

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

Public Hearing – 03 February 2022  
ANSWER TO QUESTION ON NOTICE

Department of Social Services

**Topic:** Joint Standing Committee on the National Disability Insurance Scheme - Inquiry into the current Scheme implementation and forecasting for the NDIS Hearing Tuesday 1 February 2022

**Question reference number:** IQ22-000003

**Senator:** Jordon Steele-John

**Type of Question:** Spoken. **Hansard Page:** 12

**Date set by the Committee for the return of answer:** 28 February 2022

**Question:**

Senator STEELE-JOHN: “Mr Broadhead, would you or somebody else in the agency be able to provide to the committee the wording of the contract that was put out to then be bid on?”

“Mr Hoffman: Could I perhaps assist: do you mean the contract for services or do you mean the terms of reference that they were reporting against?”

Senator STEELE-JOHN: Both.”

Senator STEELE-JOHN: The terms of reference against which they were reporting is useful, but I'm actually looking for what the job was they were asked to do in the substance of their contract, if you like, when they signed up to do the job. That's what I'm looking for. Mr Broadhead, can we ask as a committee that you do engage the Victorian government to see if they can provide that information?

Mr Broadhead: I will.

**Answer:**

Victorian government officials have advised they are unable to provide the Master Panel Contract for the contract with Taylor Fry Pty Ltd. However, Victorian government officials have provided the Request for Proposal (RFP) that went to the four professional vendors on Victoria's Professional Advisory Services State Purchase Contract Master Panel (Attachment A - RFP C10557) and have advised that “the purchase order for services related to the RFP reflects in full the services as set out in the RFP”.

**Question:**

Senator STEELE-JOHN: What was the overall cost of the report?

Mr Broadhead: I don't know whether that's commercially sensitive or not. I'm sorry. I'll take it on notice. If they're [Victorian Department of Families Fairness and Housing] comfortable with that being provided, I am happy to provide it.

**Answer:**

The Victorian Department of Families Fairness and Housing advises the cost of its contract with Taylor Fry Pty Ltd to complete the report was \$256,800.00 (including GST).

**Question:**

Senator STEELE-JOHN: What can you tell us about your selection criteria for that?

Mr Broadhead: I will take that on notice. There was a particular set of things put out and they were evaluated against each of those. As with all such evaluations, different bids had different strengths and weaknesses and, in the end, those are worked through and balanced out and the conclusion that the group came to was unanimous.

Senator STEELE-JOHN: Yes, I understand. I'm just trying to get a sense of what you were looking for and what you were reviewing.

**Answer:**

Attached is the Request for Proposal (RFP) issued by the Victorian Department of Families, Fairness and Housing to four professional vendors on the Victorian Professional Advisory Services State Purchase Contract Master Panel (Attachment A - RFP C10557).

The Victorian Department notes that in the RFP, "Section 4 states the requirements and deliverables of the contract and Section 7 details the evaluation criteria."

## Request for Proposal (RFP)

issued under the

Master Supply Agreement for the Professional Advisory Services: SS-04-2019

# DEPARTMENT OF FAMILIES, FAIRNESS AND HOUSING

Seeks advice related to:

**UNDERSTANDING THE NDIA ACTUARY'S ANNUAL FINANCIAL  
SUSTAINABILITY REPORT (AFSR) MODEL AND KEY DRIVERS OF SCHEME  
COSTS**

**C10557**

### SECTION 1: Key Information

RFQ details below	
Service Category	Commercial and Financial Advisory Services (CAFAS)
Service Sub-Category	CAFAS CA-6: Economic Advisory Services
Date of RFP Issued	Friday, 27 August 2021
End of period for Questions	Tuesday, 31 August 2021
RFP End Date	Tuesday, 7 September 2021 12:00 PM (AEST)
Evaluation Period	September 2021 TO September 2021
Contract Start Date	Tuesday, 14 September 2021
Contract End Date	Tuesday, 14 December 2021
Options to Extend the Contract	One option to extend by 25 business days
All enquiries MUST be directed via Vendor Panel	
Name	Shane Russell
Position	Senior Procurement Officer
Business Unit	Department of Families, Fairness and Housing

