



COMMONWEALTH OF AUSTRALIA

# Official Committee Hansard

JOINT STANDING COMMITTEE ON THE NATIONAL DISABILITY  
INSURANCE SCHEME

**Market readiness for provision of services under the National Disability  
Insurance Scheme**

THURSDAY, 15 MARCH 2018

TOWNSVILLE

BY AUTHORITY OF THE SENATE

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## JOINT STANDING COMMITTEE ON THE NATIONAL DISABILITY INSURANCE SCHEME

Thursday, 15 March 2018

**Members in attendance:** Senators Gallacher and Mr Andrews, Ms Macklin.

### **Terms of Reference for the Inquiry:**

To inquire into and report on:

Market readiness for provision of services under the NDIS, with particular reference to:

- a. the transition to a market based system for service providers;
- b. participant readiness to navigate new markets;
- c. the development of the disability workforce to support the emerging market;
- d. the impact of pricing on the development of the market;
- e. the role of the NDIA as a market steward;
- f. market intervention options to address thin markets, including in remote Indigenous communities;
- 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;
- h. the impact of the Quality and Safeguarding Framework on the development of the market;
- i. provider of last resort arrangements, including for crisis accommodation; and
- j. any other related matters.

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**LOCKE, Mr Martin, Managing Director, Martin Locke Homes**

**SIMMONS, Mr Paul Thornton, Director, Ability SDA**

**Committee met at 09:33**

**CHAIR (Mr Andrews):** Ladies and gentlemen, I declare open this hearing of the Joint Standing Committee on the National Disability Insurance Scheme for the inquiry into market readiness under the NDIS. These are public proceedings, although the committee may determine or agree to a request to have evidence heard in camera. I remind all witnesses that, in giving evidence to the committee, they're protected by parliamentary privilege. It's unlawful for anyone to threaten or disadvantage a witness on account of evidence given to a committee and such action may be treated by the Senate as contempt. It is also contempt to give false or misleading evidence to a committee. If a witness objects to answering a question, the witness should state the ground upon which the objection is taken and the committee will determine whether it will insist on an answer, having regard to the ground which is claimed. If the committee determines to insist on an answer, a witness may request that the answer be given in camera. Such a request may also be made at any other time. I remind those contributing that you cannot divulge confidential, personal or identifying information when you speak. If you wish to supplement your evidence with written information, please forward it to the secretariat after this hearing.

I now welcome representatives from Martin Locke Homes and Ability SDA. Thank you very much for appearing before the committee today. I invite you, if you wish, to make a brief opening statement to the committee.

**Mr Locke:** Thank you. I've been invited to speak today as a representative from Martin Locke Homes, the builder, but I'm equally passionate about being here as Martin Locke, the individual voicing concerns on behalf of families with disability, support and care providers, and also organisations within the development and investment sectors.

The Townsville community is very interested in the progress of the specialist disability accommodation, SDA, and specifically how people are progressing through the process of getting SDA in their plans. The NDIA's *Market position statement Queensland May 2016* identified that the number of people eligible for NDIS plans in the Townsville region by 30 June 2017 was projected to be 5,300. That number, and the Productivity Commission's modelling stating that around six per cent of all participants will be eligible for SDA, equates to around 318 eligible participants in the Townsville region. To date, we have been told there has not been a single person in the Townsville region who has had SDA approved in their plans for new accommodation.

People in Townsville were very excited about the NDIS and SDA when it was first rolled out, especially with Townsville being a pilot city, as it was providing individuals and families with opportunities never seen before in the disability sector. While we do not underestimate the enormity in delivering such a massive insurance scheme nationally, when explaining the SDA concept to someone has never heard it before, the look they give is of total disbelief as to why such a simple concept in principle—first identifying someone who clearly fits the criteria of support for SDA and then matching them with a home that gives them the ability to lead some sort of normal life—is hard to comprehend. The NDIA state they do not want to be a developer and they do not want to be a service provider, and this is why the SDA has been introduced. The delays, the uncertainty and the lack of results occurring so far from SDA in Townsville are not only deflating for the individuals and their family, I believe they could also erode the confidence of many organisations and investors who are expected to take significant risk to fund the delivery of SDA homes. Surely, this must be counterintuitive, given the intent of the scheme. Thank you.

**Mr Simmons:** I share many of Martin's sentiments. Ability SDA is planning to build 12 independent living apartments for people with high physical support needs in Townsville city. Our apartments will be purpose-built, completely accessible and affordable; they will be quality long-term accommodation for people with disability. We offer clients an entire apartment, not simply a group home, all with the assistive technology to support them to live well in the community. This encourages independence, privacy, community engagement and lifestyle. Ability SDA believes the NDIS has already been life-changing for many people and will continue to lead to great outcomes for a lot of people in the coming years. I would say to people who are currently frustrated with the NDIA: hang in there and keep articulating your goals and needs; don't quit. The NDIA are doing a tough job to bring in monumental change, which is going to change outcomes for so many people.

Anecdotal evidence suggests that new SDA supply has stalled nationally. I hear lots of feedback that potential SDA providers are sitting back and watching because it's too risky to build right now. To get as far in the process as we have, we've had to take a series of giant leaps of faith. We've had to overcome risk averse banks, we've had to deal with changing rules and interpretations from the NDIA, we've had to deal with fear and anti-client-choice

behaviour from within the sector and we've also had to deal with our own 'panic attacks' as new information comes out every now and again.

So I've summarised four key recommendations that, if adopted, will help to reduce anxiety around the whole sector in the SDA—specialist disability accommodation—space. So this is predominantly around SDA. We believe the NDIA should publish supply and demand statistics within SDA category and region. This allows informed planning for providers to meet demand in an orderly fashion. We believe the NDIA should allow preregistration of new SDA dwellings. This informs the NDIA, as well as participants, of upcoming supply and gives providers and their banks more certainty of dwelling approval. The way it works at the moment is a provider has to go and buy land, get the planning, build the building and get the occupation certificate. Only after all of that significant risk and investment can the dwelling be registered. Therefore, it's a massive risk.

