Chapter 3

Other matters

3.1 Since its last progress report, the committee continued to receive information from participants, families, carers and service providers on their experience of the implementation and performance of the NDIS to date.

3.2 This section covers the key issues raised in evidence, which have not been covered in the other parts of this report.

Disability workforce issues

3.3 The committee examined workforce readiness as part of its Market readiness for provision of services under the NDIS inquiry. The report provided an overview of current workforce shortages and needs, as well as an overview of the barriers to grow the workforce identified by submitters. Barriers to grow the workforce included employment conditions, NDIS pricing structure, and training and professional development.¹

3.4 The committee has continued to receive similar evidence around the current barriers to growing the workforce, which reinforce the findings of the Market Readiness inquiry.²

3.5 For example, Ms Philippa Angley, Head of Policy at National Disability Services, reported that despite the McKinsey IPR report recommending raising the pricing for allied health assistant services, the pricing has not changed resulting in the inability to find and employ staff in this field:

A very fundamental issue is the pricing of allied health assistance. [...] So we've got a situation where some therapists would quite like to use allied health assistance, but under the current pricing structure you cannot attract even a skilled disability support worker to do that work.³

Loss of skilled workforce

3.6 During the Market Readiness inquiry, the committee had heard that the transition to market had been disruptive both for service providers and disability

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¹ Joint Standing Committee on the NDIS, Market readiness for provision of services under the NDIS, September 2018, p. 31.
² See for example: The Ella Centre, Submission 78, p. 6; Occupational Therapy Australia, Submission 73, p. 2; Mr Tom Symondson, Chief Executive Officer, Victorian Healthcare Association, Committee Hansard, 26 February 2019, p. 41; Dr Jennifer Fitzgerald, Chief Executive Officer, Scope, Committee Hansard, 26 February 2019, p. 23; Mr Frank Quinlan, Chief Executive Officer, Mental Health Australia, Committee Hansard, 26 February 2019, p. 8.
³ Ms Philippa Angley, Head of Policy, National Disability Services, Committee Hansard, 26 February 2019, p. 37.
workers, resulting in skilled staff leaving the disability sector for adjacent sectors, including Aged Care, Child Protection, Education and Health.4

3.7 At the roundtable in February 2019, submitters stressed that skilled workers continue to leave the disability sector.5 Key reasons identified by submitters for skilled workers leaving the sector included:

- the closure of Commonwealth, state and territory governments disability support programs;6
- the NDIS pricing structure making it unviable for providers to operate under a fee-for-service model, especially in rural and remote areas;7 and
- the registration and audit requirements under the NDIS Quality and Safeguards Commission is driving a number of providers to choose not to be registered under the NDIS;8

3.8 For example, the committee heard that there was an 'exodus' of skilled workers from the mental health sector due to the imminent closure of key Commonwealth, state and territory government funded programs, and the difficulties associated with working under the NDIS.9

3.9 Similarly, Dr Jennifer Fitzgerald, CEO of Scope, a large service provider of Early Childhood Intervention services, told the committee that organisations were considering laying off their workforce due to funding and transition uncertainties. She

4 Joint Standing Committee on the NDIS, Market readiness for provision of services under the NDIS, September 2018, p. 41.

5 See for example: Mr Angus Clelland, Chief Executive Officer, Mental Health Victoria, Committee Hansard, 26 February 2019, p. 8; Mr Neil Turton-Lane, NDIS Manager, Victorian Mental Illness Awareness Council, Committee Hansard, 26 February 2019, p. 8; Dr Jennifer Fitzgerald, Chief Executive Officer, Scope, Committee Hansard, 26 February 2019, p. 32; Mr Tom Symondson, Chief Executive Officer, Victorian Healthcare Association, Committee Hansard, 26 February 2019, p. 41.

6 See for example: Mr Frank Quinlan, Chief Executive Officer, Mental Health Australia, Committee Hansard, 26 February 2019, p. 8; Ms Robyn Hunter, Chief Executive Officer, Mind Australia, Committee Hansard, 26 February 2019, p. 14; Mr Glen Tobias, Acting Chief Executive Officer, Neami National, Committee Hansard, 26 February 2019, p. 17; Victorian Healthcare Association, Submission 76, p. 3.

