which staff raised concerns about their increasing administrative workloads.

Case Study 1: Jessica's unpaid administration

Jessica has worked in disability support for around twenty years. She is a permanent part-time disability support worker in a community residential unit with five residents. Several times each fortnight Jessica works unpaid overtime to complete work that is supposed to be undertaken during shifts. Here Jessica describes her typical sleepover and morning shift which often results in her undertaking unpaid work:

So you sleep over, so you wake up and you're on shift at 6:30am and you finish at 8:30am. Our second staff member or the first day shift [worker] is 7:15, they come in and the second day staff person comes in at 8:15. ... (S) o from 7:15 til 8:30 we've got to get the medication, all medication must be administered by 8:30am and we have a lot of creams and ... 'cause we've lots of personal care, we've got creams, we've got pad changes, we've got tablets. ... (S) o we've got any personal care that needs to be done in that period of time, which is often a couple of pad changes, ... [one resident] has seizures so these are all factors that come into our morning but there might be a seizure, there might be a fall, there might be ... and it happens, it does happen quite frequently. Then we also have, we have case notes to write up. So this is all in that first hour and 15 minutes, so it's medication, any personal care, attending to anything, if the residents are having showers, then we need to attend to those. Then we've got the case notes that we have to do on CareLink and then we have the shift records that we have to do on the computer system itself. I've also then got to write up any incident reports, that may have happened on the morning because I'm the sleepover, so I've got to finish them. And then potentially if one of these two staff members are new, they will have done an induction to the house so (...) they've already been to the house and done a bit of a run-through but on this first shift I go through and say, 'Okay, well in this folder, this is where you'll find this information, this is here, this is here.' A rundown, give them the protocol folder to read (...), communication book and diary.

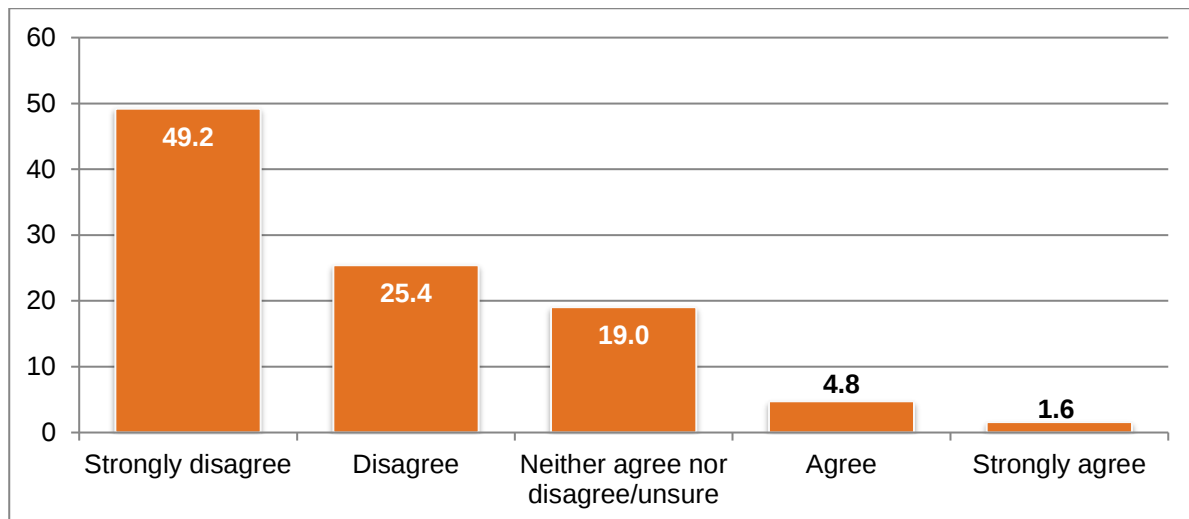
And also while giving them a handover of what may need to be done that day. So, 8:45 the second staff member comes in and then I walk out at nine o'clock and all of that has to happen before I walk out the door. [However] it's rare for me to be walking out that door at 9:00 normally, it's closer to 9:30 and occasionally it'll be a ten o'clock. (Employee 6)

Travel time

Pricing of workers' time spent travelling between clients under the NDIS is a vexed issue. Service providers, and the NDIA recognised that prices in the reasonable cost model did not account for travel time of workers between participants (NDIA and NDS, 2014), and arrangements were subsequently changed to allow payment for 20 minutes between clients. However, travel time remains a major issue for employers, reflected in their survey responses. As Figure 5.3 shows,

around half of CEOs in registered not-for-profit providers in NSW 'strongly disagreed' that NDIS pricing covers the full costs of staff travelling between clients, and a further 25.4% disagreed. Very few agreed or strongly agreed.

Figure 5.3 Percentage of CEOs of registered providers who agreed with the statement 'NDIS pricing covers the full cost of staff travelling between clients' (n=126)



Source: Employer survey (Cortis and Blaxland, 2017)

In their comments, survey respondents explained:

Covering travel cost is a major concern as most of the clients we support live in rural remote areas. Without adequate funding to cover travel, our service may not be able to continue to provide support to clients in these areas. There are no other services in some of the areas we provide support in. (CEO of medium sized non-metropolitan organisation)

We are [in] a rural and remote area, NDIS has no concept of what this means in relation to travel times. All adult clients are over 20 minutes away and we are the closest provider. One person who we used to provide services to the driveway was 20 minutes from an unsealed road. Travel needs to be reassessed (CEO of small non-metropolitan service)

We are transitioning at the moment and our client base are quoted on for service provision - they are outside the NDIS benchmarks. The transition has not been smooth and it is hard to make favourable comment at this stage. We know the costs, NDIS acknowledges the costs - we do not know if they will be met. We are a charity 90% of our costs are staffing. NDIS has not allowed for client travel and transport costs in a rural setting- a major problem (CEO of medium sized non-metropolitan service)

Travel time is also a serious concern for disability support workers who explained it is a major source of unpaid work. A survey respondent explained how her payment for travel had changed under NDIS:

I do drop in support. We used to get paid when traveling to the next client as well as our kilometres. Now we only get kilometres our days are longer with the same pay. I'm worried that our penalties will be cut as it's the penalties that make our job worthwhile.

I am worried that the hours of work offered will consist of 1 to 2 or 3 hour shifts and hardly worth traveling for once you factor in travel time petrol and time wasted to get to other shifts

We are also concerned that we will only be paid per the actual hours spent with clients and not for the travel in between and office time etc. Currently I may only spend 6hrs directly with clients (3 clients at 2hr each) and am paid for my whole day 9am - 5.00pm as that reflects my roster Currently I'm perm part time 26hrs/week over 4 days.

Bentham and Macdonald (2017) show that employers' treatment of travel differs, but where shifts are short, unpaid travel time is often seen to make it not worth working. Indeed, unpaid travel time between home and work for very short shifts is a key contributor to very low pay experienced by support workers:

And it's like, I'm driving forty minutes out there for a forty-five minute job; I'm getting paid like seventeen, eighteen dollars— and that sounds really cold and callous, because it's not all about the money – but in the end, nah, doesn't make sense.' (DSW11) (Bentham and Macdonald, 2017)

The shortest (shift) I do is half an hour. ...I've got one this week. It's a 9:30 to 10:00 shift at night. And it's ...about 25 minutes [from my home]. And it's only a half hour shift, and then 25 minutes home again. (DSW04 Bentham and Macdonald 2017)

...But the hours are really hard. We've got to sort of keep ourselves open for a 13-hour day ...and we only work five hours of that. (DSW19 Bentham and Macdonald 2017)

...oftentimes I will have just that one shift that's half an hour away and I won't have anything for another hour or two which means that I don't get paid to go there or back, and essentially it's like the money that I get paid for the shift is covering the petrol to get there and back and it's probably like \$5 left over for the actual work once you take that into account. (DSW22 Bentham and Macdonald 2017)

Case Study 2: Marlene's short shifts and unpaid travel

Marlene is a disability support worker with around ten years' experience, a Certificate IV in disability support and an additional diploma-level specialist qualification. She works for two service providers, casually in one job and as a permanent part-time worker in the other.

Marlene works extended days and weeks providing support to people in their homes. Although she usually works only 30 paid hours a week Marlene works on most days and has only one weekend off a fortnight. Due to her work being organised in multiple short shifts she has many days in which she has periods of one to two hours or more between work shifts and she spends a lot of time travelling to and from home to work for which she receives no pay.

Three days a week Marlene works for a non-profit service provider, starting around 9am and finishing 13 hours later at around 10pm. Marlene is paid only for the time she spends working directly with clients, which consists of between 4 and 6 separate shifts. Usually, these shifts amount to between 5 and 6.5 hours of paid time. In addition, Marlene usually spends about 1.5 hours each day travelling back and forth from her home to work between shifts. She travels around 100 km per day excluding her first and last trips. She is not paid for any of this travel time nor does her employer reimburse her for costs associated with the use of her own car to undertake the travel. Marlene must also complete administration for her work that is unpaid.

Unpaid work comprises a very substantial proportion of Marlene's work time. The first day of Marlene's work diary shows that she is not paid for 21% of her work time. On the second day she is not paid for 24% of her time. Marlene says she is 'tired' and feels that she doesn't 'have a life' because she is always working or waiting between shifts:

You can't go out for dinner, you can't do this, you can't do that, cos it's time to go back to work.

My ideal would be 9-5 so I could have a life, like any normal working person.

(DSW19) (Bentham & Macdonald, 2017)

Time for training

Employees we interviewed also reported that time for training was squeezed under NDIS.²⁷ For example, one interviewee was adamant about the importance of disability support workers having some knowledge of new participants as they came to the support service and she said she read new participant files to ensure she could provide a good service. Asked if she had time to do this in

²⁷ This may relate to both under-accounting for employees to spend time in professional development in the pricing model, or to provide for sufficient overheads to cover it. As such, it is considered here, and also later in assessing the pricing model's assumption in relation to corporate overheads.

her job she said she was not given any time, so she did so in her own time. She also said her employer had removed access to training under NDIS:

No. Not now. We used to, but before NDIS. Since NDIS, no. We have no training, we used to have it ..., we would have a total day where no clients/customers had service that day, where all staff came in, we had training for the full day or shift, which would be some upgrading of mental health training, manual handling, clients, new client inductions so staff would have a general awareness of who a new person was coming in, and enough details to at least get past. You would have team meetings for people who have one-on-one direct support, that all their staff could get together during the week and have a chat and see what was working, what wasn't working, come up with new plans. ...NDIS came in and we stopped doing that because the company assumes, designates that nobody's going to pay for me to sit around and learn. I as a worker, and I as a parent – I'm a parent of a child with a disability, I would rather have a well-trained staff than somebody who was just flying by the seat of their pants. When I started with this company we had a really well-trained, committed team of people and now we have a lot of people ... doing a couple of hours a week here, nothing against them, but the company's training is nothing. Literally nothing. ...It's a very grey area about training at the moment, and I think it's leading to poor service (Employee 2)

Asked if new employees received training or induction, this interviewee described:

Well the company would say, 'Yes,' but I have yet to see anyone in the last three years have proper inductions, of any sort. ...If you were to come in as a new staff member today and I put you with Justin Bieber, let's call him Justin Bieber. You've walked in at nine o'clock this morning and [we've said to you] 'you're working with Justin Bieber.' You're literally then walked around the building to [be] shown where the toilets, kitchen, staffroom is, shown where the file room is, had five seconds or a quick verbal about Justin, and then, off you go, get in the car, and have a good day with Justin. Oh, by the way, he has [difficult] behaviours. By the way, he has epilepsy. By the way, he has medication ... we have people that have never had any training, and certainly no certificates, some who haven't even had lived experience that have been employed, have not been trained by this company, who are delivering medication. (Employee 1)

She described how lack of training, or inadequate training carried extremely serious risks for participant health and safety:

We've had staff arrive at the centre with no brake on the wheelchair, which is, you stop, you're stopping to look in the window, it's mandatory you put the brake on, it's automatically a thing that you do without thinking now. But no brake on the chair, no straps on, and they've driven maybe for half an hour in that vehicle, and that's my fear that, as I said, you hit the brakes because someone cut you off or there's a red light ahead, that continues, flying through a hole with, and a lot of those people ... are non-verbal, some of them are silent, so they can't even make a noise that they've been frightened or that they're choking. (Employee 2).