Ensuring the SDA approval pathway is clear and timely for NDIS participants is another recommendation. Currently the pathway for a participant—and Martin referred to this—to get SDA approval in their plan is poorly understood by the sector and NDIA staff. It is taking far too long for this process. When I spoke to the NDIA Townsville office about six to nine months ago, not a single person had been approved for SDA—that's both existing and new. I now hear some anecdotal evidence that no-one new has been approved for SDA in this region. This is about people's lives. A better articulated position on SDA price certainty from the NDIA is crucial; that's the fourth point. This will give much needed confidence to investors, providers and the banks.

I want to close by saying that Ability SDA is passionate about, and committed to, the NDIS. The NDIS is person-centred, it's humanising, it supports the most vulnerable in our society to live well, and that speaks volumes about Australia. The principles underpinning the NDIS make me proud to be an Australian.

**CHAIR:** Thank you very much for not only identifying some of the problems and challenges but also some proposed solutions. On this committee we hear the challenges and the problems all the time—but less the solutions. So I think it would be useful to have a discussion about that. Just to try and put all of this context, do you have a sense of what the demand in this region is for SDA?

**Mr Locke:** I've been building for an organisation, Cootharinga North Queensland, for over 10 years. I built the first platinum level home in Australia here in Townsville. That opened my eyes to see the need first-hand. Cootharinga, who are to speak later on, told me yesterday they have 45 people that they believe would be SDA eligible. There is also Youngcare, who are coming to Townsville, putting a stake in the ground here to do the same thing, looking at doing SDA builds for families here. The bottleneck there is trying to get the support coordinators and what's required to help that person get SDA. So the need, I believe, as I've mentioned earlier—

**Ms MACKLIN:** When you said 318, where does that figure come from?

**Mr Locke:** That comes from the Productivity Commission modelling. The NDIA's original projections were 5,300 people are eligible for NDIS and nationally it's been stated from the Productivity Commission that six per cent of those—

**Ms MACKLIN:** So you've just worked backwards?

**Mr Locke:** Yes. So 318 was the number working from the modelling that was done.

**Mr Simmons:** Understanding demand is not a Townsville problem. It's a national problem. As I said in my submission, we think that the NDIA should publish statistics. Summer Foundation are releasing a report tomorrow, which I know the committee has an advanced submission on. They say that there are roughly 17,000 people in supported accommodation nationally already. They say there are another 27,000 people living in family homes or other forms of non-supported accommodation that would probably qualify and then a further 6,300 young people living in nursing homes. Their report is being released tomorrow; I did get a sneak peak. Their statistics are going to say the demand is probably twice what the Productivity Commission forecast, but I'm not going to rely on those numbers. I would say in terms of Townsville we did some work to identify that there are probably between 40 and 70 young people living in nursing homes in appropriate accommodation in the Townsville and greater region. If that's the case and it does extrapolate, then there are probably more young people living in family homes that are in inappropriate situations and that would qualify for SDA. But we really need the NDIA to take the leadership on providing demand.

**CHAIR:** I acknowledge the local federal member for Herbert, Cathy O'Toole. Welcome Cathy.

One of the challenges overall that we've been told about in many places is the absence of up-to-date data that, partly because of the way in which the previous system was funded through block funding et cetera there's not the data that one would expect necessarily about individual circumstances et cetera. Is that your experience here as well? Mr Locke, we're working from an extrapolation of the Productivity Commission figures, and that's a good

starting point, but obviously in trying to come to some kind of resolution about how to address this issue we need some accurate and timely data.

**Mr Locke:** There are two young men I'm working with at the moment, one is 22 and one is 25, and both got quadriplegia at a young age. One of them is living at with his mother at home and his sister. The mother, dare I say, was like a walking zombie when I met her with the struggle that she is coping with, This young man who, in his condition, still has that youthful passion for life, is wanting to live and wanting to give his mother back her life. I struggle to see how there is not one person who is eligible. There are countless stories that I have seen, through Cootharinga and through these two young men. The first home I built 10 years ago was where an elderly couple 60-70 years old, were putting their 30 year old son into care for the first time, and the emotion around that, seeing the young man who wanted the independence and wanted the confidence of being on his own but not knowing the effort and what his family had been through to give him that capacity of independence, with the parents doing it because they know they're not going to be around forever. I have my business and family to run, so I'm seeing sprinkles of it. What I am seeing, I really am struggling to try and understand. Let's all of us leave our guns at the door. Let's try and get personal, and can someone from the NDIA please come—the support coordinators that I've spoken to are trying to wordsmith to get it right to be ticked off by NDIA in Melbourne. From my understanding, and I could be wrong, every single application has to be ticked off by someone in Melbourne, and the support coordinators are so crucial to wordsmithing this correctly to get it ticked off, when I look at someone and think, 'Wow, every minute of your life you need some help here,' and I think, 'Who cannot see this?' I understand how massive this is and that there's got to be a process, I really do. But if we want to get some real numbers, yes, let's not rely on what's been said. If someone from the NDIA could spend some time, there are so many people in the community that would take them around and say, 'Please help us. What needs to happen here?'

So this person who was so excited about when NDIS started and the SDA, wow, they haven't got a minute in their day to try and think and get involved to even do the process, if you imagine them, so—

**Mr Simmons:** I agree with the chair that definitely some work needs to be done to work out demand. The Summer Foundation report, which is coming out tomorrow, is based on—when was the last census? Was the previous census in 2013?

**Ms MACKLIN:** 2012.

**Mr Simmons:** It's based on those 2012 numbers, and that report that's coming tomorrow is the most comprehensive report that anybody has produced. So, definitely, some resources need to be put towards working out demand.

**CHAIR:** So coming back to your recommendations, then, obviously unless we understand what the demand is and what the supply is, it's very difficult to plan for the future.

**Mr Simmons:** I think we run the risk of having bad planning. We might build too many things in one place and none in another, or we shouldn't be building at all, for argument's sake. The problem with running off the Productivity Commission numbers is we're making assumptions about people's lives. Many people will want to remain in the accommodation they're in. They love it. They live with family; they're not changing. But there are a significant number of people, and we don't know how many, that do want to change, and they're the ones we need to find out about.

**CHAIR:** Can I just ask one more question before I pass to the others. Could you elaborate a bit more on what you have in mind in terms of the preregistration of new SDA buildings?