7 See for example: The Ella Centre, Submission 78, p. 6; Dr Jim Hungerford, Chief Executive Officer, The Shepherd Centre, Committee Hansard, 26 February 2019, p. 33; Mr Tom Symondson, Chief Executive Officer, Victorian Healthcare Association, Committee Hansard, 26 February 2019, p. 41.

8 See for example: Ms Libby Callaway, Senior Lecturer, Occupational Therapy, Monash University, Committee Hansard, 26 February 2019, p. 57; Occupational Therapy Australia, Submission 73, p. 2.

9 See for example: Mr Neil Turton-Lane, NDIS Manager, Victorian Mental Illness Awareness Council, Committee Hansard, 26 February 2019, p. 8; Mr Frank Quinlan, Chief Executive Officer, Mental Health Australia, Committee Hansard, 26 February 2019, p. 8.
emphasised that, in the current environment, 'it was hard to plan and understand what the workforce demand will be'.

3.10 Dr Jim Hungerford, CEO of The Shepherd Centre, explained that some specialised providers in the hearing services sector have actually stopped operating due to inadequate pricing under the NDIS and delays in payment.

3.11 Mr Tom Symondson summarised his views on the negative impacts of the transition to a fee-for-service model on the workforce in rural areas:

I really think we're damaging the workforce of now and pushing people out of the system, hoping that they will be replaced by a group of backpackers who, frankly, won't have the skills that we need to support our communities.

Negative impacts on quality of services and safety for participants

3.12 The loss of a skilled workforce is impacting on the quality of supports delivered to participants. For example, Mr Angus Clelland, CEO of Mental Health Victoria, expressed his concerns about having to rely on 'staff who are not qualified and don't have mental health training'.

3.13 Mr Patrick McGee from the Australian Federation of Disability Organisations (AFDO) reported that the emergence of workers with no formal qualifications and limited training employed by agencies to provide disability supports increases the risk and occurrence of incidents:

a medication mix-up resulted in the guy I am guarding for ending up in hospital with a couple of seizures.

3.14 Similarly the Victorian Healthcare Association contended that in the mental health sector 'qualified and experienced workers are being replaced by inexperienced and underqualified workers with no mental health training, creating safety issues for workers and participants'.

Committee view

3.15 The committee is concerned by the numerous reports of skilled and highly experienced disability workers continuing to leave the disability sector despite an
obvious need to grow the workforce. This strongly indicates that working conditions have dramatically deteriorated under the NDIS, making it an unattractive and uncompetitive sector to work in. Indeed, during the Market Readiness inquiry, the committee had heard that a rise in underemployment and insecure work arrangements, inadequate wages and no prospect of professional development opportunities were contributing factors to people choosing to leave the sector and significantly impeding the growth of the workforce.16

3.16 The committee is deeply concerned that the loss of skilled and experienced workers is potentially compromising the quality of care and supports offered to participants. Importantly, this can lead to serious safety issues for both workers and participants. It also means that the loss of qualified workers is potentially impeding participants to reach their full potential. Not investing in quality care is counterproductive and not aligned with insurance scheme principles. The committee is of the view that the issues raised in evidence around loss of skilled workers are directly related to the NDIS pricing structure and operating environment. The State of the Disability Sector Report for 2018 released in November 2018, highlighted key issues for the sector, including unrealistic pricing and costly red tape which is driving up the cost of doing business. As a result, recruitment and retention of qualified and experienced staff remained a significant challenge for service providers as well as ensuring quality of services under current pricing.17 It suggests that under the current regime service providers cannot afford to employ highly skilled staff that command higher wages.

**Recommendation 16**

3.17 The committee recommends the NDIA consider how to better reflect in its pricing of supports the additional administration and professional development costs associated with operating in the NDIS environment as part of the next annual NDIS pricing review.

**Quality and Safeguards Commission**

*NDIS Quality and Safeguards Commission certification and audit requirements*

3.18 On 1 July 2018, the NDIS Quality and Safeguards Commission (the Commission) became responsible for the registration of all NDIS service providers in NSW and South Australia. From 1 July 2019, it will also be responsible for the registration of NDIS service providers in Victoria, Queensland, Tasmania, ACT and NT. The Commission will provide nationally consistent regulation, with operations starting in Western Australia, from 1 July 2020.