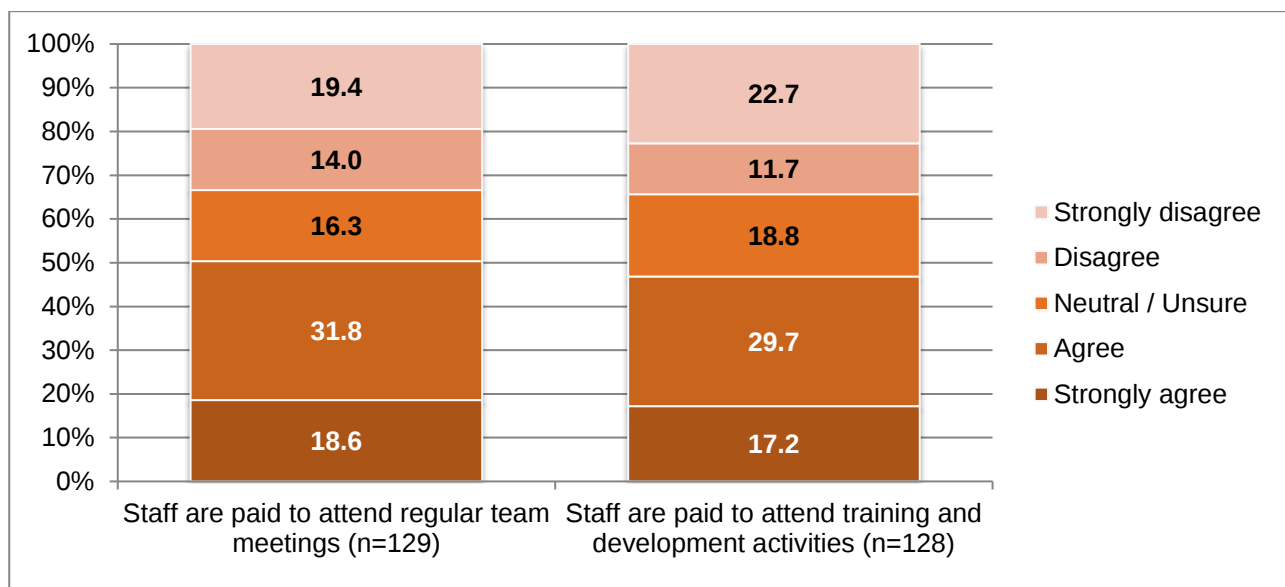
This employee explained the importance of the formal and on-the-job training she had undertaken prior to the NDIS and she described how training, along with experience working consistently with and getting to know individual clients, was important for enabling her to ensure participants' health and safety:

So I would look at the five people that I'm putting on my bus and go, 'Well, you're sitting here sweetie where I can see you in my rear vision mirror, because you're my choking hazard,' I would look at who was sitting in the front because maybe they had some behaviours or maybe they were epileptic, and I would rather have you right next to me in the front seat of the car where I can see what's going on, or pick [a seizure] as it's coming and pull over as opposed to you're right down the back behind a wheelchair and two other people, and what's that noise, that hitting against, and oh, that's your head smashing on the window. (Employee 2)

A further account from this employee demonstrating systemic lack of training for epilepsy is included as part of Case Study 3.

Employers corroborated employees' reports that staff were not provided with adequate training with many reporting that under the NDIS support staff were not paid for their time to attend training and development. Indeed, 1 in 3 survey respondents reported that support staff delivering NDIS services were not paid to attend training and development activities (34.4%), and the same proportion (33.4%) disagreed that staff were paid to attend regular team meetings (Figure 5.4).

Figure 5.4 Percentage of CEOs of registered providers who agreed that staff are paid for meetings and training and development



Source: Survey of Employers, see Cortis and Blaxland (2017)

Case Study 3: Jessica and Michelle's training for epilepsy

Jessica was responsible for supporting a participant who had epileptic seizures. However, because of understaffing in the residential unit, she was not given training in how to administer the drugs required in the event of a seizure. At the time, high turnover, staff on sick leave and high use of casuals meant many of her co-workers were new and also untrained:

I was started in the house in February. So for eight months, approximately seven, eight months, I didn't have Medaz training for our client who needed it. So if she had a seizure, I would have to ring an ambulance or hope that someone with Medaz training was on shift.... We were getting casuals coming and going... Then we had people leaving and people coming and it [training] just never happened. We had a team leader leave, we had [our new team leader] come. And it was her pushing for it that we finally got [the training]. (Employee 6)

Michelle, working in a different setting, also explained lack of training around epilepsy:

It's not just this company, I've had friends that work in other companies and it's exactly the same in their company too. Some are still doing better training and working their training a lot better around taking small groups of staff off direct support and training them repeatedly, like that's four or five people out of 55 people, once a month, I think, they go through theirs. Which is better than nothing, don't get me wrong. But in the same sense, if you've got five people that are really well-trained in epilepsy ...and then they might be working with people for the next four months that have no epilepsy training but are working with people who have epilepsy. (Employee 2)

Leave required under the SCHADS Award

The RCM assumes that 10% of workers' paid time will be taken as leave. Against this however, the NDIA has also assumed that support workers take 10 days personal leave and four weeks annual leave each year, which in total represents 11.54% of the year (i.e. 6 out of 52 weeks) (NDIA, 2017a, pp. 10-11). This does not reflect leave entitlements. Where employees work more than four hours on ten weekends a year, they are classified as shift workers, and entitled to an additional week's annual leave, which is not accounted for in the RCM's assumptions.

In addition, the NDIA assumes that 17.98% of Support Workers are eligible for 8.67 weeks of long service leave every 10 years, which represents a further 0.16 weeks of leave per annum across all Support Workers (NDIA, 2017a, pp. 10-11).²⁸ However, these assumptions are incorrect. Long service leave entitlements differ across Australia, with the ACT for example having a portable long service leave scheme leading to higher eligibility. There are also instances in which higher long service leave entitlements result from expired enterprise agreements which were maintained in

²⁸ That is, each year over a 10-year period, there would, on average, be 10% of 17.98% of Support Workers taking 8.67 weeks long service leave. That is $[0.1 \times 0.1798 \times 8.67] = 0.16$ weeks.

transition to the modern award. Thus, the assumption that 10% of workers' paid time will be taken as leave does not fully account for industrial requirements.

5.3 The level and workload of supervisors

Assumptions about supervision also contribute to the under-pricing of disability support work. Good supervision is a key element of quality service provision, but one which is poorly recognised under NDIS pricing arrangements. In Australia there have been some concerns, including prior to the NDIS, of poor skills and knowledge among disability support workers, exacerbated by poor supervision (Commonwealth Senate Community Affairs References Committee, 2015; Iacono, 2010; Mitic, 2013; Office of the Public Advocate, 2016; Parliament of Victoria, 2016). While good supervision will boost morale and staff retention, insufficient or inadequate supervision will raise quality risks and contribute to unpaid overtime (Cookson, 2013, p. 44; Gray & Muramatsu, 2013; Judd, Dorozenko, & Breen, 2017; Larsen & Hewitt, 2012).

The RCM assumes a ratio of one supervisor to 15 workers (1:15), and the NDIA's intention is that increasing the span of control to 18 workers (1:18) will be a source of efficiency which allows the price to drop. However, these ratios do not appear to be based on existing practice or any model of good practice, and do not recognise how disability support work is organised. In the employer survey, for example, a respondent stated this pricing assumption was misguided:

The expected [supervision] ratio per staff member is 1:15 whereas we currently operate on 1:10. (CEO of medium sized metropolitan organisation)

Further, there is a strong link between the level of support workers (discussed above) and the supervision span. If all workers were employed at SACS Level 2, as per the pricing level, the span would need to be much less than 1:15. However, as Level 2.3 is assumed to be the average for support workers (with some employed at higher levels and some lower), in order to make 1:15 acceptable, supervisors would need to be employed at SACS Level 4 or higher, rather than at Level 3.2 as assumed in the RCM. The SCHADS Award stipulates that Level 3.2 staff 'supervise a limited number of lower classified employees'. The assumed level of supervisors, at Level 3.2, is below the commencement level of a graduate with a three-year degree (Level 3.3). Under the SCHADS Award a characteristic of Level 4, is that positions may involve a 'substantial component of supervision'. This would more plausibly reflect supervision spans of 1:15, than the 'limited number' stipulated at Level 3. Further, larger supervisory spans (such as the 1:18 envisaged in future) require higher levels of responsibility and employment of supervisors at higher levels, and are poorly aligned with the description of responsibilities at Level 3.2.

Empirical data shows supervisory spans of 1:15 and 1:18 are much higher than is common practice. Data from the survey of disability workers shows that among disability workers with supervisory responsibilities, 2 in 3 were supervising 8 or fewer staff (66% of supervisors). Only 16.4% of supervisors reported supervising over 14 staff, although the figure was higher for those working under NDIS (20%) compared with those who were not (12%). This is shown in Figure 5.5 and also contained in Cortis (2017).

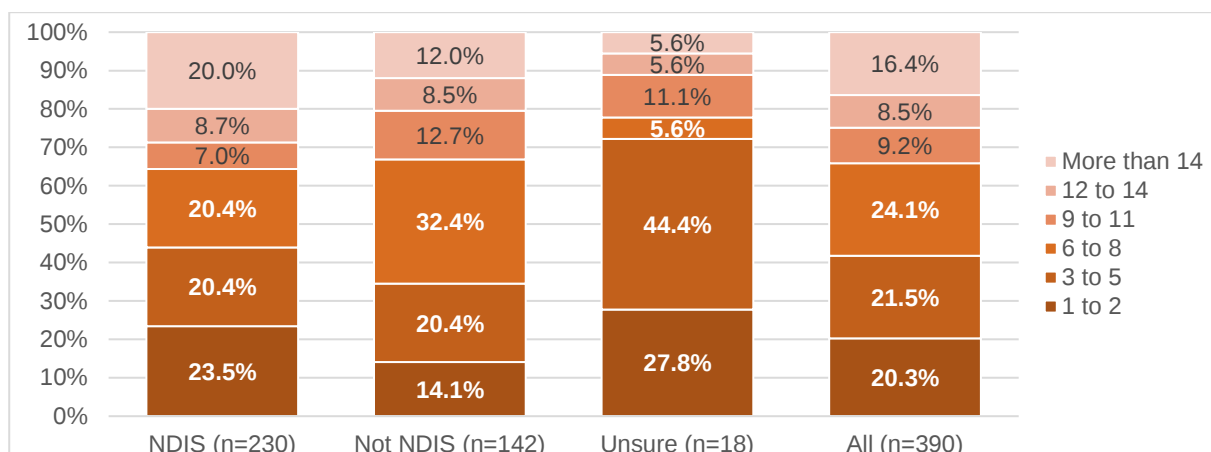
The proportion of supervisors overseeing over 14 staff was higher for workers in in-home settings and case management (each 26%) and community settings (24%), while it was low in outreach

(8%), allied health (11%) and residential/ group home settings (16%). These data are contained in Appendix F.

These data underline how the pricing model has assumed a larger supervision span than accords with the SCHADS Award classifications or than is common practice. Supervision of 15 staff as per the pricing model would entail significant (and unrealistic) change to the design of supervisory roles, and would intensify supervisory workloads for around 83% of supervisors in the survey.

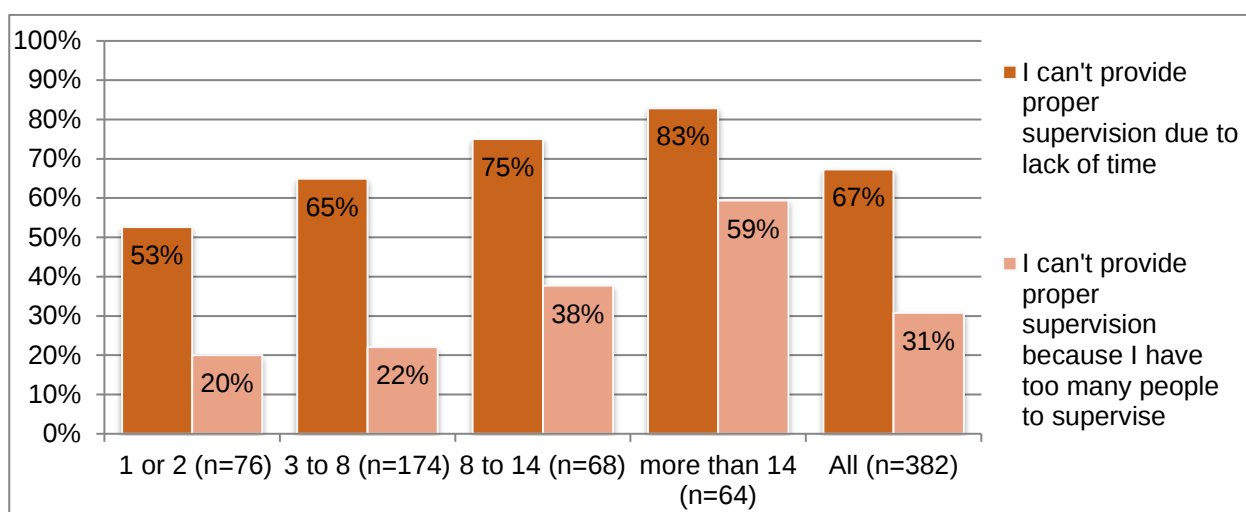
Further, supervisors with high numbers of supervisees are struggling to provide proper supervision. As the survey of disability workers showed, 83% of supervisors who supervise more than 14 staff (the level assumed in the NDIS pricing model) agree or strongly agree that they can't provide proper supervision due to lack of time, and 59% agree or strongly agree that they can't provide proper supervision because they have too many people to supervise (see Figure 5.6). This underlines how increasing the number of supervisees to levels assumed by the pricing model is predicated on poor quality supervision.