**Mr Simmons:** One of the keys with an SDA dwelling is it has to be signed off to meet the particular standard of the category of the dwelling that's being built, and you have to go to an accessibility consultant that is qualified under Livable Housing and SDA to be able to sign that off. So all I'm suggesting is that everybody that wants to preregister a dwelling can get a sign-off at plan stage, at construction certificate stage. They get the plans assessed, they get a certificate to say, 'Yes, as long as the builder builds it to that particular specification, it's legit,' and then that way it can be preregistered. Then the NDIA has line of sight: 'Well, that's 12 months away because it takes time to build, but we know this accommodation is coming and where it is,' and they can also then start suggesting to planners and the like to refer people that might be in need. Does that make sense?

**Senator GALLACHER:** Does that mean you do risk your financial investment?

**Mr Simmons:** It does a bit, because you can then say to a bank or an investor, 'This is already preregistered, subject to it being built correctly.' So we take that piece of risk out of the puzzle as well.

**Mr Locke:** That's a massive thing.

**Mr Simmons:** And it's not really a hard change because all of that is already happening. Everybody's already getting their plans done, and smart providers are getting their plans checked because you don't want to go and build something and find out later that it wasn't built correctly. It's not a hard change.

**Mr Locke:** And then, if I can, when that building is complete, if it does get ticked off, which you currently don't know until after it's completed, then hopefully someone who's got SDA in their package moves into it, so there's still that risk as well. Getting them to build it is a big thing. As I said, the government, I think, have been fantastic in that regard. They don't want to be developers or builders; they put it out to private industry. If I can just add one more thing, if there was a point of contact, if there was a central clearing house whereby providers, developers and potential SDA participants could have dialogue prior to construction, so it is a bit personalised because some do have different needs, if it could be allowing participants to choose their builder/developer—my understanding is that the SDA was brought in to give people with disability the same opportunity as an able-bodied person who chooses a builder and can work with a builder to build, even in a tender process—if there was a list of people who had SDA in their package, such as a registration where the building industry can compete and tender for that person's home, that's what I think would be a great outcome all around.

**Senator GALLACHER:** Can I just go on a slightly different track. There have been people, who have been, say, catastrophically injured in car accidents and received significant compensation payments, and I know that the Motor Accident Commission in South Australia would have supported the development of supported living accommodation. Is there a history in that sector in Queensland that shows you the way, so to speak, in this area?

**Mr Locke:** I wish I could answer that, I'm sorry.

**Senator GALLACHER:** People have been getting injured in motor vehicles for a very, very long time and they get significant compensation payments. Some of that has involved the development of supported living accommodation.

**Mr Locke:** I haven't experienced anyone who has had that. Certainly that's one where I'd say, 'Hey, let's work together here if that is the case,' but, no, I can't answer that.

**Senator GALLACHER:** The obvious thing for us to throw on the table is that this is not a new issue. This is the third parliament, I think, that the committee's been formed. We've been hearing about young people in old folks homes for a very long time. We have asked the NDIA to have a look at the issue and what you're saying to us here today is there's no clarity. You're not getting any direction from the agency about what you should be doing. Is that so?

**Mr Locke:** That is, and that's sad. I just had a good conversation with Des Lee, the manager from NDIA, and he's so busy, he's all over the place, but we had a good conversation where hopefully we can do that. There's a lot to happen but, if we get the support coordinators together, if we can get some participants and the building industry, we could really sort this out amongst ourselves well. Townsville, if I can just say, is ripe for this, as a city. There's a lot of flat ground that is coming together. From 2018 onwards, Townsville is doing some pilot programs that they're going to be putting forward, which is collaboration together with developers, builders and council for no financial gain for anyone under that umbrella, and they will be going to state and federal government to try and build silver level housing. The livable housing guidelines have got silver, gold and platinum. They came out in 2010. By 2020, the federal government wants it mandated that every new home would be built to the silver level. That hasn't happened. There's been industry pushback for some legitimate reasons but, in Townsville as a community, those I mentioned have all come together to do it ourselves here. We'll be putting forward a 12-month pilot program which unites local council, state and federal governments and we're coming with our local developers who have all verbally given commitments to give \$2½ thousand off a block of land to anyone who builds to silver level, and we'll be asking the state and federal government, who have both got it in their building plan, to match that money for a pilot program. That money invested saves head and heart. There's a story where it costs so much more to retrofit a home afterwards, which does happen. So I guess if there was some way again, Des Lee, I'll hold you to that as someone we can come together with and work together to get some good stories happening in Townsville. It's ready for it.

**Senator GALLACHER:** So if you put the Productivity Commission's hat on, is there a market model here that works where the builder is accredited, makes a quid building the facility, and it's then financed and leased and rented, and you get on with the next one. Is that a very clear model?

**Mr Locke:** It sounds good. It is.

**Senator GALLACHER:** So it's apparent that that all works?

**Mr Locke:** It can work. That could work so easily. I've sat down with clients now where we're talking about designing their home, and they're getting excited to think something could happen. And it doesn't cost that much.

**Senator GALLACHER:** What's holding that model up from progression?

**Mr Simmons:** Can I just say on that, you mentioned leasing. I think there's a real fear amongst the sector to sign a lease because it's effectively guaranteeing participants, because to sign a lease on a building they're going to say, 'Here's the rent's going to come every month,' and to do that they've got to know that they've got those participants guaranteed to go into that dwelling. At this stage, with the uncertainty around the approval to SDA pathway and the lack of demand statistics around who's out there, support providers aren't willing to sign that lease to rent that property because they're not a hundred per cent sure yet. They know the demand is there esoterically but they don't know scientifically, and that's the fear. That's what's stopping the leases being signed.

**Senator GALLACHER:** Thank you.

**Ms MACKLIN:** Thank you to both of you, most importantly for your commitment to make it work, which obviously is critical. Paul, just on the building that you are embarking on, you obviously are prepared to take the risk and—

**Mr Simmons:** I'm mad.

**Ms MACKLIN:** I don't think so! I'd just like to understand the nature of it. You said they're independent units. Are they separate from each other? You're not building one set of 12 in one place, are you? Just give us a sense of how you're locating them.

**Mr Simmons:** Yes, we are. We are building one building that contains 12 apartments. The apartments are built to platinum level. The technology is there to automate the lights, the doors, the blinds and the air conditioning. There is an on-site overnight support unit in the building. Everything is wired back to that support unit. There is voice activation. There is a speaker straight through to the support unit. Really it allows people with complex physical needs to have access to freedom. They can just roll out the front door as they see fit and head off into town and then come back at their own leisure.

