

Goldfields Individual & Family Support Association Inc.



## **Submission**

**To the**

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

**PO Box 6100  
Parliament House  
Canberra ACT 2600**

**On**

# **Market Readiness**

**February 2018**

## BACKGROUND & CONTEXT:



*Diagram: Goldfields-Esperance region of Western Australia*

GIFSA is a significant regional community development not-for-profit (NFP) benevolent charity organisation employing more than 100 local people and supporting over 250 people with disability, their families and carers.

GIFSA's operational area covers the vast 771,000km<sup>2</sup> Goldfields-Esperance region of WA. Within the region there are three distinct sub-regions, The Ngaanyatjarra Lands, Goldfields and Esperance (see diagram above).

The Goldfields-Esperance region is unique in that it is three times the size of Victoria, 2.4 times the size of the Barkly (NT) region and with a population of only 65,000 people.

As the only regionally headquartered Disability Service Provider with staff located across this vast region, the communities we service are intrinsically connected to the organisation.

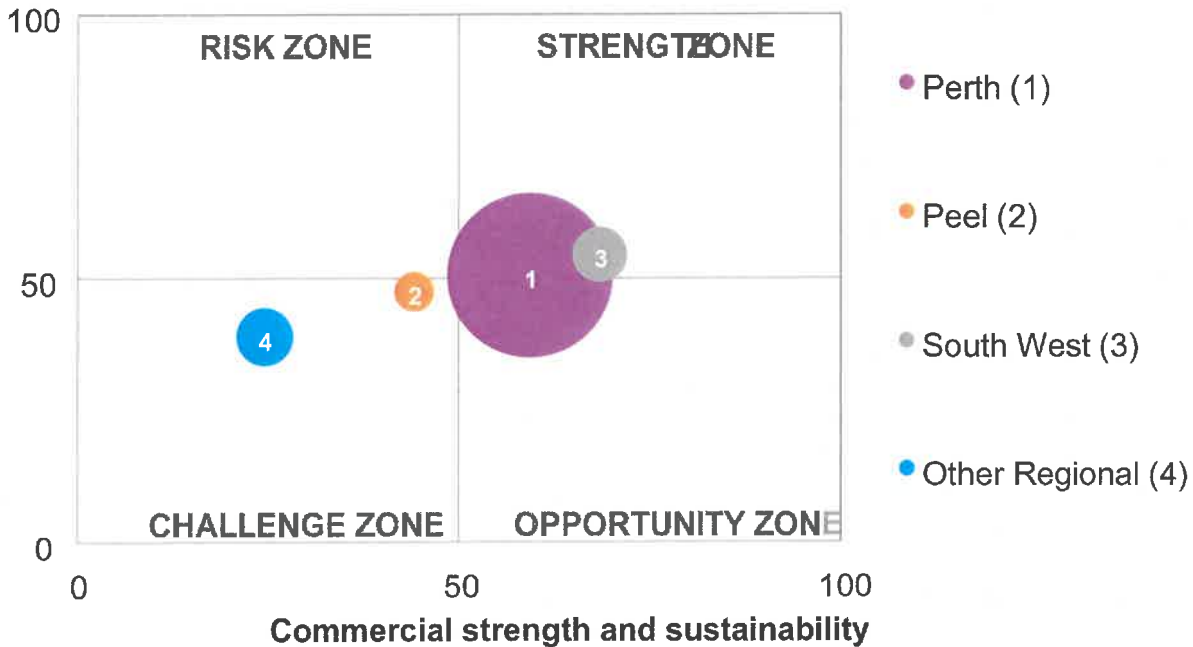
Providing services to people with disability in such a large region, within the bounds of the of Australia's largest State or Territory, needs to be better appreciated and considered and Market Readiness better understood before transitioning to the NDIS. GIFSA agrees that a one size-fits-all approach will not meet the needs of participants and service providers.

It is in this context that the NDIS will have many challenges that will require special consideration particularly in a wafer thin market over such large distances.

The Goldfields-Esperance region of WA expects to transition to the NDIS on 01 October 2018.