## SECTION 2: Engagement requirements

### 1. INTRODUCTION

Over the past eight years, the National Disability Insurance Scheme (NDIS) has changed the lives of more than 460,000 Australians with disability across the country. The NDIS is a jointly funded Commonwealth-state and territory scheme that is wholly administered by the Commonwealth.

The Disability Reform Ministers' (DRM) meetings provide a forum for the Commonwealth and state and territory ministers responsible for disability policy to drive national reform in disability policy and implementation, including through the National Disability Strategy and the NDIS. DRM meetings are the 'Ministerial Council' for the purposes of the *National Disability Insurance Scheme Act 2013*.

Entering the scheme's ninth year, the Commonwealth and states and territories are working together to ensure this world-first national insurance scheme is sustainable and to ensure a better way of life for Australians with disability.

The NDIS Performance Tasking Group, led by Victorian officials of the Department of Families, Fairness and Housing (the Customer, DFFH), and comprising officials representing the Commonwealth, the National Disability Insurance Agency (NDIA) and all states and territories, has been requested to provide advice to DRM on projections of expenditure on participant supports under the NDIS, and appropriate responses to ensure the long-term financial sustainability of the scheme. In insurance terms this suggests those now being found eligible for coverage and the average claims per participant exceed both estimates that led to the scheme being established, and subsequently revised estimates reflecting the scheme as trialled and in the early stages of national implementation.

### 2. BACKGROUND

The NDIA has reported that costs of the Scheme are growing at higher than expected rates. All jurisdictions (Commonwealth and states and territories) agree that further work needs to be undertaken to assess:

- the Scheme Actuary's projections and the validity and robustness of the model;
- the causes of rapid growth in costs, particularly per participant costs, historically and the extent to which these are likely to continue; and
- the extent to which the Scheme Actuary's projections are now higher than previous estimates by the Productivity Commission, and how this relates to assumptions about:
  - prices and volume of supports,
  - the expected number and mix of participants, and the decisions that result in these, and
  - any improvements that may be incorporated in modelling and reporting.

It has been observed that the two key drivers for scheme costs are unexpected increases in average participant costs and continuing growth in participant numbers.

The NDIS Performance Tasking Group seeks to further understand the drivers of cost of the Scheme and the reasons for the drivers, develop options for ensuring the scheme is effective and financially sustainable, and develop a framework to measure impact of these options.

### 3. PURPOSE

At the DRM meeting held on 13 August 2021, Ministers committed to a forward work plan that will see a substantive report on NDIS financial performance presented to them by December 2021 (further information can be found at [www.dss.gov.au/disability-and-carers-programs-services-government-international-disability-reform-council/communique-13-august-2021](http://www.dss.gov.au/disability-and-carers-programs-services-government-international-disability-reform-council/communique-13-august-2021) ).

Specifically, the NDIS Performance Tasking Group has been tasked by DRM to prepare a report to Ministers that addresses the following:

- Verify the projections presented in the July issued Interim Annual Financial Sustainability Report (AFSR) issued by the NDIS Scheme Actuary, which may have budget implications for all jurisdictions. This verification process will help inform subsequent updates to these projections.
- Understand why NDIS scheme costs are greater than previously estimated in the Productivity Commission's (PC) reports, including the PC's October 2017 Study Report into NDIS Costs.

- Understand the drivers contributing to the Scheme Actuary's forecast, contained in the Interim AFSR published on 3 July 2021, that scheme costs will reach over \$40 billion by 2024-25.
- Determine options to address issues and risks regarding scheme sustainability and effectiveness.
- Have regard to the range of intersecting issues impacting NDIS performance, effectiveness and scheme sustainability and potential options for the impact on mainstream services.