**Ms MACKLIN:** As you would know, that's one option that people are interested in, but I think Martin went to some of the other aspirations that people have—that they really want the choice to live in an independent place just like everybody else and not live in a complex that is only for people with disability. They want to be literally in the community like everybody else. I wonder whether in the process of taking the risk that you are obviously taking—and we don't think you're mad—that you've considered other options as well. Would you consider other options as well where people can live in an independent unit? Would you build places so that they are completely integrated in the community?

**Mr Simmons:** We are doing that. This is a Townsville project. We're actually working on four different projects. Two of those projects are exactly what you are describing. We've bought into a block of 70 apartments that is going to be constructed. There will be 10 apartments within that building of 70 in the town centre—

**Ms MACKLIN:** Great. So these are in other parts of Queensland?

**Mr Simmons:** No, these ones are in New South Wales. Another one is five or six apartments in a building of 60 apartments in the town centre. That is exactly what you're talking about. People are automatically in a community and they also have access to the community. There is a problem with Townsville. That model doesn't work everywhere. I believe that model works where the property market is booming and people are willing to build large buildings. It's a massive undertaking to build 70 apartments and it requires an enormous amount of capital. I just don't know that the capital is there in the SDA market, so it's relying on other developers. Townsville is not having a building boom, so there are no large buildings being built. So it's probably not realistic in a place like Townsville, but there's still a need for purpose-built accommodation. So it was sort of a middle ground. Does that answer your question?

**Ms MACKLIN:** That's helpful. You obviously do feel that you've got clarity from the NDIA to build these apartments in different forms in different parts of Australia, so you have got some clarity.

**Mr Simmons:** We don't have any clarity from the NDIA. We're relying on the rules passed through the parliament in 2017. So we're just relying on the published material and hoping that we're interpreting those rules correctly.

**Ms MACKLIN:** Martin, you talked about delays and uncertainty from the NDIA. One of the benefits of this committee is that we are able to recommend specifically what might help, and that's why I think Paul's suggestions are very helpful. If there are specific suggestions that either of you have about what it is in particular that you need certainty about, that would be helpful.

**Mr Locke:** Sure. I mentioned earlier the quick conversation I had outside with Des Lee, the regional manager, about making some time to get together to practically work our way through this. Getting a participant signed off SDA eligible is not happening. No-one for new housing has been ticked off at all in Townsville.

**Ms MACKLIN:** But existing people have been?

**Mr Locke:** And that is in existing accommodation.

**Ms MACKLIN:** I see, so it's not existing people for new accommodation.

**Mr Locke:** No, that's right. That would certainly help, if we could do a practical thing there, and then, as Paul mentioned, it would be good to keep the enthusiasm that was there in the investment market to get some certainty, even just at planning stage, that, 'Yes, you build that as you've designed and put those plans forward, and it will pass.'

**Senator GALLACHER:** Is there a person in the agency who has overall responsibility for your discrete sector, social disability housing? Or are they carrying a multitude of tasks?

**Mr Locke:** I think that is the case. Trying to find someone to talk to specifically about the two areas there is very hard.

**Senator GALLACHER:** There's no line of sight that, if you're got this issue, you go into the department to this person?

**Mr Locke:** No, I haven't been able to, and neither have the support coordinators or Youngcare or Cootharinga, who will speak later probably with more authority on that.

**Senator GALLACHER:** So you go to, say, the area manager who relates to a state manager or—

**Mr Locke:** Yes.

**Senator GALLACHER:** How much attention he can give you depends on how much of his day is going to be consumed by other matters.

**Mr Locke:** Yes. I said to Des, 'I've been trying to headlock him for a while now!'

**Senator GALLACHER:** Sometimes a clear line of sight to the person responsible—

**Mr Locke:** If we could be provided that, that is a massive thing.

**CHAIR:** Mr Simmons, can I come back to something that you said in your opening statement about changing rules and interpretations at the NDIA. Are you confident that that has now been resolved? You said you were relying upon 2016 or 2017 regulations.

**Mr Simmons:** I think there are still a lot of interpretations that haven't been resolved. We have attempted—not me specifically but consultants that we've worked with have attempted to clarify some of those things with the NDIA. We found that the NDIA finds it difficult to clarify some of these issues because they feel that they're not policymakers; they're only interpreting policy, and there's an empowerment problem. They're afraid to state their opinion sometimes. I think there are still quite a few issues that aren't resolved.

**CHAIR:** You don't have to do it now, but, if you're able to indicate to us subsequently—through the secretariat—examples of those difficulties in interpretation, that would certainly help us in terms of our work.

**Mr Simmons:** I've love to bring to your attention one issue that I'm really passionate about. It goes to how people live their lives. I didn't put it in my submission because it takes a little time to explain, but I'll be very brief if you'll indulge me.

**CHAIR:** Sure.

**Mr Simmons:** In the SDA rules that passed parliament in 2017 are the word 'participant' and the word 'resident'. When you read the language in the legislation, they sound interchangeable, and that flows through to quite a problem when it comes to the NDIA executing how they define resident and participant. I'm coming to what all this means. What's happened is that, when the policy position was put out, we all interpreted that a participant could occupy an SDA dwelling and another resident could also occupy it. That goes to having a boarder, someone from the community, a friend or a family member living with you, but you need specialist disability accommodation. When this definitional issue around 'resident' and 'participant' came to the fore, the NDIA interpreted that to mean that those terms are interchangeable. Therefore, if two people occupy an SDA dwelling, one participant and one non-participant, they will halve the SDA funding. If three people occupy it, it's a third. If four people occupy it, it's a quarter. That's the interpretation they have taken on that rule. We were all interpreting 'resident' different to 'participant'. This is a massive problem because it's discriminatory against people with disability. I'll give you an example. Someone has had an acquired brain injury; they've had an accident. They're married with two children. They end up in a nursing home, and they have to separate. There is

no way to support that person in the home. A three-bedroom apartment or a three-bedroom house that is built to SDA standard means that person could come out of the nursing home, be reunited with their family, and they could live together like everyone else in the community. But, if the funding is cut to a quarter, there isn't enough money to build that house or to build that apartment. **If the NDIA—**

**Ms MACKLIN:** And yet—sorry to interrupt—as I understand it, the NDIA would pay for the modifications to their home—

**Mr Simmons:** Correct.

**Ms MACKLIN:** which seems contradictory to the point that you are making.

**Mr Simmons:** Yes, it would. And the NDIA would pay for that person to live on their own. They would pay the full subsidy for that person to live on their own. They're just not allowed to reside with their family. I think that is an area that needs to be looked at, because it's discriminatory. People don't want to live on their own. People love to live in communities.