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3.19 Registration requirements under the NDIS Commission and the NDIS Practice Standards are designed to be proportionate. Smaller providers are not expected to present the same evidence as a large service provider with a large workforce and many participants.¹⁸

3.20 Providers will need to be audited against the NDIS Practice Standards to apply for or renew registration with the NDIS Commission. An independent auditor will assess NDIS providers against the relevant components of the NDIS Practice Standards. This will either be a ‘verification’ or ‘certification’ quality audit. Verification audits are a lighter touch desktop audit, while certification audits are a more detailed process.

3.21 Providers delivering more complex supports must get third-party quality assurance certification against the NDIS Practice Standards. Certification audits must be done by an approved quality auditor, and might include document reviews, site visits, and performance assessment based on the experience of NDIS participants.¹⁹

Costs

3.22 The committee heard from a number of organisations representing various types of therapists and service providers on the cost impost of regulation, particularly auditing, will have on their members. The issue was first raised with the committee during its inquiry into Assistive Technology, and reiterated in various submissions to the committee's ongoing General Issues inquiry.

3.23 The Australian Orthotic Prosthetic Association expressed their concern that the additional regulatory requirements would act as a barrier for their members:

> We are concerned that the imposition of additional certification requirements and the introduction of the NDIS Quality and Safeguards Commission will present further barriers to workforce development and impact on service accessibility.²⁰

3.24 Assistive Technology Suppliers Australia (ATSA) reported that typical reported audit fees are well over $8000 per annum without factoring in travel, time and accommodation costs.²¹

3.25 ATSA also commented²² on whether the proportionality of the system was actually working as intended. In their submission they contend that while the lighter

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²¹ Assistive Technology Suppliers Australia, Submission 74, p. 1.
touch audit that is dependent on structure rather than turnover may work well for 'sole
traders', it works less well in their industry where there is a prevalence of small family
businesses:

The intention is to apply a quality system that is “proportionate” to the size
and risks of the businesses supplying NDIS participants, one that is based
on a structure of sole trader or company, not on turnover. In this sector
there are few if any “sole traders” but often they are small family
businesses, 2 to 5 staff, i.e. SMEs. Due to this, most providers of AT
supports fall outside the definition of a business eligible for the simplified
‘verification’ audits.23

3.26 Occupational Therapy Australia (OTA) and other submitters also raised
concerns about the prohibitive cost of the certification audit.24 According to OTA, the
high cost of certification audit is resulting in providers choosing not to register, and
families having to request plan reviews to change their funding arrangements to self-
managing plans to enable them to see unregistered providers.25

3.27 Similarly, ATSA reported that some allied health professionals are choosing
not to become NDIS registered providers.26 Victorian Mental Illness Awareness
Council also reported that many therapists acting as sole providers are choosing not to
take part in the Scheme as the Commission's regulatory costs are too high:

A lot of those people are saying that it's just not worth their while. If you're
an individual psychologist, is it worth your while to pay an extra $6,000 to
be audited on top of the auditing that's already done to be a psychologist? It
disadvantages the small providers who are probably the ones who are more
likely to support people. So there are some real barriers in this space that
need to be addressed.27

Duplication

3.28 Assistive Technology Suppliers Australia (ATSA) is of the view that the
provider registration audit requirements duplicate other quality system processes and
noted:

22 The committee notes that ATSA subsequently submitted that they had obtained a concession
from the National Quality and Safeguards Commission where they will not need to complete
the audit while the Commission reviews the audit requirements.

23 Assistive Technology Suppliers Australia, Submission 74, p. 1.

24 See for example: Occupational Therapy Australia, Submission 73, p. 2; Assistive Technology
Suppliers Australia, Submission 74, p. 1; Mr Neil Turton-Lane, Victorian Mental Illness
Awareness Council, Committee Hansard, 26 February 2019, p. 9; Ms Philippa Angley, Head of
Policy, National Disability Services, Committee Hansard, 26 February 2019, p. 38.