Figure 5.5 Number of staff directly supervised, by whether or not respondent was working under NDIS, supervisors (%)



Source: Survey of Disability Workers, 2017

Figure 5.6 Percentage of respondents who agreed with statements on supervision, by number of staff directly supervised



Source: Survey of Disability Workers, 2017

A respondent to the employee survey commented on the difficulties of supervision under the NDIS, and the Scheme's failure to recognise the time requirements for the type of supervision required to support choice and quality assurance:

It appears that the NDIS has been created with a particular set of disabilities in mind, or at least as a priority, but in the case of intellectual disability there is not enough consideration given to the complexities of supporting those with complex care needs. Where participants are unable to self-manage or advocate strongly for themselves, supervisory staff are not being given the resources to properly provide choices and to collect the evidence that quality services are being delivered. What was sold as an opportunity to address the inequalities inherent in the block-funded arrangements has instead delivered a cost-cutting exercise; whether through accident or design, the lofty ideals of the NDIS are not being going to be achieved for a great many participants unless the paucity of funding to provide the best outcomes is rectified.

Loss of supervision and support for workers was identified as something that had occurred with the NDIS and was felt directly by many workers, mainly in that they—as qualified, trained and experienced workers—were relied on to support new, inexperienced casuals. For example one disability support worker who did not have formal supervisory responsibilities for other staff described needing to step in to supervise less experienced staff:

When you're working with casuals, because you're attached to the house as a staff member, you're the most senior person there on staff so depending on what needs to be done, then you're directing staff to do that. I'm also the OH&S rep and the union delegate. So in those roles I'm supporting staff. Not so much supervising, but supporting them to make sure that we're all doing A, the same thing and we're all doing it the correct way. *Interviewer:* So how often would you have to be working with casuals? ... *Interviewee:* I'd say every second shift I'm working with a casual. (Employee 1)

A broader perspective was offered by a support-co-ordinator who observed new service providers in her region were not putting resources into supervision and support and this was impacting on the quality of support for people with disability. In her own organisation she had seen training and supervision cut to an extent that she believed was having a negative impact on quality of support, particularly for one-on-one personal support. She said:

... there's a lot of agencies that have started up in.... [and] they don't have that sort of supervision and governance with their direct care support staff. And direct care support staff can get themselves into some tricky situations I suppose around boundaries and that sort of thing. So I see that because I support other people to engage with other agencies, so I see when the problems arise. (Employee 4)

Interviews with disability support workers suggest a combination of reductions in training and support for disability support workers, increased use of inexperienced casual employees and increased supervisor workloads are creating unsustainable pressures on supervisory staff. For example, one supervisor reported that she was working at least 10 to 15 hours unpaid overtime a

week undertaking essential work such as keeping up-to-date with participants' medical needs to try to ensure a safe, good quality service and a safe workplace:

I'm not getting any training ... So who's to say I'm doing things the right way and showing you how to do things? That worries me. That terrifies me, that I show someone, or explain something to someone, and it's completely wrong. I put someone at risk of, at best, an emotional outburst, at worst of physical violence and psychological injury, because I've told you to do things this way, or such-and-such and it's completely wrong. And that terrifies me. That eats my soul. Which is probably why I do the 10 hours extra [unpaid], making sure that I know what I'm talking about and who I'm talking about and I'm reading people's plans and I'm seeing if anything's been updated in their plans, their diagnosis, their medication. (Employee 2)

5.4 Staffing on-costs

The adequacy of provision for staffing on-costs is difficult to assess, and data was not specifically collected on this theme in the survey or interviews. It appears that the types of costs usually included as staffing on-costs, such as superannuation and workers compensation, have been included in the RCM. However, the actual amounts in the RCM (based on the calculations used in NDIA and NDS, 2014) are inevitably much less than what is necessary, because on-costs are a percentage mark-up on direct wage costs, which, as shown above, are significantly under-stated, based on the under-classification of workers and supervisors, and under-estimates of the time required to provide disability support (as detailed in 5.1, 5.2 and 5.3).

5.5 Corporate overheads

Low allowance for overhead expenses in contracts with governments (or donors) is a problem for not-for-profit financing, as it feeds a cycle of under-investment (Lecy & Searing, 2015). Lecy and Searing (2015) identify how the excessive pursuit of administrative efficiency has caused a steady, self-perpetuating practice of cost-cutting in organisations, which in turn harms not-for-profits and their service users. Reductions in overheads can cause a myriad of behaviours which are detrimental to the long run productive capacity of not-for-profits, including cutting expenses relating to personnel development. Low overheads also place organisations at risk of financial shock, and have long term consequences by depleting organisational capacity, through starving organisations of funds to invest in skilled and efficient management, and training and development. Low overheads result in burned out staff, under-maintained capital, out of date programs, and other manifestations of poor quality.

It is difficult to assess the appropriateness of NDIS prices for corporate overheads, given the diversity of providers' operational models. Indeed, Lecy and Searing (2015) caution against a simple rule of thumb for all not-for-profits, and instead show that organisations have different levels of overheads depending on their size, subsector and stage of growth. However, it is pertinent that disability service providers report that NDIS pricing arrangements do not adequately cover overheads. One CEO explained, how under NDIS, there is:

Very little face to face time, eg for supervision, meetings and training and it is inadequate and we will have to reduce all 3. We will be cutting back on our regular 3 full training days a year. We will initially be putting people on casual now as we will be unable to determine ongoing employment. The pricing may cause viability issues for us and is a poor outcome for our staff. (CEO of medium sized metropolitan organisation)

Commonly, inadequate provision for overheads was seen to impact on employers' capacity to cover staff development and training:

The pricing is not appropriate and for many of our participants it is not reasonable or necessary for them to live an ordinary life. The apparently arbitrary allocation of service costs at 12% or 15% does not allow for staff development or training. The NDIS is squeezing organisations and promoting casualisation of the workforce and skills atrophy of staff. It is great in theory, and I really love the concept, but the implementation and understanding by government, the NDIA Board and the NDIA staff is poor. (CEO of large metropolitan organisation)

The pricing structure for NDIS means that opportunities for training, professional development are being called into question and how/what type of training can be delivered. Individual plans are also not covering the cost of clinical services and requisite training to staff to deliver particularly in relation to behaviour management. Also the cost of team meetings is not being covered. In many cases the plans for supported independent living do not cover even the direct support needs of people with disabilities (CEO in large non-metropolitan organisation)

It is challenging to maintain quality and an appropriate level of L & D²⁹ and supervision under the NDIS. This is particularly important as we deal with quite complex cases that require this support. Also the qualifications of people who can deliver different supports has meant an entire organisation restructure and recruitment to ensure our employees can deliver the required supports.... ..Also, there has been great pressure on employees to deliver NDIS work efficiently when they have to learn new systems as well as work under dual systems of current funding and NDIS funding. (CEO of small metropolitan organisation)

As discussed in Section 5.2, workers also identified the loss of paid time for training as something that had occurred with the NDIS with negative impacts on workers' ability to their jobs, and negative impacts on job satisfaction as they observed declining capacity and service quality. Workers we interviewed had experienced their organisations significantly cutting back on support for induction and training of support workers, and for supervision and team meetings. Impacts on service quality were very apparent as there were often many new support workers and many more casual and short hours' part-time workers in their services than previously. As Bentham and

²⁹ Learning and development

Macdonald (2017) found, workers reported their ability to deliver quality, safe support to clients was often compromised. As one stated:

...I know one new girl who buddied up with me once, she said, '[our employer] gave me a box of gloves and said, off you go'. (DSW12, Bentham and Macdonald, 2017)

Many other workers reported having inadequate information about the people they were supporting; for example one worker said:

... [The person was] the most complex client I have ever been sent to ...there were no written notes. ...I wasn't told that he self-harms, but he does self-harm. So the most crucial information wasn't provided. (DSW07, Bentham and Macdonald, 2017)

She also said that the strict routine required by one person she worked with who had high support needs required around '30 different steps in a one hour [shift]. ...And I was expected to know this routine after maybe two shifts.' (DSW07, Bentham and Macdonald, 2017)

Workers said they highly valued staff meetings, as these were important opportunities for workers to share information and ideas to improve support strategies for individual clients. However, several reported that their organisations did not have meetings for support workers at all. One worker said that support staff had asked for meetings but had been told the organisation didn't have funding for staff meetings. Some workers felt so strongly that meetings were essential, they organised and conducted them in their own unpaid time:

Usually when something arises in the team – because you put it to the office [that we should have a staff meeting], 'Oh, no, we can never find time,' or 'it doesn't allow for that in their NDIS package' or something – so we'll just meet for coffee. Probably every two-three months, or if someone new comes onto the team, we'll sort of have a get-together with coffee and sort of discuss some of the behaviours, and strategies we use and things like that ...because as I said before, for a team to work, you all have to be on the same wavelength. (DSW01, Bentham and Macdonald, 2017)

Another support worker connected the lack of support and supervision she was receiving with the move to the NDIS:

When I now say a 'team leader', look, really there is no team. They say that there's a team, we're in the complex team, ...program, but we never get together. Like there's no meetings, there's no supervision. ... Previously there was just that sense of you were a part of a team, and a team that cared about those people, the clients within that team. At the moment it's so scattered that we're all fragmented, it doesn't feel like a team at all. [Previously] you run past things with people, you get other ideas. It's like, you know, a whiteboard and you've got all these different ideas coming at you and you're going, 'Oh yeah, look, I didn't think of that.' You know, like it's reflection, it's feedback, it's all those things that, [now] who are you going to talk to? I'm not going to go home and talk to my husband and say, 'Hey listen, what do you think of this?' You need that, you do, you need that sense of support around

you as a worker. And, I don't know, I guess it's a feeling of belonging, of belonging to an organisation that really cares and nurtures and all that sort of thing. Had that before; don't have that now.' (DSW20, Bentham and Macdonald, 2017)

Some employers also pointed out how under NDIS, organisational overheads were higher, given both the need to spend time negotiating with service users, and the high costs of working with the NDIA:

NDIS requires both of our organisation and our staff to be more flexible in terms of meeting the more frequently changing needs and demands of clients. It will also increase our administrative cost because our staff members will spend more time in negotiating with clients before they use our services and after they discharge from our services. (Human Resource Manager in large metropolitan service)

At the moment, we still have great confusion among some of our clients and their plans. Even so, there are plans in place, they cannot always be accessed for the service we provide or the client has used up funds in one category but then has difficulties to access another part. To ring NDIA it takes often up to a hour on hold to get to talk to someone, who then in turn cannot always help with a solution. For a small organisation like us NDIS is nearly not worth the hassle. We have to pay our staff, but have delays in getting paid. We have one admin staff, who cannot spent hours trying to solve all the issues. Fees do not cover cost of the professional provider and admin cost. We find NDIS very heavy on administrative cost, which is hard to manage for a small organisation like us. We hope with time this gap will significantly reduce and make servicing NDIS clients more viable for us. (CEO of small non-metropolitan organisation)

5.6 Return on capital (margin)

An appropriate margin would allow organisations to ensure sufficient working capital and to accumulate a small reserve to meet future expenses, which can help ensure future capacity to pay staff (Calabrese, 2013). The interviews and survey data collected for this study did not specifically explore the appropriateness of the 5% allowance for a margin in the NDIS pricing model, making it difficult to assess its adequacy. However other sources suggest this may be a little low, especially for a period of transition, where providers have high costs of adjusting to new models and need to invest to expand capacity.

Some evidence of the margins achieved by registered NDIS providers comes from NDS (2016). Around 1 in 5 organisations reported no surplus in the last financial year, and 46% had a margin between -3% and +3%. Around a third (32%) reported margins which were above this level. Another source of information comes from the financial reports made to the Australian Charities and Not-for-Profits Commission (ACNC) by 14,896 charities which listed people with disabilities among their beneficiaries in 2015, the average margin (net income as a percentage of total income) was 6.3%. When limited to the 7,963 registered charities who listed people with disabilities

as a beneficiary group and were in the sectors relevant to NDIS, charities had an average margin of 5.2%.³⁰

While the employer survey did not indicate the exact margins organisations needed, it shows that, under current pricing arrangements, providers are under pressure. For example:

Under the NDIS rates we are being asked to provide the same hours of work for a lot less money (around 1/3) - something must give. ... We have not accumulated surpluses.... How do you maintain safety, probity, supervision, training with such low margins- I guarantee each organisation will be cutting corners somewhere.
(CEO of large non-metropolitan service)

The evidence about the adequacy of the pricing assumptions relating to margins is fairly thin and requires further research. It may appear that the pricing model allowance for margins is a little too low and that the 5% margin is likely to be unachievable by most providers in the context of underfunding of the other elements of the price.