**CHAIR:** That's useful, Mr Simmons. If there are any other examples you want to forward to the secretariat, we would be interested in looking at them. So far the discussion in relation to housing has I suppose naturally enough focused on Townsville because that's where we are, but can I just ask about your experience in more rural and remote areas. Obviously there are people outside major centres like Townsville who have requirements for housing as well. Do you have any experience of that? I presume that, if it's difficult here in a centre this size, once you get out into the hinterland or further out it's going to be even more difficult to provide housing.

**Mr Simmons:** I spoke to an allied health professional on Tuesday who is tasked with scooping up this North Queensland region. Their attitude is that people are just not engaging with NDIS. It's too hard. There is no service out there. So housing is thought of like an impossibility. I spoke to Synapse, an organisation down in Brisbane who do a lot in Far North Queensland. They said they are desperate to get things built in Mount Isa as the need is enormous, but it just seems too hard for everyone to consider doing something in Mount Isa. They are just a couple of examples I am aware of.

**Senator GALLACHER:** That was the evidence we had yesterday on homelessness, incarceration and cognitive impairment. If you get in early and provide some housing people can avoid the justice system and so on.

**CHAIR:** Mr Locke and Mr Simmons, thank you very much for coming along and participating.

**MULLINS, Ms Joanna, Advocate and National Disability Insurance Scheme Appeals Support Officer, Independent Advocacy in the Tropics Inc.**

**THOMSON, Mr David, General Manager Local Area Coordinator, Feros Care**

[10:12]

**CHAIR:** Welcome. Thank you both for appearing before the committee today. I invite you to make an opening statement, if you wish to.

**Ms Mullins:** Thank you for the opportunity. I am an advocate with an organisation that used to be known as Independent Advocacy Townsville, but as of this week we have changed our trading name to Independent Advocacy North Queensland because of the area that we cover. We are based in Townsville. I should start by saying we are not actually a service provider under the National Disability Insurance Scheme because advocacy is not a service. So we're coming very much from the perspective of the participants. We've handed out some brochures and background information. The area that we cover for our NDAP funding is 194,000 square kilometres in Queensland. For NDIS appeals we cover 284,000 square kilometres of Queensland. For that we have four advocates, two of whom—and I am one of them, in fact—we have been able to put on for only a 12-month period because of funding issues. We also have a part-time intake officer.

Since the introduction of the NDIS we have had a 47 per cent increase in our clients. We're currently servicing 60 per cent more clients than we're actually funded to service. For the financial year last year we were funded for 116 clients and we served 184. Obviously, the NDIS is the biggest issue that we face. In 2016-17 we had 90 issues related to the NDIS—basically half of our clientele were NDIS issues. We're involved in all stages of the appeal process. We currently have a waiting list of 40 to 60 clients. The way we handle that is we've introduced the innovation of having an intake officer, who basically helps clients while they're on the waiting list and helps them do a bit of self-advocacy. We're involved in all stages of the process from pre-access, through to denials and planning. We are also sometimes involved in negotiations with service providers.

We see some key gaps in the market. I would put them into three areas. One is gaps that are caused by demarcation disputes between the state government and the federal government, particularly in the area of assistive technology, and services being provided in mental health care units. We see lots of gaps in the market itself, both in service type and geographic location. Even in Townsville—I will quickly list them—there are particular gaps for anybody who has high and complex needs, behavioural supports or issues with challenging behaviours. I fully support what was said by the two gentlemen talking about SDA, both in SDA and in supported independent living, particularly supported independent living for people with challenging behaviours, who end up having no option but living in the secure mental health unit and they do not have mental health issues.

We see huge gaps in terms of support coordination, and this is both a gap and a solution for us. In the long term, support coordination is meant to be getting participants ready to look after themselves. In the initial rollout clearly not enough participants were given support coordination. We, obviously, see the people who are in the most need of help.

I think NDIS participants fall into four groups. There's small group that are perfectly able to navigate the market. They might have a physical disability but it's not a disability that affects their ability to get on the internet to check things out themselves. They're educated. They don't need any assistance. There's another group of people who want to navigate the market but don't know how. It's all too much for them. They were block funded before. They like the fact that now they have choice, whereas before they had no choice. They had to take what they were given. But at this stage they do not have the skills to navigate the market on their own. Sometimes it's knowledge and other times it's access to the internet. Probably half of our clients do not have access to the internet, so they're not going to be on the myGov website. Skilled support coordination to support these people is absolutely essentially.

We also see general gaps in training. So many of the NDIS staff are on short-term contracts, and are not permanent staff, so there's no continuity for our clients. They're telling their stories again and again. They're not always knowledgeable enough of their own rules. It seems that, at the moment, we're seeing is a culture of money saving. The first plan will be reasonably generous and then the second plan will be significantly cut back, and the clients who do not have support coordination have troubles with the process.

We see issues with the skills of support coordinators. We see some excellent support coordinators that are well trained and know the market, but, because it's so new to everybody, we find support coordinators that don't know how to navigate the market well and that impacts on their clients, because they're being paid an hourly rate. If you know the market, you can quickly find the right solution for your client. But if you are not familiar with the

market, if you are not familiar with what is out there, a lot of support coordination funding can get chewed up in just trying to find the right services.

Obviously, if we see gaps in Townsville, the gaps in rural areas are even worse. Even for somewhere like Charters Towers, which you would think is a relatively big city, there are no psychologists or psychiatrists based in Charters Towers; there are only visiting psychologists. If I can give one example: we now have a client in Charters Towers who has been seeing a psychologist for many years in Townsville. She was funded for her support worker to bring her to Townsville. This year her budget was cut so much that her support coordinator just said to her, 'You're going to have to start seeing one of the visiting psychologists.' You can imagine if you suffered from a severe psychosocial disability and were suddenly told it's your job to find yourself a psychologist in Charters Towers, it would be extremely difficult.