To help inform this report, the Customer, on behalf of the NDIS Performance Tasking Group, seeks the assistance of a service provider to provide a better understanding of NDIS costs.

The successful service provider will review and analyse data on NDIS participant support costs and the NDIS Scheme Actuary's AFSR model which is used to project scheme costs to enable an improved understanding of NDIS cost projections and underpinning cost drivers.

#### 4. REQUIREMENTS AND DELIVERABLES

Under the proposed terms of the contract, the successful service provider will be required to undertake tasks in the following parts, which are in alignment with the work of the NDIS Performance Tasking Group:

##### Part A: Understanding the actuary's model:

- Verify/ validate the Interim AFSR cost projection published on 3 July 2021, and any subsequent updated AFSR issued during the period of the contract.
- Any initial observations about AFSR/modelling (to be released in September) or access relevant scheme data.
- Provide independent advice and recommendations on the underlying assumptions contained in the AFSR and the appropriateness/robustness of the structure of the model.
- Review the cost drivers for expenses in the AFSR, and expectations for future changes in participant plan expenses. This would take into account changes in the composition of the NDIS participant population as the NDIS matures, and the prices of supports, in turn dependent on NDIA decision making in respect of access (eligibility) and planning (funds allocated to participants to purchase supports).
- Review and categorise the assumptions contained in the model, specifically to identify which assumptions are most contestable, as well as those with the highest impact on cost drivers in the model, and whether projections assume constant or modified decision making in respect of eligibility and/or planning.
- Identify and quantify inflationary and deflationary pressures in the NDIS, including one-off and structural factors.
- Assist with the development of sensitivity analysis to assess the range of possible outcomes for NDIS scheme costs.

##### Products/outputs

- Report on the findings of the work to date by 5 October 2021,
- Detailed report by 30 November 2021.

##### Part B: Develop a detailed understanding of scheme costs and key cost drivers and causes of change in these drivers:

The successful service provider will assist the Customer to further develop a detailed understanding of Scheme costs, key cost drivers and causes of change in these drivers. This will include the successful service provider:

- Identifying the key drivers of differences in costs between:
  - 2017 PC Study Report.
  - The 2021 AFSR.
  - Actual experience to date.
- This would include analysis at the participant cohort level, support category, and any other relevant information for example, cost inflation or plan utilisation and assessment of difference between participant support plans and typical support packages (TSP).
- This analysis would include but is not limited to:
  - What are the key drivers and constraints of NDIS participant growth?

- What are the key drivers of plan budget growth?
- What are the key drivers of per participant cost (payment) growth?
- Improving the operation of the scheme, taking into account the quality and consistency of decision-making over time in respect to eligibility and planning.
- Provide advice on improvements that may be incorporated into NDIS modelling and reporting on NDIS costs, and key measures of performance in access and planning decisions.

#### **Products/outputs**

- Report on the findings of the work to date by 5 October 2021,
- Detailed report by 30 November 2021.

Under section 4(17) of the *National Disability Insurance Scheme Act 2013* (NDIS Act), Ministers are required to have regard to the need to ensure the financial sustainability of the NDIS when performing its functions. It is expected then that the final report produced by the successful service provider will support Commonwealth and State/Territory Disability Ministers, and their respective Cabinets, in decision making regarding the financial sustainability of the NDIS. The successful service provider's work will be commensurate with the standards required to enable this decision making to occur.

The Customer will provide any relevant background materials related to work, in an electronic format.