25 Occupational Therapy Australia, Submission 73, p. 2

26 Assistive Technology Suppliers Australia, Submission 74, p. 1.

27 Mr Neil Turton-Lane, Victorian Mental Illness Awareness Council, Committee Hansard,
26 February 2019, p. 9.
The provision of AT under State/Territory funding schemes and the Department of Veteran’s Affairs does not require such audits. They recognise the important regulatory roles played by the Therapeutic Goods Administration coupled with Australian Standards testing for AT, along with the ACCC. They also understand the value of occupational therapists’ oversight of AT trials, scripting, delivery and setup.28

3.29 The Australian Rehabilitation and Assistive Technology Association (ARATA) concurred, commenting that many professions that under currently operating under AHPRA, require to also be regulated by the Commission, with the potential to impact negatively on the provision of services:

[T]he regulatory overlay that the new NDIS Quality and Safeguards Commission has put onto a number of professions that are already registered professions, that are operating under AHPRA, is so significantly burdensome that NDIS participants are losing a really skilled workforce…29

Committee view

3.30 The committee has welcomed the establishment of the NDIS Quality and Safeguards Commission which has the capacity to bring national consistency to the delivery of disability services, while providing the necessary safeguards for those in receipt of services.

3.31 In previous discussions with the NDIS Quality and Safeguards Commissioner the committee was assured that the regulatory burden on providers would be commensurate with the risks associated with the delivery of services, and proportionate to the size and structure of those providing services. However the committee reports from mainly therapists, although other groups also expressed concerns, that the imposts that regulatory costs imposed by NDIS Quality and Safeguards Commission were excessive and placed a significant financial burden on small providers.

3.32 Furthermore, the committee heard that many if not all of these small providers are already regulated either through AHPRA, and/or through their professionals associations.

3.33 The committee acknowledges that the purpose of the Commission is to provide regulatory certainty and consistency to the sector, and safeguard recipients of the disability services, however this must be done in an appropriate and proportionate way. The dual impact of high costs and duplication of regulation are reportedly acting as a disincentive to many professionals and small organisations who are desperately needed for the NDIS to function.

28 Assistive Technology Suppliers Australia, Submission 74, p. 1

29 Ms Callaway, Australian Rehabilitation and Assistive Technology Association, Committee Hansard, 26 February 2019, p. 57.
Recommendation 17

3.34 The committee recommends that the NDIS Quality and Safeguards Commission urgently review the impact of its regulatory requirements on sole providers and small to medium sized businesses providing disability services and report to the parliament on its findings.

NDIA communication with participants

3.35 In its 2017 Progress Report as well as other inquiries, the committee received much evidence around poor NDIA communication and engagement with participants.30 In previous inquiries, submitters raised issues around the lack of clarity, consistency and accuracy of information provided by the NDIA; the difficulties to contact the NDIA and obtain information; and a lack of timely responses to queries.

NDIA initiatives

3.36 In a bid to improve its communication with participants, the NDIA has transitioned to a new website in January 2019. The NDIA indicated to the committee, ‘it is planning further enhancements to the website to ensure its content is accessible, current, clearly dated, and fit-for-purpose’.31

3.37 In April 2018, the NDIA engaged Serco Citizen Services Pty Ltd (Serco) as its NDIS Contact Centre (NCC). In the latest NDIS Quarterly Report 31 December 2018, the NDIA stated:

Participants are now benefiting from significantly improved services following the switch to Serco in June 2018. The average phone call answer is now 28 seconds, versus 4 minutes 16 seconds previously; abandonment rates have decreased from 17.5 percent to 1.5 percent; and email resolution for the first response has risen from 70 to 80 percent.32

Participants' experiences

3.38 In recent times, the committee has mostly heard about issues around the clarity, quality and consistency of information provided to participants.33

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33 See for example: MS Limited, Submission 90, pp. 4–5; Every Australian Counts, Submission 93, p. 4; Max Jackson and Margaret Ryan, Submission 91, p. 6; Ms Kirsten Deane, Executive Director, National Disability and Carer Alliance, Committee Hansard, 26 February 2019, p. 50; Ms Sam Petersen, Private capacity, Committee Hansard, 26 February 2019, p. 54; Multicultural Disability Advocacy Association of NSW, Submission 87, pp. 6–7.
3.39 Mr Max Jackson and Ms Margaret Ryan reported that the NDIS Contact Centre (NCC) provided limited information and help, contending that ‘using a call centre as a first response does not necessarily establish good customer service, and in fact can exacerbate frustration’.  