The two particular areas for us would be anybody with an intellectual or cognitive disability and obviously anybody with a psychosocial disability who finds the whole system just incredibly anxiety causing and stressful to navigate if they haven't got the right sort of support coordination. So I suppose our solution is largely built around better and more money up-front in support coordination and, if I can add just to finish, more money for advocacy. You will see in there data. Our national organisation has produced some statistics that say that every dollar spent on advocacy brings a return of \$3.50 back to the government or back into society. That, by OECD standards, is a brilliant return. They consider anything over \$2 to be excellent. So we believe that advocacy is essential, but advocates cannot replace skilled support coordinators, and without skilled support coordinators there is no way for many, many clients of the NDIS to effectively navigate the market.

**Mr Thomson:** Feros Care would like to thank the Joint Standing Committee on the NDIS for inviting us to this hearing today. Feros Care is very proud to partner with the NDIA in delivering the NDIS in communities across Australia. We operate under a grant from the NDIA as a partner in the community, delivering local area coordination services in the regions of Townsville, which is where we are today, Mackay, the ACT, northern Adelaide and the Barossa. Feros Care is a community based not-for-profit, with a passionate interest in assisting Australians lead a bold life. We have had the privilege of assisting 3,723 participants to date in the Townsville and Mackay regions since we started on the ground in March 2017 and over 12,000 across Australia. We are very proud to have created 46 staff positions across our Townsville and Mackay regions, with all our staff being 100 per cent local to their regions. They have, collectively, over hundreds of years of experience in disability services in the regions that they are in.

We have noted with interest the numerous submissions made to this committee on the topic of market readiness and welcome the opportunity to provide you feedback that could assist the committee in its inquiry. Feros Care would like to note that our activities as a partner in the community are both commissioned by and limited by our grant conditions and, as such, we deliver local area coordination services across our regions in all areas, except those classified as remote or very remote under the Modified Monash Model. Under our grant, we provide local area coordination services to participants who have a lower degree of complexity in their disability and do not normally require the involvement of multiple stakeholders in any decision-making about their care.

Since our inception in these regions, we have operated with a business model where we provide our local area coordinators, all of them, with vehicles so they are able to visit participants in their homes or any other convenient place of their choosing to assist with any planning conversations or plan implementation conversations, as well as ongoing linkage to support in the community. Participants are also able to attend a Feros Care office for their planning conversation, if they so desire. In Townsville, our office is located at Suite 2/520 Flinders Street and, in Mackay, at Shop 5/74 Wood Street. Our preferred mode of interview is face to face in the participants home or at a place of their choosing. In both Townsville and Mackay especially, although it applies to other regions, but especially here, in recognition of the needs of Aboriginal and Torres Strait Islander peoples, we've reached out to these communities and have local area coordinators who regularly attend Indigenous-specific services to provide assistance to Aboriginal and Torres Strait Islanders in surroundings they are more familiar with.

One of the most important aspects of our assistance is in the area of planned implementation and ongoing support connection, which links up to services in the community. During the planning and implementation phase, we are able to point participants towards possible service providers, as well assisting them on how to navigate the portal, interact with service providers and other skills they may require. We are very careful in this to avoid influencing or recommending participants towards any specific service providers. We continue to provide ongoing support during the year on an as-needs basis; however, this support is limited to assisting with connection and linkage and building capacity in participants to be able to take on this role themselves in a more independent fashion in future. We find that in our regions that have achieved full scheme, for instance, in the ACT, where participants are on their third or fourth plan now, the amount of time participants need on linkage from their local

area coordinator drops substantially. Thank you for your time this morning and interest in Feros Care and our local area coordination service. We look forward to any questions the committee may have.

**CHAIR:** Thank you, Mr Thomson. Ms Mullins, can I come back to some of your comments and, in particular, your identification of the key gaps, as you described them. One of them was the demarcation between federal and state. I would like to explore that a little bit further. We have certainly heard a lot about the assisted technology issue in other places. The other one was in relation to mental health. My question goes to the continued provision of services by the state, because one of the complaints we have had in various places around Australia is that there has been a diminution of services by the state in areas where the state retains ongoing responsibility. I am interested in your experience of that. Is that the case here in Queensland, or otherwise?

**Ms Mullins:** It certainly has been in the case of assisted technology. As you said, you've heard that elsewhere. One of the issues with that has been that, if you have an NDIS plan but the NDIS refuses to fund the assisted technology for whatever reason, you are not eligible for MASS. Some people need quite expensive assistive technology.

In terms of the mental health units issue, it is the responsibility of the NDIA to help with trying to reintegrate people from mental health units back into the community. If you look at the demarcation, this is one where it is a responsibility of the NDIS, according to the rules. We are finding that it varies from region to region as to whether support workers are allowed to enter mental health units. What we want them to go in for is either to take the person out or to be in the mental health unit teaching them how to cook their own meal, teaching them skills that will help them when they are out of the mental health unit. But we find that there is a blockage in that, even though it is funded by the NDIA, the state will actually physically not allow people in there. We also have noted that there has been a diminution in the staffing of mental health units, which means that staff are not available for what we would call extracurricular activities; they are effectively capacity building activities. When someone is released from a mental health unit into the community, when they have been living in that sort of accommodation, they need a transition plan, and the transition plans have been very difficult from our perspective.

**CHAIR:** Has there been some reason why staff have not been able to go into mental health facilities? Has some reason been given?

**Ms Mullins:** In our region, we've been given two reasons. One is that it is a safety issue for the staff, but, given that mental health units are staffed by people anyhow, they are obviously under no more danger than the existing staff. That's pretty much the main reason we've been given.

**Senator GALLACHER:** In relation to your advocacy, I think we've had a lot of evidence over the last couple of years that a lot of people with cognitive impairment or psychosocial disability may struggle to actually get a definition of support from the NDIS.

**Ms Mullins:** Yes.

**Senator GALLACHER:** Does that mean the state will continue funding your role to assist those people?

**Ms Mullins:** In Queensland, we've been granted an extra 12 months funding. I know from our colleagues in New South Wales that the New South Wales government has slashed their funding completely. We end up in a fight. Because so many services are being cut back by the state, even though we're still helping them we're having trouble finding a pathway for them. I have one lady at the moment who was previously getting funding to have an occupational therapist come to her house because she's severely agoraphobic due to various issues. Once a week she would have people come to her house, take her out and get her into the community for a couple of hours. The second the NDIS was launched here, the people who were providing her that service under block funding contacted her and said: 'Sorry, we can't fund you anymore. Apply to the NDIS.' She's been denied services by the NDIS. We're still going through the process of trying to get her onto the scheme and she's been left with nothing for 18 months.