#### **Compliance with applicable laws**

In the performance of this engagement the successful service provider will comply with all laws which apply to the Customer, including but not limited to:

- a. the *National Disability Insurance Scheme Act 2013* (Cth) (**NDIS Act**);
- b. the *Privacy Act 1988* (Cth) (**Privacy Act**);
- c. the *Privacy and Data Protection Act 2014* (Vic) (**PDP Act**);
- d. the *Health Records Act 2001* (Vic) (**HR Act**);
- e. the *Victorian Data Sharing Act 2017* (Vic);
- f. the *Public Records Act 1973* (Vic);
- g. the *Public Administration Act 2004* (Vic); and
- h. the *Charter of Human Rights and Responsibilities Act 2006* (Vic).

#### **Fees, expenses and costs**

The project has an initial timeframe of 12 weeks or around 60 business days. Proposals should identify the allocation of resources within this period, in particular person-days of effort, to achieve the deliverables.

Service providers must clearly outline in their quote an allocated budget and demonstrate transparency of costs associated with the contracted services/outcomes outlined above, including providing a timeline to demonstrate how they will meet the deadlines described below.

Quotations submitted by service providers should include all costs (including fees and expenses) associated with carrying out all matters and doing all things necessary for the due proper performance and completion of the resulting contract. These include fees, royalty payments and the services of any advisers, contractors, officers and personnel.

Service providers should provide GST-exclusive pricing, with the amounts of GST to be paid itemised as a separate component.

The role, contribution and effort of nominated personnel and subcontractors must be clearly outlined and costed.

The successful service provider will be engaged and payment for services will be made within 14 calendar days on receipt of a correctly rendered tax invoice.

#### **Equipment/materials**

The successful service provider will provide their own equipment (for example, IT equipment). It is anticipated that the successful service provider will primarily complete their analysis from their own premises, although



there may be requirements for the successful service provider to, from time-to-time, attend the Customer's premises, and attend meetings with stakeholders.

It is expected that the successful service provider will provide the Customer with:

1. A detailed estimate of project costs and proposed outputs.
2. A project plan outlining key milestones and demonstrating how the estimated engagement timeline will be adhered to. These key milestones will need to align with the work of the NDIS Performance Tasking Group, which includes commitments to report back to Disability Ministers across the Commonwealth and all jurisdictions.
3. Governance structure for the project, including the details of a suitably qualified project manager to lead this work.
4. Detailed report on the outcomes of the actuarial analysis conducted, and an assessment of the drivers of scheme costs.

**5. ESTIMATED ENGAGEMENT TIMELINE:**

<b>Deliverables</b>	<b>Timelines</b>
1. Successful service provider onboarded	Mid-September
2. Initial project plan provided to the Customer	To be included in proposal
3. Interim report outlining preliminary findings of analysis provided to the Customer <sup>1</sup>	Early October 2021
4. Final report outlining substantive findings of analysis is provided to the Customer <sup>2</sup>	Early November 2021
<b>Option for 25 business day extension from deadline, subject to agreement by both parties</b>	TBA

**6. PROPOSED PROJECT MANAGEMENT / OUTLINE OF KEY STAKEHOLDERS AND OTHER PROJECT ADVISERS:**

**Governance – NDIS Performance Tasking Group**

The Tasking Group is made up of disability policy officials from states and territories and the Commonwealth nominated to represent their jurisdiction. Members may also engage other officials from their jurisdictions from other portfolio areas to resolve matters relevant to progressing disability ministers' priorities assigned to the Tasking Group. Supporting specialists may also participate in Tasking Group meetings where specialist expertise is required.

The overarching role of the Tasking Group is to progress and provide input on agreed Disability Reform Ministers' strategic priorities and deliverables related to NDIS Performance, and the intersecting areas which underpin this issue.

**Governance for successful service provider**

The successful service provider will report to the following two designated officials of the Victorian Department of Families, Fairness and Housing:

- Deputy Secretary, Children, Families, Communities and Disability division, who is the Chair of the NDIS Performance Tasking Group; and
- Executive Director, Disability, who is the project manager

The successful service provider will be required to liaise with the Technical Advisory sub-group who will respond to questions and provide advice and direction, as necessary.