3.40 Ms Kirsten Deane, Executive Director of the National Disability and Carer Alliance explained that every time her organisation talks to people with disability and their families, ‘poor communication out of the NDIA is one of the top issues that come up’.

3.41 She acknowledged some improvements, particularly on the website, but stressed that the complexity of the language and the inconsistency of information provided to participants remained problematic:

> [...]There are a number of cheat sheets floating around in the sector that translate how the NDIA speak with everyday language that the rest of us would use, which is necessary so that people can translate what is on the NDIS website, what might be on the NDIA portal, what might be in people's plans. [...] The other issue is consistency. Our record at one of our forums was a woman who had called the NDIA call centre seven times and got seven completely difference answers to the questions.

3.42 Similarly Every Australian Counts stated that one of the issues most commonly raised by participants and their families is that ‘communication is unclear, inconsistent and full of bureaucratic jargon that no one understands’.

3.43 The Multicultural Disability Advocacy Association of NSW (MDAA) reported that the 'complex jargon' used by the NDIA and planners in both written and verbal communication made it difficult for people from CALD backgrounds to navigate their NDIS journey.

3.44 Ms Sam Petersen, an NDIS participant, who shared with the committee her difficult experiences with the NDIS, mentioned on several occasions the inconsistency of information provided by the NDIA and her planner. For example, she stated:

> The inconsistency of information provided by the NDIA is endless – I have been so misinformed on almost anything, in so many ways.

**Committee view**

3.45 The committee acknowledges the recent initiatives undertaken by the NDIA to improve access to information through the development of the new NDIS website and the production of a range of new factsheets. The committee strongly encourages

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34 Max Jackson and Margaret Ryan, *Submission 91*, p. 10.

35 Ms Kirsten Deane, Executive Director, National Disability and Carer Alliance, *Committee Hansard*, 26 February 2019, p. 50.

36 Every Australian Counts, *Submission 93*, p. 4.


38 Ms Sam Petersen, Private capacity, *Committee Hansard*, 26 February 2019, p. 54.
the NDIA to continue reviewing and improving its publications to ensure clarity and consistency of language and information.

3.46 The committee is concerned that inconsistent information continues to be provided to participants by NDIA staff, planners and NCC staff. As recommended by the committee on many occasions, the NDIA should develop additional guidance and training materials to ensure its staff and contractors provide clear and consistent information to participants, their families and carers.

3.47 The Australian Government supported Recommendation 3 of the NDIS ICT Systems report, which recommends the NDIA create specialised NCC teams based on common types of issue raised by end-users, and co-design with end-users a fit-for-purpose chatbot for the website and portals. The committee is of the view that swiftly implementing this recommendation will alleviate some of the communication issues raised by submitters.

**NDIA engagement with service providers and peak organisations**

3.48 In February 2019, roundtable participants reported that the NDIA has improved its level of communication and engagement with service providers and peak organisations.

3.49 However, roundtable participants expressed doubts about NDIA willingness and / or capacity to take into account the views and recommendations of the sector to inform their decision-making process.

3.50 For example, Ms Yvonne Keane, Executive Officer at Early Childhood Intervention Australia, explained to the committee that increased NDIA engagement does not necessarily translate into changes and actions:

> The ECIA has close, regular communication with staff in the NDIA – in particular, the early childhood team. We are in regular contact with them. However, their capacity to effect changes is probably quite limited. The changes that are required go beyond their remit.

3.51 Similarly, Mr Tom Symondson, CEO of the Victorian Healthcare Association, reported that the NDIA is better engaging with his organisation and some of its

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40 See for example: Ms Yvonne Keane, Executive Director, Early Childhood Intervention Australia, *Committee Hansard*, 26 February 2019, p. 34; Mrs Andrea Douglas, Professional Adviser NDIS, Occupational Therapy Australia, *Committee Hansard*, 26 February 2019, p. 49; Mr Tom Symondson, CEO, Victorian Healthcare Association, *Committee Hansard*, 26 February 2019, p. 50; Dr Jim Hungerford, Chief Executive Officer, The Shepherd Centre, *Committee Hansard*, 26 February 2019, p. 22.