This matrix, taken from the WA Disability Services Sector Industry Plan (Plan), paints a sobering picture. The Goldfields-Esperance region of WA sits in the 'Challenge/Risk' zone at # 4 and it is in that setting that we make this submission.

**Client focus and preparedness**



GIFSA endorses, and was a major contributor to, the WA Disability Services Sector Industry Plan. The Plan recognises that the “*primary risk with NDIS service provision in regional and remote areas is that without a sufficient number of service providers, some people with disability may not receive the full suite of supports they would have access to in Metropolitan areas. If this did occur, the only options for people with disability in regional areas would be to either; move to more populated areas to receive the supports they need and are entitled to receive; continue to live in these areas and receive fewer supports than they are entitled to receive; or disengage with the disability system and not receive any supports.*”

**ADDRESSING THE TERMS OF REFERENCE**

**A. THE TRANSITION TO A MARKET-BASED SYSTEM FOR SERVICE PROVIDERS**

Observations:

- The transition process is clunky, multifarious, expensive and time consuming.  
**REMEDY:** Simplify the system & reduce red tape.
- The cost of transitioning for rural, remote & outer regional providers is not recognised.  
**REMEDY:** Provide transitional funding support particularly for rural, remote & outer regional.

## **B. PARTICIPANT READINESS TO NAVIGATE NEW MARKETS**

Observations:

- NDIS processes are too difficult to understand and navigate.  
**REMEDY:** Simplify the system.
- Planning and planning reviews need to involve the right people, including Providers  
**REMEDY:** Ensure the Planning process is robust and fair.
- Reaching Aboriginal people with disability in very remote communities is a significant challenge.  
**REMEDY:** In addition to individualised funding, incorporate other funding arrangements, such as block funding in special circumstances, to achieve greater scale and efficiency.

## **C. THE DEVELOPMENT OF THE DISABILITY WORKFORCE TO SUPPORT THE EMERGING MARKET**

Observations:

- Recruiting and retaining a sufficient and skilled workforce in regional and remote areas is not only a challenge faced by the disability sector, it is a challenge faced by most industries. There are a range of factors that work against almost all industries trying to attract workers to their sector in a rural setting.  
**REMEDY:** NDIS to support the development & implementation of a WA Workforce Plan as a matter of urgency.

## **D. THE IMPACT OF PRICING ON THE DEVELOPMENT OF THE MARKET**

Observations:

- The prices offered to provide services in regional areas is considered not viable enough to ensure cost recovery nor attractive enough for many organisations to start servicing people in these areas. The NDIS will not fund travel; wages (which are inherently higher in regional and remote locations due to wage premiums and additional training and development costs). By way of example, the Modified Monash Model (MMM) used to help establish the NDIS pricing, identifies the City of Kalgoorlie-Boulder as 'Outer Regional'. Thus the pricing limits are the same as metropolitan Perth, despite the fact Kalgoorlie-Boulder is located 600kms east of Perth and is indeed remote, and the vast outlying areas it services are significantly more remote than even Kalgoorlie-Boulder. Note that the round-trip to Kiwirrkurra in the Ngaanyatjarra Lands requires a trip in excess of 3400 kilometres over (mostly) unsealed dirt roads. This is the equivalent of driving from Brisbane to Melbourne and back again.  
**REMEDY:** 1.Reconsideration of the price limits for the City of Kalgoorlie-Boulder or  
2. Categorise the City as 'remote' rather than 'outer regional' or  
3. In addition to the NDIA pricing arrangements provide an additional loading based on the WA Regional Pricing Index, or ring fence funding, in recognition of the special circumstances of our regional providers.  
Travel and transport funding support is vital because without it there will be no services to these people.

## E. THE ROLE OF THE NDIA AS A MARKET STEWARD

### Observations:

- The NDIA appears to not fully appreciate the specific issues for rural and remote Western Australia. In particular the setting of pricing limits based on the MMM, in some circumstances, unworkable and may lead to market failure. GIFSA contends that, because of the vast distances associated with effective service delivery in WA, market failure currently exists and that we believe market failure will be exacerbated by the NDIS. The NDIS principles are good however implementation has been poor. **REMEDY:** Take note and apply the learnings from the WA Disability Services Sector Industry Plan. Sector involvement is critical.