5.7 Variation to the base rate, and other NDIS pricing issues

As discussed above, NDIS pricing is contributing to under-classification, time pressure, and unpaid work among disability support workers, primarily because of under-pricing through the base hourly rate. Less evidence is available about the adequacy of variation arrangements, such as the geographic and time of day loadings, and other aspects of NDIS pricing, although some conclusions can be drawn.

To assess the adequacy of geographic loadings in 2016-17, and the increases scheduled for 2017-2018, would require more focused research on providers' costs and practices across the full range of geographic contexts, while the time of day loadings similarly require assessment against the full range of industrial entitlements, including those in enterprise agreements.

However, the evidence does however show the loading for intensity is far too limited, as it fails to take account of the range and cost of strategies that are essential to assist participants with complex support needs, in particular the need for more senior workers and the frequent need for more than one worker to work with participants. The loading only takes (inadequate) account of additional non-client time required of workers, with a 5% reduction allowed from the proportion assumed in the base hourly rate. Under current arrangements, the higher rate of supports can be considered where assistance to manage challenging behaviour is required at least once per shift or where continual active support is required, but it is the case that some participants have more intermittent complex support needs. Case Study 4 shows how prices need to take into account that

³⁰ These figures come from an online analysis tool at australiancharities.acnc.gov.au, and were calculated using a subset of charities which listed people with disability among their beneficiaries and whose main activities were in the ACNC's categories of social services, health, law and advocacy, development and housing, and culture and recreation. This excluded those in the categories of education and research, environment, international, other, religion, and philanthropic intermediaries, which are unlikely to deliver NDIS services. Note that it is not clear how many of these were actually delivering NDIS, rather the figures are indicative of the margins of disability charities more broadly.

in some cases, more than one worker will be required to work with participants with complex needs, or for reasons of worker health and safety

In terms of variation for numbers of participants, prices for Group based, Community, Social and Recreational Activities assume substantial economies of scale, in that a provider is paid the base hourly rate for providing support to a single participant when providing support to 2 or 3 participants. For Centre-based Care, the same price is charged for each participant, and thus prices assume there are no economies or diseconomies of scale. For Supported Independent Living (SIL), the price per participant reduces as the number of participants increases, and thus prices assume there are economies of scale. There does not appear to be any publicly available explanation of the reasons why the NDIA made the various assumptions about the nature of the economies of scale in each of the three cases, nor why the assumptions are different in each case. As for the other variation components, further information is needed for a full assessment.

Case Study 4: Jane's experiences of under-staffing

Jane, a disability support worker described health and safety problems that placed workers and participants at risk. Due to understaffing Jane has been required to use a hoist to lift a person on her own, despite this being unsafe for her and or the person she was supporting:

Every single person that works there has had to hoist him by themselves, one time or another because of [they are working on their own when there should be two support workers assisting the person]. ...This is a very stressful situation to be in.

Lack of enough staff in the organisation has meant Jane and her colleagues work shifts when they are unwell even when there may be health risks for themselves and a risk of exposing participants with weak immune systems to illness:

Say that a carer got sick and they rang up to say, 'We can't go to this client's house today because I'm sick,' then oftentimes, like often she's said to me, 'Well, I'll have to tell him that nobody's coming then,' because they rang everybody else and because there's so little of us if everybody else said no there's not really much you can do.' And sending us in is not a good idea because you don't want the client to get sick, so yeah...

(S)ometimes we still go to work even if we really shouldn't. There's a [co-worker] that was told not to go to work for a month because she hurt her knee, and they didn't want her to be walking on it or hoisting on it or doing anything, but she still had to go to work because there's so little of us that there's nobody else to cover her shift. (DSW22)

6. Concluding discussion

This final section summarises the overall impact of inadequate prices on NDIS services and the staff employed to deliver them, and suggests some ways forward.

6.1 Summary of inadequacies in pricing arrangements

Drawing on data from disability support workers and employers, this report has shown a range of problems arising from the assumptions embedded in the RCM. Overwhelmingly, the evidence shows that NDIS prices are not covering the full costs of disability service provision or supporting quality services. Under-pricing of services is inherent in the key assumptions underpinning the NDIS pricing model.

Prices have been set with little transparency, which appears inappropriate given the Scheme's high public costs, and the significant implications prices have for provider viability and supply, workers' financial security and participants' quality of life. More transparency about all the NDIA's assumptions and decision making is required. Principles of transparent, evidence-based pricing should guide the operations of the NDIA or any independent price regulator.

Major problems with the NDIS pricing models and prices include:

- The assumed average level of workers at SACS 2.3 is acting as a cap at entry level, and does not reflect the actual profile of the level of workers. It is creating incentives to hire less qualified and less competent staff, and is limiting career paths and progression, and prospects for staff retention. Level 3 would be more appropriate.
- Pricing arrangements fail to recognise the costs of supervision. The assumed classification level of supervisors at Level 3 is low, and the supervision level and span does not align with either the assumed level of support workers who are supervised, evidence of current supervisory practices, or the classification descriptions contained in the SCHADS Award. Level 4 would be more appropriate.
- The assumed amount of non-client time involved in disability support work (5%, or 21 minutes in a 7 hour day) is inadequate. While there appears to be large variation between service types and providers, administration and co-ordination demands have increased under NDIS. Disability support workers are experiencing excessive time pressure which is unsustainable, and antithetical to supporting participants' needs in individualised ways.
- Development and co-ordination activities, such as training, peer support and team meetings are not adequately funded under current prices. As a result, there are greater risks to participants, where disability support workers are not properly trained, where supports are poorly co-ordinated, and where workers lack the capacity to provide supports in individualised ways.
- While more research is necessary to assess price variation, the variations based on intensity are inadequate. The 'discount' of non-client facing time does not adequately recognise what is required to assist clients with high support needs, such as the need for more than one support worker, or the employment of more highly skilled workers. If the costs of working with

participants with high support needs are not available under NDIS, there are real risks that providers will avoid supplying these participants. Similarly there may be other gaps in the overall supply of NDIS services and supports if the other variation factors do not fully cover the costs across the range of places and circumstances that the NDIS is supposed to serve.

Overall, the data shows how provider organisations are finding it difficult to be 'good employers' and to meet their industrial obligations and cover required pay rates and conditions. Many are reconsidering whether they are likely to be able to provide services in viable ways in the future. Further evidence of employers' difficulties covering the costs of staffing are reflected in the substantial proportion of CEOs who report that their organisation cannot provide staff with regular hours, and their low likelihood of offering an expanded number of permanent positions in the future. Reports from employees confirm that some employers are adopting workforce strategies to minimise labour costs, reducing support workers' pay and employment conditions and, in some cases, undercutting legal minima.

This context creates real risks for the future of the NDIS, and for NDIS participants. Pricing is predicated on under-classification of workers and insufficient time for workers and supervisors to do their jobs well, problems which are exacerbated for participants with more complex needs. Prices are not supporting thorough induction and training, contributing to high levels of risk. Workers are compensating for under-resourcing with unpaid work. Under these arrangements, attracting and retaining the additional disability support workers necessary to meet projected demand is unlikely. Indeed, even retaining the current workforce is a matter of concern.

6.2 Building alternatives

Any review of NDIS costs and the factors affecting Scheme design need to recognise that current prices and price setting processes are inadequate. Urgent intervention is required to develop more realistic assumptions and ensure prices are based on evidence of what is required to deliver good quality services, and the importance of a well-supported and reasonably remunerated workforce. Although prices are being indexed upwards for 2017-2018 to account for cost of living, minimum wage and ERO increases, these increases leave the underlying structure of prices intact. These arrangements are unsustainable, as the effect of under-pricing is to shift the costs of provision onto frontline staff, undermining quality support and prospects for decent jobs for support workers.

Prices are incentivising cost-cutting and creating imperatives for low quality provision. Fairer pricing arrangements would recognise that providers require access to resources which enable them to attract, train and retain high quality staff, and to employ staff in decent jobs that provide adequate hours and earnings, safe workplaces, job security, and a reasonable work-life balance. Dedicated funding for training, and a loading to cover employment of support workers above entry level, would help to provide career pathways and aid in staff retention and workforce expansion. The NDIS quality and safeguarding framework should be enhanced over time to ensure quality disability support is underpinned by a well-trained and qualified workforce, through mandating or creating incentives for minimum requirements, such as qualifications at Certificate IV level.

The NDIA has repeatedly promoted the ideal of a mature NDIS market within which competition will drive prices down. In light of the evidence showing service provision is under-priced, this vision seems unrealistic. The NDIA has stated expectations that movement to an efficient price will be

driven by reduction in corporate overheads, expanding the supervision span, and increasing staff 'utilisation' (time with clients), but has given little indication of why or how this will happen, except for generalised claims about the impact of 'competition'. These changes seem unrealistic in the context of current pressures on organisations, existing supervisory practices and the very limited amount of non-client facing time currently allowed. Any lowering of NDIS prices is likely to reduce the quality of services further below acceptable minima, and work against the achievement of NDIS objectives.

A more realistic vision, based on robust evidence of the nature of quality service provision and measures of quality, would help guide reform in ways that avoid a race to the bottom. Pricing should be informed by research about the ways disability work is performed, and the experiences of those who perform it, and recognition of the links between employment arrangements and outcomes for people with disability. Measurement of participant satisfaction and health and wellbeing outcomes which are linked to job quality measures could help assess the contribution of different employment models, and could be used to evaluate any future changes to prices, and the ongoing process of reform.

Principles of transparency in price determination are also vital to enable all stakeholders to assess the adequacy of prices in relation to the full costs of provision. As well as transparency of NDIA decision making, consideration should be given to requiring providers to report workforce information, to demonstrate the integral position of workers in the logic of implementing the NDIS and supporting participants to achieve outcomes. It could become a requirement of NDIS registration, for example, to publicly report specific workforce data, including the numbers of qualified and experienced workers, and workers employed on a permanent basis. The National Minimum Dataset for Social Care (NMDS-SC)³¹ in the UK provides an excellent model for workforce monitoring, enabling time series analysis of the social care workforce as a whole over time, whilst also providing more granular information for particular areas or service types, to inform research, benchmarking and quality assurance (Hussein, 2009; Hussein & Manthorpe, 2012).

³¹ See <https://www.nmds-sc-online.org.uk/>

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Appendix A: CPOW Working Paper 2017-1



Disability support work under the NDIS: Initial analysis of workers' experiences

Eleanor Bentham and Fiona Macdonald

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Centre for People, Organisation and Work, RMIT University

Melbourne, Australia

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This working paper presents preliminary findings from an initial analysis of some of the data collected for the *Day in the Life of a Care and Support Worker* research project led by Fiona Macdonald and Sara Charlesworth with Eleanor Bentham and Jenny Malone as part of three larger research projects . All three projects have received funding from the Australian Research Council: *From Margins to Mainstream: Gender Equality and Decent Work* (DP110102963), *Prospects for Quality Work and Gender Equality in Frontline Care Work* (FT120100346) and *Paid Work in Cash-for-Care: Australia in Comparative Perspective* (DE 160100543).

Overview of research and summary of findings

The research

This working paper explores some of the experiences of people employed to provide personal support and assistance to people with disability under the National Disability Insurance Scheme (NDIS). It presents a preliminary analysis of semi-structured interviews conducted in late 2016 and early 2017 with 12 Disability Support Workers (DSWs) for the *Day in the Life of a Support and Care Worker* research project. In this work in progress paper we focus on aspects of workers' experiences that are affected by NDIS funding and pricing arrangements.

Summary of findings

Workers were very positive about their roles supporting people with disability work. Nevertheless, six of the 12 workers were taking active steps to leave their jobs as disability support workers. This working paper examines what is behind this apparent contradiction. It reports on workers' experiences of disability support work under the NDIS and identifies that most of the negative aspects of work for these disability support workers are not inherent to the work but are the result of the ways in which the work is organised and the limited funding, training and support associated with their jobs. Workers experienced poor training and support, low earnings, excessive unpaid work time, and extended working days and weeks as significant negative aspects of their jobs.

The research and the research participants

The 12 disability support workers (DSWs) whose experiences are reported in this paper were among a larger group of workers who participated in two individual face-to-face semi-structured interviews with researchers in which they were asked about their jobs, and their employment and working time arrangements. In between the first and second interviews each of the research participants completed a 'diary' outlining their working time over three days. The analysis presented in this report is drawn primarily from the worker interviews.

Research participants were recruited for the research through advertisements in a local newspaper and also through snowballing, with some people passing on the invitation to participate in the research to their colleagues. Interviews were conducted in public locations offering privacy (e.g. in private rooms in community centres and public libraries) and with permission from participants were audio-taped.