**Senator GALLACHER:** What I can't understand is that people who have a cognitive impairment or psychosocial problem can't advocate for themselves, so, if you're not there and it's not allowed under the NDIS, who does the advocacy then?

**Ms Mullins:** Nobody. They end up sitting at home. There's nobody to advocate for them. In Townsville, we're the only advocacy organisation. There are advocacy organisations in Mackay and in Cairns, but quite often people give up because it's too stressful for them. This lady that I'm dealing with at the moment—every time I see her she's getting worse. She is shaking like this. I've had to stop her getting papers about the case because she's so upset about it. We give highest priority to people who have the most needs, so a lot of the people on our waiting list will be self-advocating. We'll be saying, 'Go to your doctor, get this information and get that information.'

**Senator GALLACHER:** In the local area coordination role that you fulfil, do you see any of this type of representation?

**Mr Thomson:** Yes, it's certainly an issue. We've identified this as an issue in the Townsville region and, of course, it's an issue throughout Australia. I think the new participant pathway that's just coming out from the NDIA will assist to alleviate this somewhat, because it's been identified that there's the need for a specific pathway for participants with psychosocial disability. When that's piloted and rolled out, it will certainly assist. What we're doing ourselves as part of our role as an organisation is a project here in Townsville at the moment on psychosocial needs analysis of the region and linking in with all the relevant organisations on the ground in Townsville. We met, for instance, two days ago with AbbaCare, who are appearing this afternoon before the committee as well, to try and baseline just where the gaps are so that we can try and identify them. Our role is not to advocate; that's not part of our role. That's advocacy and we refer people on accordingly. We certainly try to make sure we can link up and also inform the agency of any gaps we pick up on.

**Senator GALLACHER:** In one of the first hearings we had—I think it was at Parliament House—representations were made in this area particularly and, in the absence of proper solutions, it ends up with homelessness, the justice system and incarceration. Ultimately, the taxpayer, for want of a better description, is going to pick up additional costs. Is it as simple as getting advocacy into this space to steer people in the right direction? Is that the solution?

**Mr Thomson:** I think advocacy certainly has a role but it goes a little bit further on than that. It's ensuring that the scheme is able to engage with participants in a more in-depth and comprehensive way and be able to fully provide what participants with psychosocial disability require.

As local area coordinators, we only engage with people who need a lower level of care. We receive our participants from the NDIS. So we don't choose them; we are allocated them according to their level of need. With participants with psychosocial disability, we invest much more time in the relationship with them. For someone who doesn't have a psychosocial disability, it is often just as simple as a phone call saying that you've been approved and we want to help you set up your plan. But, if you have a psychosocial disability, it may be that we need to have two or three phone calls and try to establish a bit more of a relationship to get there. It is certainly an imposition on our time, but we are happy to do that. So it does require a different touch or a different approach. But, like I said, the agency certainly identified that need and are working towards a very good solution, I believe, in that area.

**Senator GALLACHER:** I have one final question. I am struggling to get my head around all this. Is it possible to just go out and buy advocacy if you could?

**Ms Mullins:** From a lawyer? It is not at the moment.

**Senator GALLACHER:** But would they be recognised as my advocate if I said, 'I can't deal with this bureaucratic system; I'm going to appoint someone as my advocate and pay them'? Is that possible?

**Ms Mullins:** I don't know that there is anybody offering those sorts of services. Is the question whether it is being offered at the moment?

**Senator GALLACHER:** Yes.

**Ms Mullins:** No; I am not aware of anybody.

**Senator GALLACHER:** There must be plenty of people who are literate and numerate but can't deal with this system and would prefer to say, 'If there is someone who is experienced at it, I'll trust them to navigate it.'

**Ms Mullins:** A lot of these people do not have the cash if they are looking on the disability support pension. I have a lady on the disability support pension who needs help cleaning her house. It is only \$8 an hour if you get it through Blue Care, but she can't afford that. Because of her disability, she has to spend \$1,000 a quarter on air conditioning, which she doesn't get support for. So I think it's possible but, in practical terms, most people with a disability don't have the sort of income that would enable them to pay for an advocate.

**CHAIR:** Without wanting to sound patronising, is there a group of people who don't really know that they need advocacy?

**Ms Mullins:** Yes.

**CHAIR:** I know we are talking ballpark figures now, but what proportion of people, in your experience, are in that category where they don't even know what they need?

**Ms Mullins:** We get a lot of our clients through referrals from other people. It may be their support coordinator, their service provider or a member of their family. So a lot of our referrals don't come from the client; they come from other people who recognise that they need advocacy.

**CHAIR:** If it is just left to the individual, they may not even know that there is something that they could be seeking out in terms of assistance, let alone in terms of subsequent services—and they are left to their own devices.

**Ms Mullins:** The NDIA letters that they send, particularly the rejection letters, do have an oblique mention that there is an advocacy program and they could get help through that. In fact, they also quite often have an oblique mention that may be you can speak to your local area coordinator. One of the roles of the local area coordinator is meant to—

**Ms MACKLIN:** Why is it oblique?

**Ms Mullins:** It's not direct. It will be a general statement that you may be able to get advocacy help through the National Disability Advocacy Program and then there might be a reference to a website. And it will be the same with the local area coordinators. There will be a sentence that says: 'Your local area coordinator may be able to connect you with alternative services,' and then there will be a website reference. If people with particularly psychosocial disabilities have been rejected or if their plan has been cut, they are often in such a state that they are looking at the letter and they get to the first three paragraphs where they are being told that they are not in the scheme anymore or they're not eligible, that is kind of the end of it for them.

We get a lot of people who call us, because they call the NDIA in distress and the NDIA say, 'You'd better call Independent Advocacy.' So the pathways for finding advocacy are not altogether clear either. We certainly go to all the service providers. There are functions regularly—tomorrow there is one here—where all the service providers have a meet and greet. We certainly always go along to those so that if clients are there they know we exist.