## F. MARKET INTERVENTION OPTIONS TO ADDRESS THIN MARKETS, INCLUDING IN REMOTE ABORIGINAL COMMUNITIES

### Observations:

- Collaboration between service providers is a key opportunity, which could effectively limit service delivery gaps, particularly in a regional and remote context. **REMEDY:** Block funding in addition to individualised funding will be necessary for a number of remote aboriginal communities, particularly Irruntyu, Kanpoa, Kiwirrkurra, Mantamaru, Papulankutja, Patjarr, Tjirrkali, Tjukurla, Warakurna, Wanarn and Warburton.
- Reaching Aboriginal people with disability in very remote communities is a significant challenge. GIFSA believes there will be significant gaps in delivering the NDIS to aboriginal people. **REMEDY:** NDIS must provide travel and transport funding support.
- There is a lack of appreciation and understanding of the cost of service delivery in remote aboriginal communities. **REMEDY:** Block funding in addition to individualised funding will be necessary for a number of remote aboriginal communities
- The provision of services in these areas requires a relationship and whole-of-community approach to service delivery. This approach is considered to be difficult to develop, time consuming and is sometimes ignored by new providers. The higher rates of Aboriginal people in rural settings also increases the need for this type of approach, given the values placed in Aboriginal culture on developing trusting relationships with others and their community. Addressing the complex needs of Aboriginal people with disability will take time and this is acknowledged in the recently released '*Australian Government Plan to Improve Outcomes for Aboriginal and Torres Strait Islander People with Disability*'. **REMEDY:** NDIS must demonstrate agility, flexibility and a real desire to implement the Rural & Remote Strategy and Aboriginal and Torres Strait Islander Engagement Strategy. Given these two Strategies expire on 2019, NDIS need to start engaging now with providers and communities on the development of a new/revised strategies. This must be well resourced and funded. Where is the evidence that these two Strategies have met their respective goals to date?

## **G. THE PROVISION OF HOUSING OPTIONS FOR PEOPLE WITH DISABILITY, WITH PARTICULAR REFERENCE TO THE IMPACT OF SPECIALIST DISABILITY ACCOMMODATION (SDA) SUPPORTS ON THE DISABILITY HOUSING MARKET**

### Observations:

- A recent disability housing demand study undertaken by GIFSA clearly indicates inadequate housing stock in the City of Kalgoorlie-Boulder. The cost of suitable housing in remote and very remote settings is very expensive and return on capital for investors would be problematic.

**REMEDY:** To attract capital & investor confidence in rural and remote WA, funding availability needs to be over a longer term.

## **H. THE IMPACT OF THE QUALITY AND SAFEGUARDING FRAMEWORK ON THE DEVELOPMENT OF THE MARKET**

### Observations:

- Quality and Safeguarding in the rural and remote setting will be determined by price limits i.e. inadequate pricing and Quality and Safeguarding will be negative impacts. Providers are willing and committed to providing quality and effective safeguards however this will be severely hampered and severely compromised by the lack of adequate pricing in regional, rural and remote locations can only deliver quality supports if it is financially feasible. Effective Safeguarding is dependent on the quality of staff, therefore training and development is essential albeit unfunded by the NDIA.

**REMEDY:** Suggest change from the NDIA to the new 'National Quality and Safeguarding Commission' to urgently prioritise and fund the provision of local face to face training and resources relevant to regional, rural and remote environments and contexts.

## **I. PROVIDER OF LAST RESORT ARRANGEMENTS, INCLUDING CRISIS ACCOMMODATION**

### Observations:

- In the regional, rural and remote setting it is not clear how it will be possible to put in place effective 'provider of last resort' arrangements, including crisis accommodation.

**REMEDY:** There needs to be a better understanding of the regional, rural and remote challenges; acknowledgement that one size-fits-all won't work well; providers, people with disability, families and carers need to be involved in helping find innovative solutions and; NDIA must be agile and flexible in their response.

~~Robert Hicks~~  
Chief Executive Officer

08 February 2018