<sup>1</sup> These interim findings will be used to inform multiple levels of governance and timelines will be subject to different requirements of these different governance groups.

<sup>2</sup> These Final findings will be used to inform multiple levels of governance and timelines will be subject to different requirements of these different governance groups.

Acceptance of the deliverables will be by the Customer, but will be informed by the views of the members of the NDIS Performance Tasking Group.

The Customer is ultimately reportable to NDIS Performance Tasking Group, who is reportable to Deputy Department Heads. This in turn supports Deputy Department Heads to provide strategic advice to Disability Reform Ministers.

## 7. EVALUATION CRITERIA

Evaluation Criteria	
1. The bidder demonstrates a strong record of proven capability to meet the requirements of this project, including demonstrated capacity in data analytics, modelling and actuarial evaluation and projections.	Click or tap here to enter text.
2. The bidder demonstrates a strong understanding of evaluation review of government programs. This includes a demonstrated ability to ensure confidentiality and privacy of highly sensitive material is maintained.	Click or tap here to enter text.
3. The proposed project plan demonstrates a strong understanding of the intention and scope of project and represents a valid, rigorous and effective approach to the delivery of specified requirements	Click or tap here to enter text.
4. The nominated project personnel are appropriately qualified and have demonstrated experience to successfully complete the work required, and are available for the duration of the project	Click or tap here to enter text.
5. The bidder demonstrates a strong understanding of the NDIS and the disability services sector.	
6. Assessment of risks and total costs to be incurred by the Customer.	
7. Social Procurement The bidder demonstrates a commitment to social procurement (e.g. purchasing from Victorian social enterprises and Aboriginal Businesses, environmental sustainable business practices and opportunities for Victorians with disability).	Not scored
Pricing	For Value for Money Assessment only

## 8. OTHER CONDITIONS/REQUIREMENTS:

Nil



## SECTION 3: Service Provider Proposal and Response

### 1. Organisation details

<b>Business Name</b>	Insert BusinessName
<b>Trading Name</b>	Insert Trading Name
<b>ACN</b>	Insert ACN
<b>ABN</b>	Insert ABN
<b>Address</b>	Insert Business Address
<b>Phone Number</b>	Insert Phone Number
<b>Email Address</b>	Insert Email Address

### 2. Contact details

<b>Name</b>	Insert Full Name
<b>Position</b>	Insert Position
<b>Phone Number</b>	Insert Phone Number
<b>Email Address</b>	Insert Email Address

### 3. Personnel and experience:

Outline any direct experience and knowledge of a similar engagement

In a short case study, please provide past performance of a similar engagement

Outline any experience and understanding of the engagement and services requested

### 4. Service Provider's Response:

**Response to evaluation criterion 1** – The bidder demonstrates a strong record of proven capability to meet the requirements of this project, including demonstrated capacity in data analytics, modelling and actuarial evaluation and projections

[insert response here]

**Response to evaluation criterion 2** - The bidder demonstrates a strong understanding of evaluation review of government programs. This includes a demonstrated ability to ensure confidentiality and privacy of highly sensitive material is maintained

[insert response here]

**Response to evaluation criterion 3** – The proposed project plan demonstrates a strong understanding of the intention and scope of project and represents a valid, rigorous and effective approach to the delivery of specified requirements

[insert response here]

**Response to evaluation criterion 4** – The nominated project personnel are appropriately qualified and have demonstrated experience to successfully complete the work required, and are available for the duration of the project

[insert response here]

**Response to evaluation criterion 5** – The bidder demonstrates a strong understanding of the NDIS, disability service delivery and key stakeholders in the disability services sector.

[insert response here]

**Response to evaluation criterion 6** – Assessment of risks and total costs to be incurred by the Customer

[insert response here]

**Response to evaluation criterion 7** – The bidder demonstrates a commitment to social procurement (e.g. purchasing from Victorian social enterprises and Aboriginal Businesses, environmental sustainable business practices and opportunities for Victorians with disability).