The 12 research participants were women aged from early 20s to over 60 years. Nine of the 12 were aged over 40, most of them in their 50s or 60s. Five of the 12 DSWs were employed by two or more organisations to provide support to people with disability. Three workers held other jobs in addition to their disability support roles. Some also worked as homecare workers providing personal assistance to aged people in their homes (This work is not discussed in this analysis).

The women were employed by not-for-profit, for-profit and public sector organisations with several of these organisations providing a range of support, care and other services in addition to services provided to people with disability as part of individual support packages under the NDIS (for example home and community care to elderly people). Four workers were employed by more than one type of provider.

Almost all the disability support workers provided personal care and assistance to a number of NDIS participants, working with adults or children with physical and intellectual disability or cognitive impairment. Two provided support to people with mental health issues.

One worker was employed full-time on a fixed-term contract. Five others were permanent part-time employees (some working full-time hours) and six were casual employees, mostly working part-time hours.

Workers' years of experience in their current roles or in similar work ranged from five months to 30 years. Most of the workers were either the main or sole breadwinner in their household or were joint earners with a partner.

Preliminary findings

Disability Support Workers' skills and responsibilities

The disability support workers reported providing support to a variety of people including some with complex support needs. Most of their work involved providing support to people in their homes; typically the workers were working on their own, or with one other worker, and often without immediate access to a team leader or supervisor. Workers spoke of having to deploy a range of skills in the course of the working day, including the following examples:

- applying knowledge across a wide spectrum of advanced practical skills, such as: knowing how to do PEG feeding³² or safely use a hoist to lift someone; knowing how to respond when someone has an epileptic seizure; and knowing what routine or intervention will prevent someone from self-harming or keep a client with challenging behaviours happy and calm;
- monitoring and assessing participants' wellbeing and health, and taking appropriate steps to address problems, for such things as a person not eating; having unexplained bruises; or having their health deteriorate requiring action;
- responding to urgent situations, such as medical emergencies or violence;
- using interpersonal skills to lift a depressed client's mood, provide an enjoyable experience for a child, calm a distressed client with dementia, or support a terminally ill client and their grieving family;
- working with people to help them achieve their short- and long-term goals;
- managing a demanding workload under time pressure, including frequently accommodating unforeseeable events within a tight schedule;
- understanding and working in compliance with requirements of the various legal, regulatory, funding and healthcare systems applying to their roles; and
- negotiating with their employers and other health and support agencies to achieve the best for their clients.

Supporting people with disability: The positive aspect of the work

Disability support workers were overwhelmingly positive about the key aspect of their work: supporting people with disability. All the workers said they enjoyed working with people and making a difference in their lives.

There's certainly a bit of everything in this job. That's what I love about it. ...And I love that you build an attachment to people, although you're not supposed to. I

³² PEG is an abbreviation for percutaneous endoscopic gastrostomy, a procedure in which a flexible feeding tube is placed through the abdominal wall and into the stomach to enable feeding directly into the stomach.

shouldn't say an attachment; you build a friendship. You're not supposed to; it's a big no-no. But that's totally unrealistic. I mean, you're a carer, you're going to care. (DSW11)

(I)t's good to wake up every morning and think that you have the opportunity to influence somebody's life today and that you can choose to make that a positive influence, and help someone with their goals that otherwise without you they wouldn't have been able to do. (DSW22)

I love it. I'm really enjoying the experience, yes. I love it. ...Every day's different. ...Yeah, I'm enjoying it. Because it's still quite new, it's different and I'm enjoying it, the difference. But yeah, all my clients are just lovely. And sometimes I go into a home and I work with a person and they're just lovely. And I just go away thinking, oh, that was such a pleasure to do that job. (DSW04)

The difficulties of disability support work

While all 12 workers said they liked or loved their work, all also readily named aspects of their jobs they found very difficult. Workers talked about their work being physically, mentally and emotionally tiring or exhausting; and they spoke about the stress of trying to provide essential support without having enough time to do so. Some experienced verbal and physical abuse from people they supported. Many workers spoke about the stressful elements, and emotional strain of their work: some described experiencing distress working with people with degenerative diseases and about their grief when long-standing clients passed away, and others spoke of the difficulties they experienced supporting people who had limited social contact:

...when you go into someone's home, they may not have a support network around them. So I think it is a lot more emotional for me (than working in a group setting). Because I take on people and their worries and their problems.

You always have them in the back of your mind. It's that kind of industry. ...It's really hard not to think about your clients when you're not with them. (DSW04)

The negative aspects of disability support workers' jobs

While some of the difficult aspects workers identified were largely inherent to the work, disability support workers spoke to us about many more problems with their jobs that were not, and that multiplied the difficulties identified above. These were: inadequate training, inadequate supervision and organisational support, low pay, and working time problems associated with split shifts, unsocial working hours, extended work days and weeks, and casual conditions.

Inadequate training and support to do the job well

Despite not being explicitly asked in interviews about training and support, half of the workers raised lack of training and/or supervision and management support as serious problems, and only a few described good training and support.

Supports that workers wanted but reported not receiving included: ready access to supervisors who could be contacted in an emergency and who were familiar with the clients; regular meetings with supervisors and colleagues to develop improved support strategies for clients; timely provision of essential information about clients necessary to keep themselves and their clients safe; training and support to ensure workers' safety when working with potentially dangerous clients; supervisors and managers who would follow up on concerns about client wellbeing raised by workers; and the opportunity to gain familiarity with individual clients' needs, personalities and interests through regular consistent shifts with the same clients and on-the-job training.

Several workers contrasted their current negative experiences of work with the good-quality training and support they had received previously, either with government providers or prior to the NDIS. For example, one worker spoke highly of the training and support offered by her government employer, compared with the lack of support she received from the not-for-profit she now also worked for:

...we have one-on-one meetings every six weeks. ...They are for any grievances you might have – if your roster's too full, if you're not getting enough hours, if you want to change something around, if you have a problem with a particular client – just whatever's going on with you workwise. And we also have team meetings every four weeks, which is great, and then for an hour and a half we often have guest speakers. And we just finished a workshop on (a specialist topic), which was really interesting. And again, you can bring something up that's relevant to everybody else in the room, and we can kind of brainstorm: 'Well this is how I chose to deal with it, I don't know if that's always going to work,' ...and they offer counselling services and physio services. (DSW11)

By comparison, she said of her not-for-profit employer:

you don't have anything to do with them. ...I know one new girl who buddied up with me once, she said, (the employer) gave me a box of gloves and said, off you go. (DSW11)

Many workers said that the lack of training and support meant that their ability to deliver quality, safe support to clients was compromised, or that their own health and safety was compromised. Many also reported having inadequate information about the people they were supporting; for example another woman said:

... she was the most complex client I have ever been sent to ...there were no written notes. ...I wasn't told that she self-harms, but she does self-harm. So the most crucial information wasn't provided.

This woman also said that the strict routine required by this client to manage their behaviour required '[dozens of] different steps in a one hour (shift). ...And I was expected to know this routine after maybe two shifts.' (DSW07)

Workers said they highly valued staff meetings, as these were important opportunities for workers to share information and ideas to improve support strategies for individual clients. However, several reported that their organisations did not have meetings for support workers at all. One worker said that support staff had asked for meetings but had been told the organisation didn't have funding for staff meetings. Some workers felt so strongly that meetings were essential, they held them in their own unpaid time:

Usually when something arises in the team – because you put it to the office (that we should have a staff meeting), 'Oh, no, we can never find time,' or 'it doesn't allow for that in their NDIS package' or something – so we'll just meet for coffee. Probably every two-three months, or if someone new comes onto the team, we'll sort of have a get-together with coffee and sort of discuss some of the behaviours, and strategies we use and things like that ...because as I said before, for a team to work, you all have to be on the same wavelength. (DSW01)

We did mention yesterday that we need to maybe meet out in the community sometimes once a fortnight or something like that. (We would) just organise it ourselves, because (Not-for-profit Provider) is not interested in doing it. It feels like they're just interested in getting the hours paid for, getting the numbers and getting the hours paid for. (DSW20)

A worker, employed by a large not-for-profit provider, said that team meetings were 'non-existent'. (DSW07) Another said that she had had little contact with colleagues since 'my induction, that was when I first started. And so I've barely seen people at (not-for-profit provider) after that'. (DSW04) One support worker who was working with clients who had very complex conditions connected the lack of support and supervision she was receiving with the move to the NDIS:

when I now say a 'team leader', look, really there is no team. They say that there's a team, we're in the complex team, ...program, but we never get together. Like there's no meetings, there's no supervision. ... Previously was just that sense of you were a part of a team, and a team that cared about those people, the clients within that team. At the moment it's so scattered that we're all fragmented, it doesn't feel like a team at all. (Previously) you run past things with people, you get other ideas. It's like, you know, a whiteboard and you've got all these different ideas coming at you and you're going, 'Oh yeah, look, I didn't think of that.' You know, like it's reflection, it's feedback, it's all those things that, (now) who are you going to talk to? I'm not going to go home and talk to my husband and say, 'Hey listen, what do you think of this?' You need that, you do, you need that sense of support around you as a worker. And, I don't know, I guess it's a feeling of belonging, of belonging to an organisation that really cares and nurtures and all that sort of thing. Had that before; don't have that now.' (DSW20)

One worker employed by a small organisation said that her supervisor, was 'very hard to contact'. She went on to say:

Yeah, so you kind of pick and choose what you ring her for, because it's like she's not going to answer anyway. One time ...they hadn't covered (a) shift for the night. So, there's meant to be two people and there was only me, and I tried ringing her like x amount of times. She didn't answer. So I started ringing the other workers, and asking if anyone can come help, because the boss isn't answering and it's like a normal thing for us. So that happens quite a bit. (DSW22)

One worker said that employees with her employer had expressed a desire for more training, but had not received it. She said she was willing to offer her time unpaid to receive training, including some 'basic' information about the organisation's directions and the NDIS:

I think it'd make a great difference if staff were included and ...even training sessions, perhaps more refresher training sessions that could be held at the office, where there's a big conference room there. So staff could be invited in there, I'm not saying necessarily to be paid to be there, but as a choice for them, perhaps, to go in and maybe the supervisors could say, explain to us how the systems work, how the communication moves around ..with the NDIS as well as them. And also give us the heads up about any new things that maybe going to be implemented, like different programs, give us some options too. (DSW08)

This worker also reported that her employer did not give them support to identify community activities to take clients to; the service provider was instead relying on individual workers to use their own, unpaid time to find out about suitable activities:

If we have ...a client who we're with and we have to structure their day, (I'd like my employer to) give us some guidance as to what's available within the community. At the moment I have to find those things out myself. And I really don't have the time. (DSW08)

Several workers reported they had not received adequate support from supervisors when experiencing difficulties with clients. One worker said she had been verbally abused by a client and the client's family, but had had little support from the manager. She said:

(I)t makes me unhappy going there because I never know how he's going to treat me when I walk in the door. I'll be dreading going there in case his (relative) is there. (DSW22)

Another worker described how under the NDIS funding model, allocation of case management support had become less personalised, meaning that some clients with complex needs had inadequate levels of case management support:

I find a lot of the client's case managers are too busy and like especially since NDIS have come in, like they're only allotted, I think it's like an hour a week, to do everything per client. (I)f you get a difficult client an hour a week would be one phone call with some of their issues, whereas they don't sort of see each client as

an individual and like some of them would probably need five hours a week and some wouldn't even need that hour. So yeah they don't see them as individuals. (DSW01)

Fragmented working time: very short shifts and extended working weeks

Many workers spoke of working regular shifts of less than the two hours' minimum engagement period in the SCHADS Award, and some spoke of working shifts of less than the one hour minimum engagement for homecare workers. In addition, almost all workers complained that they had long periods of empty time between (often short) paid shifts. This fragmented working schedule resulted in workers having to work very long days, across six or seven days a week (sometimes in multiple jobs), to earn an adequate income. A significant number were underemployed, despite being available for more work and sometimes or always working extended weeks of six or seven days.

One woman reported that her shortest shift was 30 minutes and another said she had refused to 'do shifts less than 45 minutes' (DSW13). Another worker said she had regularly been working 14 one-hour shifts a week, along with 14 two-hour shifts, working from breakfast through to the bed-time shift. Others said:

The shortest (shift) I do is half an hour. ...I've got one this week. It's a 9:30 to 10:00 shift at night. And it's ...about 25 minutes (from my home). And it's only a half hour shift, and then 25 minutes home again. ... You're taking all day to make up three or four hours. It's quite time consuming. I don't mind the travel where a lot of people don't like the travel. But it is a big day for very little benefit, financial benefit. (DSW04)

I can start at quarter to eight in the morning and I can finish at four o'clock at night and I only have done five hours. That's the worst part – any carer will tell you that's the worst part of this job. (DSW11)

Yeah I love it. But the hours are really hard. We've got to sort of keep ourselves open for a 13-hour day ...and we only work five hours of that. (DSW19)

Many said that they would prefer to work full days – even long days – without multiple breaks:

I'd much rather have full days. All the days that I'm working I'd rather them all be full (DSW04)

One woman was new to direct support work and said she was prepared to accept short shifts and long days in the short term. However, she was also planning to leave this provider in search of longer shifts.