41 Ms Yvonne Keane, Executive Director, Early Childhood Intervention Australia, *Committee Hansard*, 26 February 2019, p. 34.
membership. However, he noted that 'it doesn't translate through to the issues being taken seriously' and that 'the resolution ability hasn't strengthened'.

3.52 Ms Stephanie Gotlib, CEO of Children and Young People with Disability Australia, remarked that NDIA engagement with stakeholders often comes too late and therefore inputs from the sector cannot inform new initiatives or changes:

Sometimes you think you're going to stakeholder engagement and it's actually a briefing, an often those things are too late – 'Give us your feedback, but we're working on a timeline, so it's not going to be able to inform it'.

3.53 Ms Catherine Olsson, Senior Adviser Disability at Speech Pathology Australia, explained that in the context of resolving interface issues with the health system, the NDIA needed to recognise that the sector could greatly assist with the provision of advice and be part of the solution. She concluded:

A greater willingness to engage with the sector, and greater trust that the sector is an ally rather than an enemy, would be a useful thing to take forward.

3.54 Additionally, roundtable participants reported that while communication has improved with peak organisations, it remains challenging for service providers on the ground. For example, Mrs Andrea Douglas reported:

I would suggest that, at peak-body level, we certainly have had an increased engagement with the NDIA, and that has been very much appreciated, but that, from my grassroots provider level, it's still very challenging. [...] You can get very varied responses, and certainly not timely responses.

3.55 Similarly, Mr David Moody, Acting CEO of National Disability Services, stated:

We have direct lines of communication with key decision-makers within the Agency. But I certainly would have to concede the point that many of

42 Mr Tom Symondson, CEO, Victorian Healthcare Association, Committee Hansard, 26 February 2019, p. 50.
43 Ms Stephanie Gotlib, Chief Executive Officer, Children and Young People with Disability Australia, Committee Hansard, 26 February 2019; p. 35.
44 Ms Catherine Olsson, Senior Adviser Disability, Speech Pathology Australia, Committee Hansard, 26 February 2019; p. 51.
45 See for example: Ms Yvonne Keane, Executive Director, Early Childhood Intervention Australia, Committee Hansard, 26 February 2019, p. 34; Mrs Andrea Douglas, Professional Adviser NDIS, Occupational Therapy Australia, Committee Hansard, 26 February 2019, p. 49; Mr David Moody, Acting Chief Executive Officer, National Disability Services, Committee Hansard, 26 February 2019, p. 49.
46 Mrs Andrea Douglas, Professional Adviser NDIS, Occupational Therapy Australia, Committee Hansard, 26 February 2019, p. 49.
our providers are challenged, in terms of their engagement with the agency, at various levels on various key issues […]\textsuperscript{47}

**Committee view**

3.56 The committee acknowledges the recent efforts made by the NDIA to increase its engagement with the disability sector, especially with peak organisations. However, based on the evidence received by the committee, the engagement appears to be, at times, tokenistic. The committee has heard on several occasions that stakeholders are asked for feedback too late in the decision-making process, limiting opportunities for changes and inputs from the sector.

3.57 The committee noted that the NDIA has established sector reference groups, which provide advice and suggestions to the NDIA on a number of topics, including mental health, autism and Special Disability Accommodation.\textsuperscript{48} In theory, establishing such sector reference groups can be an effective mechanism for the NDIA to work closely with experts, service providers and people with disability to improve systems or address the challenges associated with the implementation of the Scheme. However, these groups appear to meet far too infrequently to provide a genuine platform for collaborations and developing solutions. The committee is of the view that the NDIA should more systematically utilise the expertise of the sector to inform the development and review of its operations and guidelines. This would significantly assist the NDIA in developing initiatives to strengthen the effectiveness of the Scheme.

**Recommendation 18**

3.58 The committee recommends the Australian Government consider adding to the Guiding Principles of the NDIS Act, a further principle aimed at ensuring that the NDIA systematically engage and collaborate with the disability sector and people with disability in the development and review of its operational plans and guidelines.

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\textsuperscript{47} Mr David Moody, Acting Chief Executive Officer, National Disability Services, *Committee Hansard*, 26 February 2019, p. 49.