Response to be provided by completing the following section

### Social Procurement

All Victorian Government departments must comply with the Social Procurement Framework. Each bidder shall indicate their support of social and sustainable objectives to improve inequalities and environmental outcomes in local communities.

<p><b>1. Does the bidder have a relationship with a Victorian Social Enterprise to support job opportunities?</b></p> <p><b>Note:</b> If 'Yes', detail how the bidder engages with a Victorian Social Enterprise and provide an example of purchasing job opportunities for cohort(s).</p> <p><b>Note:</b> If 'No', indicate if the bidder is currently exploring or will be willing to create a relationship with a Victorian Social Enterprise to promote and support job opportunities.</p>	
<p><b>2. Does the bidder have a relationship with an Aboriginal Business?</b></p> <p><b>Note:</b> If 'Yes' detail the bidder's engagement with an Aboriginal Business and how the relationship supports each other.</p> <p><b>Note:</b> If 'No' indicate if the bidder is currently exploring or will be willing to create a relationship with an Aboriginal Business to promote and support job opportunities. Provide how the Bidder will achieve this.</p>	

3. Does the bidder have business practices that support any of the following:	
<ul style="list-style-type: none"> <li>• gender equality</li> <li>• opportunities for Victorians with disability</li> <li>• opportunities for disadvantaged Victorians</li> <li>• supporting safe and fair workplaces</li> <li>• sustainable Victorian regions</li> </ul>	
4. Comments on any responses to Q1 – Q3 or other social procurement matters that are related to your business or this proposal	

**5. Pricing (Clause 10 and Schedule 1):**

Deliverables	PAS Personnel Position Title (e.g. Partner, Director)	Estimated no. of days, per team member	Max (hourly or daily) Rates Per Team Member (Exc GST)	Max (hourly or daily) Rates Per Team Member (Inc GST)	Discount applied to the maximum panel rates (%)	Actual (hourly or daily) Rates Per Team Member (Exc GST)	Actual (hourly or daily) Rates Per Team Member (Inc GST)	Total Cost (Inc GST)
Interim report including initial findings to be provided by mid October								
Final report to be provided for Ministers by mid December								
Other costs, e.g. venue, travel, catering, other expenses – please detail (If applicable)								
<b>Total Price (GST inclusive)</b>								

**6. Project Team:**

Outline the details of the resources who will be assigned to the engagement, including their skills and capability.

Click here if you will be attaching Team CV to this RFP

6.1 Please confirm appropriate employment screening processes (that satisfies the requirements as specified in Clause 26.1 (b)) have been undertaken for any personnel or any sub-contractor providing services.

Yes  No

**Response**

6.2 Insert the following screening details of any Personnel or any Sub-Contractor who will be responsible for providing the Services



Name and title	Organisation	Duties/Responsibilities	Results of Screening
[insert]	[insert]	[insert]	
[insert]	[insert]	[insert]	
[insert]	[insert]	[insert]	

**7. Liability Caps**

7.1 Will the Supplier's liability be greater than \$3 million or ten times the total fees paid or payable to the Supplier (whichever is higher) under or in connection with this Purchase Order?

Yes  No

If yes, specify the higher amount as follows:

The Supplier's liability to the State Purchasing Entity under this Purchase Order is limited to Response [insert an amount which must be higher than \$3 million or 10x the total fees paid or payable].

**8. Insurance Details (Clause 19):**

Please indicate that you have met the insurance requirements and documents are available in VendorPanel.

- Professional Indemnity
- Public Liability

**9. Conflict of Interest (Clause 5):**

Provide details of any interests, relationship or clients which may or do give rise to a conflict of interest  
Outline the processes which are in place to handle any future conflict of interest (actual or perceived)

If no conflict of interest, please indicate below.