It's a big day, and at the end of the day I could have been doing a lot more stuff than spending all that time to get an hour's work. But I'm still new, I'm still putting my foot in the water, still testing the water, and slowly I'm picking up other shifts, getting more. But even though it's only an hour it's still an hour's pay, it's still money in my pocket. And it's, I'm learning, I'm meeting people. (DSW04)

Some workers were working extended weeks or days because employers could not find other workers to take shifts. One DSW reported that she had just completed three weeks without a break, doing days that started around 8am and finished around 11 or 11:30pm, after which she sometimes had to complete notes.

We asked DSWs what their ideal working week would look like. Almost all of them said that they would prefer to work weekdays during the day, except for those who said that they wanted to work weekends because of the extra pay they received, or who said they would continue to do a single weekend or evening shift just to support a particular client.

I would also like the weekends off because I work most weekends, the majority of the weekend, and I don't really get to socialise or see my family or my partner as much as I would like to. (DSW22)

Working time: Short notice, unpredictability and one-way flexibility

All of the DSWs said that they regularly received messages asking them to do extra shifts. It was not unusual for this to be at extremely late notice. One woman said 'I could get a ten-minute notice.' She also said this had occurred, 'In the last two months, probably about five times.' (DSW08). Another woman said that every week she had been taking two or three extra shifts at one or two days' notice to fill weekend shifts.

DSWs found it difficult to assert their rights to say no to last-minute shifts. Most of the workers reported feeling pressure to work when they didn't want to, either because they feared losing work altogether, or because they felt responsible for clients' wellbeing. Some felt their supervisors exploited their vulnerability:

...like often (the supervisor's) said to me, 'Well, I'll have to tell (the client) that nobody's coming then...' (DSW22)

When you cross (my employer), he punishes you by taking shifts away. ...the guilt trips, especially if it's after hours, and you say no. 'Oh, but what will the client do without you? How will they cope?' ...(The) guilt trips are horrific. (DSW01)

Workers often experienced flexibility to be only one-way. If a client cancelled at a day's notice workers would not get paid :

...under our policies at (not-for-profit provider), a client can cancel the day before and not be liable for any fee. Right. But a support worker probably has to give something like six weeks' notice to get out of a shift. Because even though that shift won't be allocated probably until the day or two before, we're still told you're not allowed to do it, which is really extremely difficult to know six weeks in advance. (DSW07)

One worker said she felt angry that the NDIS system did not provide incentives for service providers or participants to consider workers' needs in relation to scheduling. She said her employer accepted that participants could change their support times for what she considered to

be trivial reasons. However the worker received no compensation for the loss or change of shift at short notice and the employer would not ask the participant to consider the worker's interests:

(The participant) can ring, maybe I'm due there in an hour and a half, and he can ring and say 'Oh no, tell (me) to come an hour later'. I get the call 'Go an hour later'. ... 'Well hang on, that's going to make me an hour later finishing'. 'Oh well this is what the client has requested and he is your client, he's on your roster. That's what we have to do'. ...

It's not so much the money part of it, it's the assumption being that my time is so flexible that I can change it within an hour, an hour and a half ...I don't get an explanation as to why, but generally ...it'll come up in conversation (with the participant): 'I was out having lunch with friends and we were having such a good time, didn't realise the time', that sort of thing. And I don't think that's terribly fair.' (DSW08)

When workers received their rosters with very little notice—a common occurrence—they found it extremely difficult to either schedule shifts for their second jobs or to plan their own lives. For example, one DSW said she usually received her roster for the week beginning Monday:

...(i)n between Friday and Sunday; sometimes it could be 8 pm on Sunday night. It just depends what my boss is up to. ...it's hard to organise anything else during the week until I know when I'm working, and I can't accept shifts with (another provider) until I know when I'm working with that agency, so to find out so late just puts everything else on hold. (DSW22)

Other workers spoke of late changes to their rosters and the expectation they would work with little notice as making it very difficult to plan their lives:

I'm sick of making (personal health-related) appointments thinking I'm free, and then something crops up and you've got to cancel your own personal stuff to fit in with work. (DSW01)

...quite often I have my medical appointments in the spaces in between and I need to maintain a regular gym routine as well because I've got (a health condition) and I find that that's the only way I can really keep on. And also for my mental health that's really my outlet. And it is quite difficult to organise it all.' (DSW07)

Fluctuating incomes and low wages

A number of workers reported that they found it difficult to plan financially, due to substantial fluctuations in the hours they were allocated. Several workers employed on a casual basis said they would prefer to have certainty of income if they could get permanent part-time work and have guaranteed minimum hours even though it would mean working for a lower hourly rate.

However, even workers employed on a permanent part-time basis were not protected from dramatic fluctuations in weekly hours and earnings; some had minimum guaranteed hours of only one or two hours' work per week. Five of the 12 workers said they worked in second jobs because of insufficient hours and pay in their main disability support work jobs. Workers' earnings also varied due to work hours being cut with very little notice.

One worker who said she was guaranteed 2.5 hours per week as a casual also said:

I'd prefer the permanent part-time because ...I need to basically know what kind of money's coming in so I can go 'Right, I can afford to pay my gas bill this week or I can afford to put some extra money on the mortgage because I know what money's coming in'. (DSW04)

Unpaid work: travel time

Like most workers, DSWs are not paid, or reimbursed, for travel time and costs between home and work. However, many DSWs providing direct support services are doing very short shifts, of as little as one hour then having to return home again:

oftentimes I will have just that one shift that's half an hour away and I won't have anything for another hour or two which means that I don't get paid to go there or back, and essentially it's like the money that I get paid for the shift is covering the petrol to get there and back and it's probably like \$5 left over for the actual work once you take that into account. (DSW22)

The one that I was doing in (another suburb) it's half an hour drive, half an hour work, half an hour drive home. So there's an hour and a half to earn half an hour, plus costing in your petrol. (DSW04)

Most of the workers we spoke to were not paid at all for the time they spent travelling; most were merely reimbursed a per-kilometre rate for the costs they incurred using their own cars. One worker who was not reimbursed was told by her employer to claim the expense on tax. Workers described regularly travelling 20- to 45-minute journeys four or five times in a day, often to do short shifts of less than one hour up to two hours. For example, one DSW said that on several days a week, she drove four return journeys from her home to a client who lived 20 minutes away. As a result (excluding her first and last trips to/from home) she drove at least 100km each day, spending a total of one hour and 45 minutes' unpaid travel time to undertake 5-6 hours' paid work.

Another DSW said, 'I can remember one weekend with (Provider E) I did a hundred and eighty-nine kilometres' (DSW11)

The long distances workers travelled resulted in some being paid for less than half of the time they spent at work. For example, one worker said that her employer would sometimes ask her to do a 45-minute weekday evening shift that required a total of 80 minutes' driving:

And it's like, I'm driving forty minutes out there for a forty-five minute job; I'm getting paid like seventeen, eighteen dollars– and that sounds really cold and callous, because it's not all about the money – but in the end, nah, doesn't make sense.'
(DSW11)

Disability support work case study: Short shifts and unpaid travel

Marlene is a disability support worker with around ten years' experience, a Certificate IV in disability support and an additional diploma-level specialist qualification. She works for two service providers and is employed casually in one job and as a permanent part-time worker in the other.

Marlene works extended days and weeks providing support to people in their homes. Although she usually works only 30 paid hours a week Marlene works on most days and has only one weekend off a fortnight. Due to her work being organised in multiple short shifts she has many days in which she has periods of one to two hours or more between work shifts and she spends a lot of time travelling to and from home to work for which she receives no pay.

Four days a week Marlene works for one service provider, starting around 9 am and finishing 13 and a half hours later at around 10:30 pm. In her job with this employer (a not-for-profit service provider) Marlene is paid only for the five to six hours she spends with clients over four or five separate shifts. In addition to this Marlene spends about an hour and 45 minutes travelling back and forth from her home to work between shifts, travelling a total of 100 km per day excluding her first and last trips. She is not paid for any of this travel time, nor does her employer reimburse her for costs associated with the use of her own car to undertake the travel.

This unpaid travel time between shifts, along with unpaid administration work associated with her job, add up to about 8 hours over the 4 days, an additional 26% of the 30 hours' work Marlene is paid for. Marlene says she is "tired" and that she doesn't have a life because she is always working or on a break:

You can't go out for dinner, you can't do this, you can't do that, cos it's time to go back to work.

My ideal would be 9-5 so I could have a life, like any normal working person.

(DSW19) (Bentham & Macdonald, 2017)

Other unpaid work

Many support workers reported spending considerable time, unpaid, at the end of the day completing notes on clients or completing required paperwork. While some workers had been told by employers they should finish ten minutes early to write up notes or to contact the supervisor with any issues or concerns, they also said this was difficult or just not possible. Some said it was clients' expectation that the worker would use the full hour supporting them. Others said it was just not possible to complete their work in less than an hour:

Because you don't get time - like, in the perfect world, they tell you to do (the paperwork) at the end of each shift, but you don't get time, because you're running off to the (next) client. You're supposed to take off from your client, say, 10 minutes earlier and just go sit in your car and do them. But some clients you can't leave early. ... Because their needs haven't been met. So you know, they allow you an hour, (leaving early could mean) maybe not, you know, giving them a proper breakfast maybe, if it's a morning. Yeah. Just not doing what you get paid to do. (DSW01)

...it's all your own time, ...you can't do a monitoring form while you're on shift. (DSW07)

Some workers said that a lack of support from their employers forced them to spend additional unpaid time to ensure that their clients received support they felt was essential:

'Usually with progress notes, with (provider), you just hand them in with your timesheets once a fortnight. But I don't think that's good enough. To me, if there's a concern that needs immediate help, I will ring them up as soon as I finish the shift and tell them. But then, also when I get home, I will put it in an email as well, because sometimes when you ring you get the impression that their mind's concentrating on 20 million things and sometimes you don't get a response. ...And I always ask for a read receipt too, so I know when they've read it. And if they haven't got back to me within, say, half a day, I'll ring up and nag. (DSW01)

One worker listed the tasks she had to complete in extra unpaid time at the end of a shift or week. These included: recording any extra shifts in her diary; printing up her roster; fill out a claim form for her client's travel kilometres; making notes about any issues with clients; going into the office to deliver paperwork; discussing issues regarding clients with managers; discussing new clients with managers; correcting errors in rosters; and making appointments for clients. (DSW08)

Many said that they did not claim overtime when they were kept late for some reason, because the provider's processes made it so difficult to do so. One worker said a client's informal carer was late back from work on a fairly regular basis:

'But I would have to ring the office and ask them for approval to stay. I simply cannot stay without their approval. And I can't leave. ... (T)here is an after-hours call centre, but it is an appalling situation there. Because they use an agency so they

screen, this after calls service screens the calls that come in and then they decide where the call has to go, whether it's going to go to a supervisor who may be doing the after-hours shift. The process that that involves, giving your name, where you are, the client you're with, and it's all done in (the city), so they don't know the areas. ...That could take up to five to eight minutes.' (DSW08)

One worker with a large organisation said, 'We get paid for half an hour of work to do admin kind of thing.' However, she said she usually spends an additional 40 minutes or more on top of that 30 minutes per week, despite working less than 20 hours per week. (DSW13)

Casuals can spend a considerable time sorting out problems with rosters, completing and submitting timesheets (some agencies require that they be submitted in person) and responding to requests to take or cancel shifts. 'So (from) 9:50 to 10:06, (I) answered texts about shifts' (DSW13, reading from her time-use diary)

Completing the paperwork required to be paid wages, or reimbursed for travel, could take considerable amounts of time. One worker said she regularly took around 90 minutes a week on this:

'(M)y regular hours are printed out and then it might take me 20 minutes to half an hour to add in all my extras, all the ones that I've picked up, so I fill in a (time)sheet for them. ... It could take me maybe an hour (per week) to fill in my petrol allowance travel claim form, and then I've got to drop those two bits of paperwork in at the office. ... They said to me that I don't need to claim my petrol because they know what petrol I'm doing, but when I have a client, two of my clients I transport them but we do stuff together. (The administrative staff) don't know how far I've driven with (that client).' (DSW04)

Risks to clients' health and safety

Many workers expressed unhappiness with impacts on their clients' quality of care. Some reported that their providers forced working practices on them that put their clients' health and safety at risk. For example, more than one worker reported being asked to, or having to, use a hoist alone, despite regulations requiring that two workers always undertake hoisting, for the safety of both clients and workers. One reported being pressured to go to work even when ill, due to understaffing, despite the risks to clients.

