



Sorting the wheat from the chaff...

The National Disability Insurance Scheme and Individual Budgets
by Christine Regan

The Federal Budget provided a very welcome boost to the introduction of a proposed National Disability Insurance Scheme (NDIS). This builds on previous steps including the provision of \$20m for technical and administrative developments, the establishment of a Select Committee at Federal and State Ministerial levels to oversee development and an Advisory Committee of nominated disability experts to guide the shape and progress of the Scheme.

NSW is represented on the Select Committee by Minister Andrew Constance and on the Advisory Committee by Brendan O'Reilly, former head of ADHC and Department of Premier and Cabinet.

The 2012 Federal Budget provides the funding for the announcements by the Prime Minister at the NDIS rally in Sydney in early May. One billion dollars is allocated over four years for 10,000 people with disability in 2013 to begin on the NDIS in four initial launch sites with a further 10,000 people in 2014 in another four sites across Australia. If fully implemented, the NDIS is intended to cover 410,000 people with disabilities in Australia. There is no news on where the launch sites will be but NSW Minister Constance has nominated at least the Hunter in NSW.

For the NDIS to become secure and fully operational, however, the Federal Government must enact legislation that enables and enshrines the NDIS, as recommended by the Productivity Commission, and it must be fully funded in the Budget forward estimates. The Budget allocations are great first steps but the Campaign continues.

NCOSS is concerned about worrying and misleading commentary on both the NDIS and its proposed use of individual funding arrangements or personal budgets for people with disability. There is a strong focus on individualised funding arrangements under *Stronger Together 2* in NSW which, from 1 July 2014, will offer people with disability and their families the opportunity to make decisions about how they use their allocated funding towards personal goals, improved supports and a better life.

Much has been written about NDIS and vouchers. There is no correlation within the NDIS or *Stronger Together 2* and a voucher system. This reference to vouchers is inaccurate and incorrectly assumes that individualised funding will only be spent with disability specialist service providers. In fact, we know that people with disability will spend their funding in a wide variety of ways, in mainstream non-disability organisations, private and commercial organisations as well as disability specific providers. No "vouchers" could cover this breadth of options.

There has been criticism that the NDIS is based only on a medical model concerned solely with rationing the dollars. We clearly need to safeguard against this possibility in the roll out of the NDIS.

Eligibility for NDIS Tier 3 supports is likely to involve diagnosis and assessment around functioning. But the basic premise described for the scheme by the Productivity Commission brings into play, in a practical sense, the social model of disability by enabling people with disability to decide on and spend according to their own priorities. And in assuming this decision-making role, also provide people with disability and their families with any supports they need to make decisions.

NCOSS, alongside many in the disability sector, is actively advocating for individual decision-making by people with disability, and their families and carers, with supports as required and control over spending personal funding budgets. NCOSS is equally advocating for the participation of people with disability in

the development of *Stronger Together 2* and the NDIS at a systemic level.

This personal decision-making refutes assertions by uninformed commentators that people with disability and their families are either not capable or unwilling to make decisions and take control around priorities for their supports, the quality and type of their supports and their lifestyle choices.

While the take up rate of individualised funding arrangements under *Stronger Together 2* is expected to be relatively small in the first year, there is strong evidence from the recent oversubscription to the Supported Living Fund and interstate and international experience, that people are indeed wanting to and certainly capable of deciding on a better deal towards a good life.

Another recent argument criticising the NDIS has been that the focus is too individualised, and not enough on improving external access issues, citing public places. No-one disputes the need for "public agencies" to be universally accessible, and this must continue to be a priority for the inclusion of people with disability in community and public life. This is a priority of the overarching National Disability Strategy.

The NDIS is not designed to be a panacea to "fix the world" but rather an attempt to improve the life of a person with disability, at least 410,000 people in fact. The criticism does not acknowledge the intrinsic purpose of the NDIS, where the Productivity Commission has conceded the systemic exclusion of people with disability in society and the great unmet need for support that continues to result in intolerable personal hardship and family breakdown. Further, the criticism does not admit that access barriers are far greater than the physical or built environment for many people with disability, including people with mobility issues.

Several commentators have drawn analogies between the proposed NDIS and problems with competitive tenders conducted in related or other sectors in recent decades. There are certainly some valuable cautionary lessons that must be built into the design of the NDIS, including impact on pricing, maintaining universal access to people with disability to government and other agencies (eg, Health must continue to provide health services to people with disability) and sustaining small local agencies or specific providers.

The fundamental difference between these past analogies and the proposed NDIS is that the government is not the primary purchaser. The primary purchaser will be the person with disability, with perhaps their family, using their individual budgets. The power and control dynamics change the traditional ways of viewing engagement with providers.

The commentators are right to argue that the consequent changes to the disability services industry are likely to be disruptive. NCOSS agrees these are challenging times. The transformative and fundamental nature of the changes under *Stronger Together 2* and the NDIS cannot be underestimated and, as always, there is significant anxiety and uncertainty.

In NSW, a Disability Industry Development Fund of \$17m was allocated in 2009 to assist funded service providers to improve their operations and to prepare for the changes. It must be remembered that the overall objective of *Stronger Together 2* and the NDIS is a better deal for people with disability, not to protect the industry. Thus the changes are progressive, not negative. Many service providers have told NCOSS they are fully supportive of this.

There is a real danger that all this activity, at state and federal levels, results in a repackaged "more of same" provision framework but with a different funding structure. The momentum towards individualised funding and personal decision making of people with disability must be accelerated if the Productivity Commission's finding of "fragmented and broken" services system is to be eliminated.

If the changes under *Stronger Together 2* are realised and if the NDIS becomes fully operational, using the participation of people with disability, then NCOSS believes that people with disability will start to direct the supports they need, in ways that suit them.

Critically, supports for people with disability will look different from person to person, just as they do for

everyone else. In *Stronger Together 2* and the proposed NDIS, it is still very early days.

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