No conflicts of interest

**9. Subcontracting arrangement (Clause 25):**

10.1 Will subcontractors be engaged as part of the proposed services and/or deliverables?

Yes  No

10.2 If yes, please provide the following details of proposed subcontractors, including approved duties and any conditions, are set out below:

Provide details of proposed subcontractors if required)



Company Name and ACN/ABN	Duties	Conditions (if any)
[insert]	[insert]	[insert]
[insert]	[insert]	[insert]
[insert]	[insert]	[insert]

### Acknowledgment

Signed by the Service Provider:

[Click here to indicate that you acknowledge information provided in this documents align with information provided in the Master Supply Agreement for the Professional Advisory Services State Purchase Contract.](#)

Name: [Insert Name.](#)

Position: [Insert Position](#)

Date: [Insert Date.](#)

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

Public Hearing – 03 February 2022  
ANSWER TO QUESTION ON NOTICE

Department of Social Services

**Topic:** Joint Standing Committee on the National Disability Insurance Scheme - Inquiry into the current Scheme implementation and forecasting for the NDIS Hearing Tuesday 1 February 2022

**Question reference number:** IQ22-000006

**Senator:** Kevin Andrews

**Type of Question:** Spoken. **Hansard Page/s:**

**Date set by the Committee for the return of answer:** 28 February 2022

**Question:**

CHAIR: What about [is there any work being undertaken to analyse] any cross-budgetary savings flowing from the NDIS expenditure?

Mr Broadhead: Again, I will take that on notice, but I'm not aware of a particular project looking at that. There might be some work going on in various parts about ons and offs in a particular program, but I'm not aware of any project across government areas of activity to ask, 'Are there significant shifts due to the NDIS?'

**Answer:**

The Department is not aware that any cross-budgetary savings to the Commonwealth flowing from NDIS expenditure are being specifically monitored or measured.

While not specifically to consider cross-budgetary savings, please refer to SQ21-000819 for information regarding other work undertaken or underway to consider the broader economic benefits of the NDIS.

# Senate Community Affairs Legislation Committee

2021-22 Supplementary Budget Estimates

## ANSWER TO QUESTION ON NOTICE

Social Services Portfolio  
Department of Social Services

**Topic:** Economic Modelling

**Question reference number:** DSS SQ21-000819

**Outcome Number:** 3 - Disability and Carers

**Senator:** Jordon Steele-John

**Type of Question:** Written. **Hansard Page/s:** N/A

**Date set by the Committee for the return of answer:** 16 December 2021

### Question:

The Productivity Commission's 2011 report spoke at length of the economic benefit that the NDIS will bring. Has the agency done any work to model and understand the positive economic impact of the NDIS since its inception? I'm particularly interested to know whether the agency has been able to get a picture of:

- Jobs growth associated with the scheme?
- Economic benefit associated with the scheme and its maturation?
  - Do we have any steer on how much, in dollar figures, the scheme has been able to contribute to the economy since its inception?
  - Do we have any modelling to show the economic benefit of enhanced choice and control for disabled people on the scheme?
  - Do we have a line of sight as to how much the scheme has contributed towards increased economic and social participation of participants?

### Answer:

The NDIA reports on participant outcomes, including social and economic participation outcomes, in the Scheme's Quarterly Reports to Disability Ministers. The most recent covers the quarter ending 30 September 2021. All these Quarterly reports are publicly available on the NDIA website.

More detailed reporting on outcomes is also publically available ([Outcomes and goals | NDIS](#)).

Outcomes reporting covers both participants and their families/carers, with different questions asked at different life stages (birth to starting school, starting school to 14 years, 15-24 years, and 25 years and over). Outcomes questions cover: choice and control, daily living, relationships, home, health and wellbeing, lifelong learning, work and social, community and civic participation.