Disability support work case study: Understaffing leading to health and safety risks to workers and participants

Jane, a disability support worker we interviewed, described health and safety problems that placed both workers and participants at risk. Due to understaffing Jane has been required to use a hoist to lift a person on her own, rather than with a co-worker, despite this being unsafe for her and or the person she is supporting:

Every single person that works there has had to hoist him by themselves, one time or another because of (understaffing)...

This was, she said, 'a very stressful situation to be in.'

Lack of enough staff in the organisation has meant Jane and her colleagues work shifts when they are unwell, even when there may be health risks for themselves and a risk of exposing participants with weak immune systems to illness:

Say that a carer got sick and they rang up to say, 'We can't go to this client's house today because I'm sick,' then oftentimes, like often she's said to me, 'Well, I'll have to tell him that nobody's coming then,' because they rang everybody else and because there's so little of us if everybody else said no there's not really much you can do.' And sending us in is not a good idea because you don't want the client to get sick, so yeah...

[S]ometimes we still go to work even if we really shouldn't. There's a [co-worker] that was told not to go to work for a month because she hurt her knee, and they didn't want her to be walking on it or hoisting on it or doing anything, but she still had to go to work because there's so little of us that there's nobody else to cover her shift. (DSW22)

Risks to workers' health and safety

Some workers had injuries from their work. Many others spoke of being exhausted by their work, citing long days, extended working weeks and not having full days off to rest as well as coping with the physical and emotional intensity of the work.

I was really stressed, really stressed all the time; I was tired all the time, my back was hurting all the time, ... And I was just running myself ragged. I didn't know how to say no, and these people, like I used to think, but if I don't go, maybe they can't find someone else to do it – as if they can't – like I thought I was quite indispensable. No, I didn't think that; I just thought, well I don't want to let anybody down. And so I put my own health at risk, and would do everything that was asked

of me, and get paid peanuts, and come home bugged. Pay the bills, and off I'd go again the next day. (DSW11)

Several workers also reported musculoskeletal injuries serious enough to require treatment and surgery, which they attributed to the physical aspects of the work such as moving clients, and long hours of repetitive movement required with house cleaning, particularly vacuuming and mopping of floors. (DSW01; DSW11; DSW19)

Work/life problems

Many DSWs described the conflicts with their personal and family life, caused by the extended and unsocial hours they worked:

I know I've got to cut back, because some fortnights you work 14 days straight, and I know, my partner's complaining as it is, we never sort of have days anymore to go do our own stuff, and the kids are complaining, 'Oh, you don't see the grandkids much or anything. (DSW1)

I didn't have a life. Even my friends would come around and say, you're never home – no, I'm working. And I'd say, I've got Friday and Saturday off, and they'd go, all day Friday and Saturday? Oh no, well I'm working Friday night and Saturday, and they'd go, well then you haven't got it off, and it was just silly.' (DSW11)

I've got friends ... that I quite often go up and visit and I'll go up and stay the night, so it means that if I go to visit them it's a short trip up and a short trip back, because I can't stay the night because I might have a shift the next morning. And if I want to go and have a social drink with them I'm not going to have a social drink because I'm working the next morning. So, yeah, it does affect my social life a little bit.

...most of my friends have weekends off. They work weekdays and have weekends off. (DSW04)

'...because I work a morning shift and come home for one hour, and then go back to work for another three hours, and come home for one hour, it's like you can't really fit social things into those one hour slots in between shifts. So it's always a struggle to have a social life while working my job.' (DSW22)

Intentions to leave

Our interviews did not canvass DSWs' intentions to stay in or leave disability support work. However, a surprising number offered, unprompted, the information that they were planning to leave the industry.

None of our interviewees said that they were planning to leave because they didn't enjoy the work. On the contrary, all expressed very positive feelings about the work itself. However, as one DSW put it, while the work was great, the job itself was not.

One young worker found the stress of working unsupported in physically and emotionally difficult conditions so great, she was actively taking steps to find work in another field. Others spoke of leaving because of emotional and physical exhaustion exacerbated by excessively long days and weeks, despite only having part-time hours and part-time (low) pay::

... apparently, there's jobs out there that you can earn money the same as what I'm earning while I'm working days and nights. (I am) applying for jobs left right and centre.' (DSW11)

I do enjoy (disability support work), but it's more just, because of the time gap, so like today, I've got 11:30, then a gap until 3:30, then a gap from 4:30 to 8:00. (DSW13)

An additional reason for leaving offered by three workers was feeling they could not provide good-quality support under the NDIS.

Appendix B: Details of interviews

Data comes from interviews from two data collection exercises.

- 8 union member interviews

The first eight employees interviewed were among union members contacted by the unions commissioning this project who were invited to email a member of the research team if they were interested in finding out more and participating in the research. We conducted interviews with the first eight employees who emailed us and agreed to an interview. In recognition of their time we gave each interviewee a token shopping voucher to the value of \$50.

The employees participating in the interviews were five direct support workers, two support co-ordinators and one support services manager. Four of them were employed by one of two government service providers and the other four were employed by not-for-profit service providers, with services including disability activity, personal support and accommodation services. All were permanent employees and worked full-time, although one was employed on a part-time basis.

All the employees are women and their ages range from early 30s to late 50s. One worker had seven years' experience working in disability services and the others all had 15 or more years' experience. Seven of the eight All of the employees had a qualification in disability services ranging from one with a Certificate III, others with Certificate IV or Diploma qualifications and two with Advanced Diplomas.

In the interviews we asked workers about their experiences working in disability services and about their experiences of any changes working under the NDIS arrangements. The interviews ranged from 40 minutes to an hour and 20 minutes in length. With participants' consent the interviews were audio-taped and transcribed by a professional transcription service.

- Data collected from Bentham and Macdonald (2017), see Appendix A: CPOW Working Paper 2017-1.

Appendix C: Interview topics

Worker background and motivation: Motivations for working in the disability sector; pathway to current role; qualifications or training; multiple job holding

Worker's current role: Usual tasks, types of service users, examples of work done in a typical day, supervisory responsibilities, any aspects of work liked and disliked, any aspects of job difficult, how this is dealt with.

Working under NDIS: How job changed under NDIS, whether employer requirements have changed, whether nature of service to client has changed. View of quality clients receive, what makes a good service, barriers to providing good service, how NDIS affects quality for clients. Perceptions of capacity to respond flexibly to client needs under NDIS, timeliness and adequacy of information and plans; expectations of worker time for work tasks, adequacy of training, time to complete case notes.

Client relationships: Number of clients, whether they are the same each week, whether time with clients is sufficient, relationships with families, and barriers to maintaining good relationships with clients and families.

Worker relationships: Regular meetings with line manager, support from co-workers, opportunities to meet with workers from other services used by clients.

Working conditions: Flexibility with rostering, de-briefs and responding to issues for clients, nature and amount of training, skill requirements in the role

Working time: Usual working hours, full-time/part-time, ongoing/fixed term/casual, suitability of schedule, whether NDIS has changed any aspect of working time, adequate breaks / rests, underemployment, long work days, fragmented working time, predictability of shifts, other work-life issues.

Pay, health and safety: Classification, hourly rate, casual loading, travel time & expenses, paid leave, super. Costs associated with work you have to meet yourself. Unpaid overtime, unpaid administrative work. Safety of work environment. Whether these have changed under NDIS.

Progression, career and aspirations: Intention to leave job and organisation, opportunities for career progression, future career plans.

What would improve employment: Anything that needs to be done to improve jobs for disability support workers, anything that needs to be done to improve service quality under NDIS.

Appendix D: 2016-17 prices of services and supports requiring disability support workers

No	Individual or group	Service Type	Intensity (Client need)	Time of Service	Number of participants	Other Features of the service	Price unit	Basis of price	Price Eastern	Price Other	Price Re-remote	Price Very re-remote
									\$	\$	\$	\$
1	Individual	Self-Care Daytime	Standard	Weekday Daytime	One		Hour	RCM	42.79	43.58	51.43	53.61
2				Weekday Evening	One		Hour	RCM	46.93	47.68	56.26	58.65
3				Saturday	One		Hour	RCM	59.36	59.94	70.73	73.72
4				Sunday	One		Hour	RCM	75.96	76.28	90.01	93.83
5				Public Holiday	One		Hour	RCM	92.53	92.63	109.30	113.93
6			High	Weekday Daytime	One		Hour	RCM	45.17	46.58	54.96	57.29
7				Weekday Evening	One		Hour	RCM	49.53	50.72	59.84	62.38
8				Saturday	One		Hour	RCM	62.66	63.15	74.51	77.67
9				Sunday	One		Hour	RCM	80.17	80.17	94.60	98.61
10				Public Holiday	One		Hour	RCM	97.68	97.68	115.26	120.15
11	Individual	Self Care Overnight			One	Monitoring	Each	Quote	Quote	Quote	Quote	Quote
12					One	Sleepover	Each	Other	186.40	186.40	219.95	229.27
13			Standard		One	Active	Hour	Other	47.75	48.49	57.22	59.65
14			High		One	Active - High intensity	Hour	Other	50.42	51.54	60.82	63.4
15	Individual	Social & Community	Standard	Weekday Daytime	One		Hour	RCM	42.79	43.58	51.43	53.61
16			Standard	Weekday Evening	One		Hour	RCM	46.93	47.68	56.26	58.65
17			Standard	Saturday	One		Hour	RCM	59.36	59.94	70.73	73.72
18			Standard	Sunday	One		Hour	RCM	75.96	76.28	90.01	93.83
19			Standard	Public Holiday	One		Hour	RCM	92.53	92.63	109.30	13.93
20			High	Weekday Daytime	One		Hour	RCM	45.17	46.58	54.96	57.29

No	Individual or group	Service Type	Intensity (Client need)	Time of Service	Number of participants	Other Features of the service	Price unit	Basis of price	Price Eastern	Price Other	Price Re-mote	Price Very re-mote
21				Weekday Evening	One		Hour	RCM	49.53	50.72	59.84	62.38
22				Saturday	One		Hour	RCM	62.66	63.15	74.51	77.67
23				Sunday	One		Hour	RCM	80.17	80.17	94.60	98.61
24				Public Holiday	One		Hour	RCM	97.68	97.68	115.26	120.15
25	Group	Social & Community	Standard	Weekday Daytime	Two		Hour	RCM	21.39	21.80	25.72	26.81
26				Weekday Evening	Two		Hour	RCM	23.46	23.84	28.14	29.33
27				Saturday	Two		Hour	RCM	29.68	29.98	35.38	36.87
28				Sunday	Two		Hour	RCM	37.98	38.14	45.01	46.91
29			Standard	Weekday Daytime	Three		Hour	RCM	14.27	14.53	17.15	17.87
30				Weekday Evening	Three		Hour	RCM	15.65	15.90	18.76	19.55
31				Saturday	Three		Hour	RCM	19.78	19.98	23.58	24.58
32				Sunday	Three		Hour	RCM	25.32	25.42	30.00	31.27
33			High	Weekday Daytime	Two		Hour	RCM	28.47	28.47	33.59	35.02
34				Weekday Evening	Two		Hour	RCM	31.24	31.24	36.87	38.43
35				Saturday	Two		Hour	RCM	39.51	41.05	48.43	50.49
36				Sunday	Two		Hour	RCM	50.56	54.72	64.57	67.31
37			High	Weekday Daytime	Three		Hour	RCM	18.98	18.98	22.40	23.35
38				Weekday Evening	Three		Hour	RCM	20.83	20.83	24.58	25.62
39				Saturday	Three		Hour	RCM	26.34	27.36	32.28	33.65
40				Sunday	Three		Hour	RCM	33.71	36.48	43.05	44.87
41	Group	Centre-Based Care		Weekday Daytime	>1		Hour	Other	19.37	19.37	22.85	23.82
42				Weekday Evening	>1		Hour	Other	21.26	21.26	25.08	26.15
43				Saturday	>1		Hour	Other	28.39	28.39	33.49	34.91
44				Sunday	>1		Hour	Other	36.31	36.31	42.85	44.67

No	Individual or group	Service Type	Intensity (Client need)	Time of Service	Number of participants	Other Features of the service	Price unit	Basis of price	Price Eastern	Price Other	Price Remote	Price Very remote
45	Individual	Assist Daily Life			One	Live-in carer	Hour	Other	Quote	Quote	Quote	Quote
46					One	Domestic	Hour	Other	40.60	42.79	51.43	53.61
47					One	For a child	Hour	RCM	42.79	43.58	51.43	53.61
N/A					One	House/yard maintenance	Hour	Other	42.05	42.05	49.62	51.73
48					One	Cleaning +	Hour	Other	37.70	42.81	50.62	52.66
N/A					One	Linen	Each	Other	Varies	Varies	Varies	Varies
N/A					One	Meal prepn & delivery	Each	Other	11.11	11.11	13.11	13.67
49					One	Community & Social	Annual	Other	Varies	Varies	Varies	Varies
50	Group	Supported Indep. Living	Lower		Two		Week	Other	2160.78	2160.78	2549.72	2657.76
51					Three		Week	Other	1878.94	1878.94	2217.15	2311.09
52					Four		Week	Other	1866.49	1866.49	2202.46	2295.78
53					Five		Week	Other	1814.43	1814.43	2141.02	2231.74
54					Six		Week	Other	1676.33	1676.33	1978.07	2061.89
55					Seven		Week	Other	1676.33	1676.33	1978.07	2061.89
56			Standard		Two		Week	Other	3712.61	3712.61	4380.88	4566.51
57					Three		Week	Other	3065.16	3065.16	3616.89	3770.15
58					Four		Week	Other	2374.71	2374.71	2802.15	2920.89
59					Five		Week	Other	2273.97	2273.97	2683.28	2796.98
60					Six		Week	Other	2203.78	2203.78	2600.46	2710.65
61					Seven		Week	Other	2203.78	2203.78	2600.46	2710.65

No	Indivi- dual or group	Service Type	Intensity (Client need)	Time of Service	Number of partici- pants	Other Features of the service	Price unit	Basis of price	Price Eastern	Price Other	Price Re- mote	Price Very re- mote
62			High		Two		Week	Other	4807.14	4807.14	5672.4 3	5912.7 8
63					Three		Week	Other	4163.10	4163.10	4912.4 5	5120.6 1
64					Four		Week	Other	3305.12	3305.12	3900.0 4	4065.3
65					Five		Week	Other	2905.56	2905.56	3428.5 6	3573.8 4
66					Six		Week	Other	2605.61	2605.61	3074.6 3	3204.9 1
67					Seven		Week	Other	2605.51	2605.51	3074.6 3	3204.9 1
68	Indivi- dual	Shared Living			One	Short-term	Day	Other	480.11	480.11	566.53	590.54
69			High		One	Complex needs person	Each	Quote	Quote	Quote	Quote	Quote
70					One	With alternative family	Day	Quote	Quote	Quote	Quote	Quote

Appendix E: Other aspects of the design of NDIS prices

Other relevant aspects of the design of NDIS prices include:

- **SCHADS Award:** In general, where relevant, the NDIS Prices for the services requiring disability support workers are based on the Social, Community, Home Care and Disability Services Industry Award 2010 (SCHADS Award). No allowance was made to cover employment on enterprise agreements (EAs) that provide better pay or conditions.
- **Indexation:** Since the current pricing system was introduced in July 2014, prices have been regularly increased to take account of cost increases, and the implementation of the Equal Remuneration Order (ERO) relevant to disability support workers employed under the SCHADS Award. The NDIA has stated that ‘it will update prices on at least an annual basis, effective 1 July each year taking account of national trends, changes in costs and wage rate.’³³ At this stage, it has not been proposed to use a specific index or weighted set of indices. Rather, the NDIA will determine the basis for indexation year-by-year, considering the consumer price index and wage price index.
- **Transitional and Efficient Prices:** The NDIA regards the basis on which it currently sets prices to be transitional. Its aim is to move to lower ‘efficient prices’ nationally by 2019-20, along a ‘transitional glide path’, before eventually moving to a situation where most prices are deregulated. The decision to use transitional prices from July 2014 was based on recognition of limitations of available data and the need for further research; and the need to ensure providers can adjust from block funding to payments made by individual participants based on prices set for each service (NDIA & NDS 2014, pp.15-17).
- **Diversity of providers:** There is much diversity between NDIS service providers, especially in relation to their structural dimensions (e.g. ownership, scale, service scope, geographical spread, longevity), their motivations, their suite of services, and their service delivery models. Thus, an important implicit factor in the design of NDIS prices concerns the assumptions that have been made about the dimensions and operations of a ‘typical provider’ that underpin the explicit assumptions about cost factors that are in the RCM. NDIA (2017c) specifies that at least one pricing assumption is based on ‘a typical medium sized provider, employing between 40 and 100 staff’.³⁴
- **Transparency of pricing:** There is no comprehensive and detailed explanation of the basis on which the NDIS prices have been constructed available in the public domain, making it difficult to identify all assumptions underlying price setting and current prices. Although much of the rationale and calculations for pricing can be pieced together from publicly available documents,

³³<https://www.ndis.gov.au/providers/pricing-and-payment>

³⁴This is the assumption that one manager supervises fifteen staff members. As a broad approximation, providers employing between 40 and 100 staff would be likely to have an annual turnover of \$4M-\$10M. The ABS define a small business as having less than 20 full-time equivalent employees, which Davidson (2015, pp. 429-430) shows is broadly consistent with the ATO definition of a small business as having a turnover of less than \$2M per annum.

there is no publicly available formula that enables replication of the original base hourly rate (as shown in NDIA and NDS (2014, p. 12) or the variation factors; and there is minimal public information showing the sources of various assumptions about elements of the RCM, or the sources of prices for services not based on the RCM. A more comprehensive account may emerge from the current review of NDIS prices (NDIA, 2017a).

Appendix F: Details and supplementary data from worker survey

Notes on method

The survey of workers was developed by the HSU, ASU and United Voice, and distributed online through the networks of these unions (in all states except for SA and NT). As such, it is a non-probability based 'opt-in' sample. This approach was taken to enable a focus on members of the relevant unions, and to compare experiences and perceptions of those working under the NDIS and those who were not. As a result of the distribution method, workers newer to the industry (who are less likely to be union members) are under-represented, but it nonetheless provides important insights into the experiences of working in disability and differences in experiences and perceptions among workers in different circumstances and settings.

Table F.1 Age of respondents to employee survey

	n	%
Under 25	23	1.6
25 – 34	162	11.0
35 – 44	276	18.7
45 – 54	493	33.4
55 – 59	284	19.2
60 – 64	190	12.9
65 and over	48	3.3
<i>Total</i>	<i>1476</i>	<i>100.0</i>

Table F.2 Employees' state of residence

	n	%
ACT	9	0.6
NSW	546	37.0
QLD	72	4.9
TAS	174	11.8
VIC	599	40.6
WA	77	5.2
Total	1477	100

NB: Responses were not sought from NT and SA.

Table F.3 Gender of respondents to employee survey

		n	\$
Female	1094	74.1	
Male	380	25.7	
Other	2	0.1	
Total	1476	100	

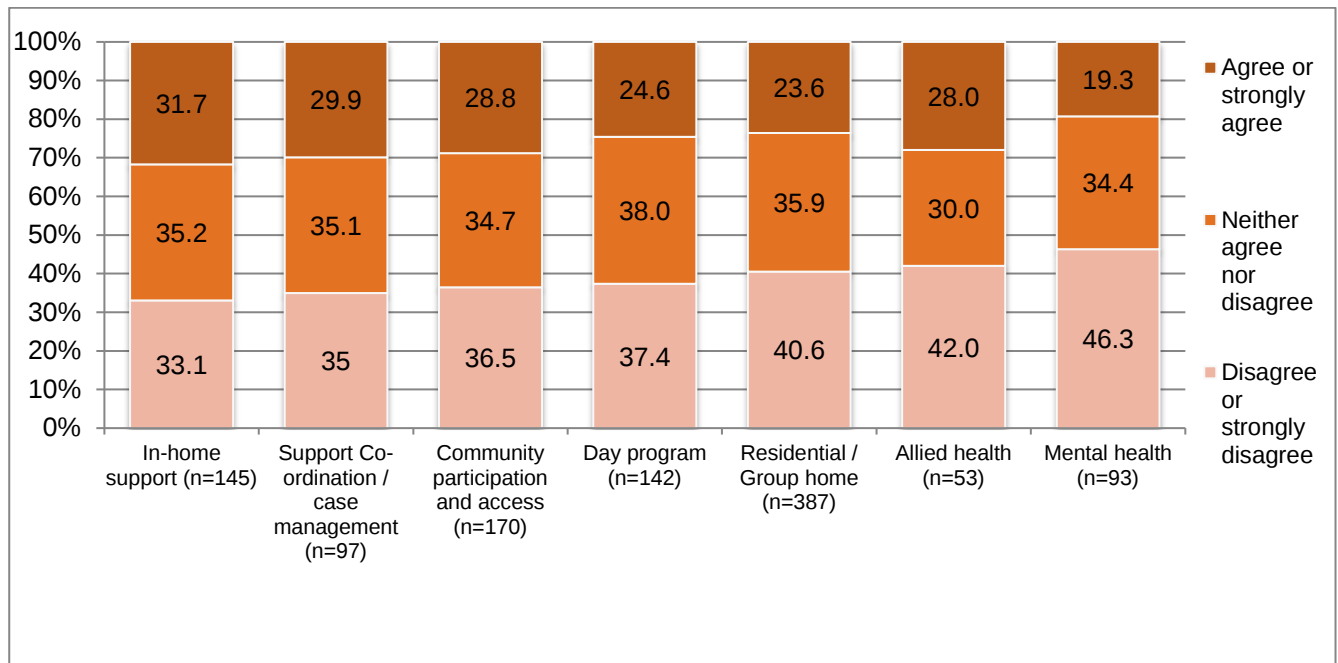
Table F.4 Years of experience working in disability

		n	%
Less than 1 year	30	2.0	
1 – 2 years	77	5.2	
3 – 5 years	202	13.7	
6 – 10 years	369	25.0	
11 – 15 years	263	17.8	
16 – 20 years	204	13.8	
Over 20 years	332	22.5	
Total	1477	100.0	

Table F.5 Proportion of supervisors supervising more than 14 subordinates, by setting

	1 or 2	3 to 8	9 to 14	More than 14
Case management (n=65)	4.6	43.1	26.2	26.2
In-home / Home care (n=43)	16.3	39.5	18.6	25.6
Community (n=78)	17.9	41	16.7	24.4
Other (n=32)	6.3	46.9	25	21.9
Employment (n=14)	21.4	42.9	14.3	21.4
Day settings (n=60)	21.7	31.7	26.7	20
Mental health (n=77)	24.7	42.9	14.3	18.2
Residential / Group home settings (n=210)	20	46.2	17.6	16.2
Allied health (n=28)	42.9	42.9	3.6	10.7
Outreach (n=13)	23.1	46.2	23.1	7.7

Figure F.1 Percentage of respondents which agreed or strongly agreed that 'The NDIS has been positive for the participants I work with', by type of service



Source: Survey of disability workers. Note that workers could nominate more than one service type.

Appendix G: Supplementary data from employer survey

Figure G.1 Percentage of respondents which agreed with the statement 'Under NDIS, the organisation can provide workers with regular hours (n=129)

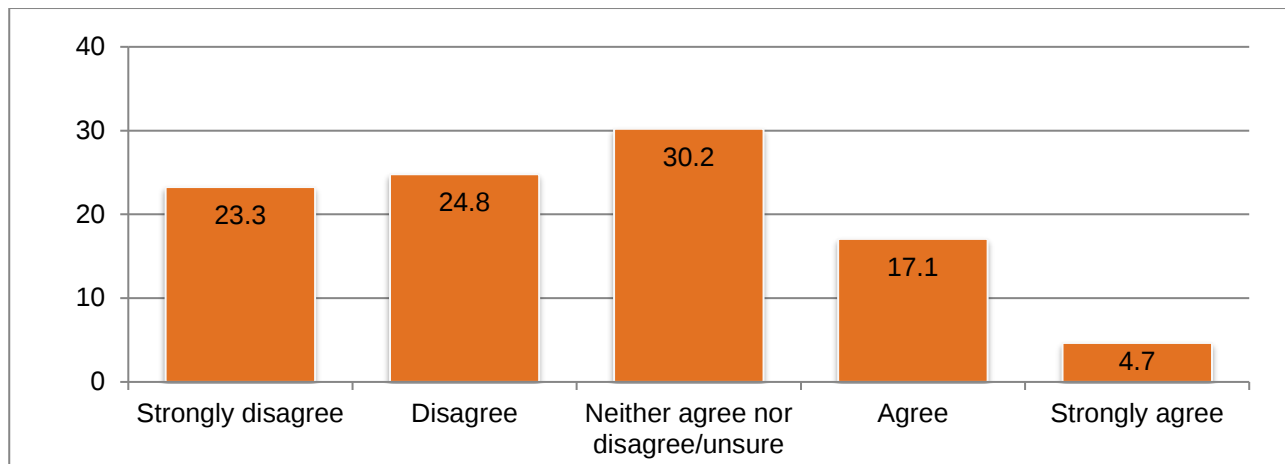


Figure G.2 Percentage of respondents which agreed with the statement 'We plan to offer more permanent employment under NDIS (n=127)