During the transition phase of the NDIS, the NDIA undertook economic modelling of the potential impacts of the scheme on the broader economy. The modelling found that the NDIS has the potential to generate conventional fiscal stimulus effects, which include a positive impact on labour force participation, and would have further positive impacts on labour supply through three channels:

- It would enable some unpaid carers, such as those caring for a family member with a disability, to enter the workforce by relieving them of some day-to-day caring

responsibilities. It would have a positive impact on the participation rate of people wishing to work in disability service provision.

- A longer term aim of the scheme (not modelled in this work) is to equip NDIS clients themselves with better prospects for labour force participation. For example, as children supported through the NDIS have improved educational participation an outcomes and improved transitions from education into the workforce.

Over the transition period, in which expenditure on NDIS activities was doubled, the modelling found that the volume of NDIS service delivery would grow by slightly over 70 per cent.

The introduction of the NDIS has led to a rapid growth in the workforce needed to support participants as the Scheme rolled out. The department has estimated that the NDIS workforce has increased from around 130,000 workers in June 2016 to 270,000 workers in June 2020. Further, the workforce is expected to increase by 31 per cent to around 353,000 workers by June 2024 as the Scheme matures.

The *Disability Employment Landscape Research Report*, commissioned by the department and produced by University of Adelaide, assesses the potential benefits – to people with disability, and to the economy – of increasing employment rates amongst people with disability (not just those in the NDIS), with a particular focus on economic impacts. The report was released on 3 December 2021 and is available from the Department of Social Services website, at [https://www.dss.gov.au/sites/default/files/documents/12\\_2021/disability-employment-landscape-research-report.pdf](https://www.dss.gov.au/sites/default/files/documents/12_2021/disability-employment-landscape-research-report.pdf).

The bilateral agreements about the NDIS between the Commonwealth and states and territories include that an independent review of NDIS costs be undertaken no later than the end of 2023, to be commissioned by the Ministerial Council (Disability Reform Ministers). While the scope and terms of reference of the review have not yet been settled, the agreements set out that, amongst other things, the review should examine the achievement of participant outcomes.



# Joint Standing Committee on the National Disability Insurance Scheme Committee

Public Hearing – 04 February 2022  
ANSWER TO QUESTION ON NOTICE

Department of Social Services

**Topic:** Joint Standing Committee on the National Disability Insurance Scheme - Inquiry into the current Scheme implementation and forecasting for the NDIS Hearing Tuesday 1 February 2022

**Question reference number:** IQ22-000008

**Senator:** Carol Brown

**Type of Question:** Written. **Hansard Page/s:**

**Date set by the Committee for the return of answer:** 28 February 2022

**Question:**

Please update the committee on the progress of the current review of the ILC program

**Answer:**

The Department of Social Services (the department) has been reviewing the Information, Linkages and Capacity Building (ILC) program since its transfer from the National Disability Insurance Agency (NDIA) in October 2020.

The department first conducted a preliminary review, which included consultations with states and territories, the NDIA and its Independent Advisory Council and key sector representatives to identify issues and high-level themes. Disability ministers were provided with a report of these high level early findings in April 2021. A summary of the report, including an Easy Read version, is available on the department's website at [www.dss.gov.au/disability-and-carers-programs-services-for-people-with-disability-information-linkages-and-capacity-building-ilc/summary-review-of-the-ilc-program-and-next-steps-march-2021](http://www.dss.gov.au/disability-and-carers-programs-services-for-people-with-disability-information-linkages-and-capacity-building-ilc/summary-review-of-the-ilc-program-and-next-steps-march-2021).

Subsequent to that the department engaged Swinburne University of Technology to conduct research to assist in understanding where there are gaps and unmet needs within the ILC grant program.

Swinburne delivered its final report on 26 November 2021. Findings are currently being tested with stakeholders and considered by the department.

This work is a precursor to broader consultation with the disability sector, including people with disability and other key stakeholders, on the future directions of the ILC program in alignment with Australia's Disability Strategy 2021-2031.