**CHAIR:** Can I just ask you the same thing, Mr Thomson. I'm not downplaying what you are saying, Ms Mullins, but obviously you are dealing with people who need advocacy. So from a broader perspective, Mr Thomson—I think you said there are 3,700-odd people in the Townsville-Mackay region—what's your sense of this? I know you cannot put an exact figure on this, but what's your sense of the people who need advocacy who may not even necessarily know that?

**Mr Thomson:** It's very hard to quantify and say who doesn't actually need it. Part of our role as a local area coordinator in the plan implementation phase is to actually explain the rights a participant has under the scheme. We do explain those when we go out and implement a plan with someone. We explain that if they are not happy with their plan they have a right to request a review. We can step them through that process. However, we are unable to advocate on their behalf. So that's when we always recommend someone to them and link them up if necessary. We wouldn't get a massive amount of uptake on that, necessarily, but I'm sure Ms Mullins would be feeling swamped by the amount she gets.

**Ms Mullins:** Yes!

**Mr Thomson:** As to who actually needs it and isn't aware, I know that with anyone that we work with we will certainly leave them with the impression of who they can go to. They have ongoing support from us during the year. If we can't do it, we point them to where they can actually go. Our objective is always to warm transfer over be it back via the agency for an unscheduled review or to advocacy if they feel they need the assistance of someone to go in a bit more to bat for whatever they are looking for in the review.

**Ms MACKLIN:** As you know, the purpose of this hearing is looking at market readiness. One of the things that both of you have a very real understanding of is where the gaps are. Joanna, you went through quite a few of the gaps that you've experienced. You would have heard the previous contributors here this morning suggesting how we might improve the provision of accommodation, which you've identified as one of the gaps. David, you must see the gaps in the market, because one of your jobs, as you rightly point out, is to help people implement their plans. So I think it would be really helpful for both of you to fill out a bit more what you see as the gaps. As we heard from Paul and Martin earlier, could you also suggest how those gaps might be better filled. Paul, for example, had some very specific recommendations about how the gaps could be filled. Have you got some specific recommendations about how these gaps that you've identified could be filled? Or are there gaps, David, that you might identify in addition to those that Joanna identified? That is really one of the main things we are here for—to hear where the market is up to and how we might facilitate the filling of the gaps in the market.

**Mr Thomson:** Mackay would tend to be a leaner market than Townsville, even. As was mentioned, if you go to Charters Towers, even though you would think it is a major town, it is extremely lean. That is the reality that our LACs face. When trying to link participants up to service providers for their plans, you run into the issue of not finding anyone who can actually do it there or that there is a long waiting list. In Townsville, for instance, finding registered service providers who are psychologists is an issue. We find that to be an issue across Australia.

Even in the ACT, which you would expect to be well covered, we find that to be an issue, which is quite surprising. Finding more specialised services in psychiatry, because people with psychosocial disability will need a psychiatrist to sign off on their papers so they can access the scheme, can be an issue as well.

Specific occupational therapists for doing assessments for home modifications are very hard to come by in this region as well. That's not just a limit in this region. In a previous life, I worked heavily in the Home Assist Secure space in Queensland, a Queensland-specific space that provides assistance to people under 60 with disability, as well as over-60s of any age, without a disability, but just because of age. It provides home maintenance and mods to them. Even in Brisbane, it was very hard to come by qualified OT's who could do suitable assessments for home mods. It is certainly an issue here in Townsville as well. Lawn and household maintenance is normally hard to come by. Something a little more specialised—

**Ms MACKLIN:** Why would something like that be hard to come by?

**Mr Thomson:** The issue is whether they're registered service providers or not.

**Ms MACKLIN:** Is the message not getting out about how to register? You can understand it takes a very long time to qualify as a psychiatrist, but, for some of these other business opportunities, is the message not getting out?

**Mr Thomson:** I don't know if the message is not getting out. It has been identified—and an independent pricing review has just come back and it identified issues there—that pricing may have not made it attractive enough to let anyone show any real interest in it. I expect that the review will now—

**Ms MACKLIN:** So you think the price is more the problem, rather than the market.

**Mr Thomson:** I would have thought so, in areas like maintenance and gardening, certainly.

**CHAIR:** I don't want to be an advertiser for a particular product, but—

**Ms MACKLIN:** Maybe don't mention the name.

**CHAIR:** It comes to mind, and everybody knows it. Jim's whatever provides services in whatever you want these days, virtually, but I take it that they're not into the market with franchises here.

**Mr Thomson:** The issue is they'll be available for someone who self-manages their plan, because they can use anyone, but if it's agency managed it needs to be a registered service provider and it needs to fit within the price list, and they can only charge what's on the price list. That's the limitation. It's whether it fits within that.

**Ms MACKLIN:** I understand the price problem, and, hopefully, that's going to be fixed. Do you think it's also these types of enterprises that are providing that type of service—you would've thought, in a place like this, that's the type of job that people would be willing to get out there and create an opportunity for people.

**Mr Thomson:** I'm sure they will.

**Ms MACKLIN:** Do they not know the registration process? Is that part of the problem?

**Mr Thomson:** That I couldn't answer. That would be an agency question really. What we do—

**Ms MACKLIN:** Do you hear that?

**Mr Thomson:** Not really, because we don't actually hunt around and find someone who isn't registered and try and register them. That's not our role.

**Ms MACKLIN:** Do you find it hard to find registered people?

**Mr Thomson:** Yes, we do. We feed that information—this will lead on to your question—back to the agency, regularly. I know that the agency here in Townsville has continually put out to providers where the need is. I know they put the psychologist one they put out. They actually quantify it and say there's X amount in this region, to try and make it attractive to someone with the interest of going in and setting up a business there, because we feed in, and they feed in as well, with their expertise, and that's out there. There's certainly work being done in the area. It's not as if it is all doom and gloom, because, although the market is, perhaps, lean, there's certainly a lot of work being done in the area to try and encourage that.

**Ms Mullins:** For some small businesses, the actual process of becoming a registered provider can be the issue.

**Ms MACKLIN:** That's what I'm trying to get at. Do you think it's too complicated?

**Ms Mullins:** I think there are a lot of hoops that have to be jumped through. If you're a psychologist, an allied health professional or already in the disability industry then you're probably used to dealing with government and used to dealing with the quality standards and all of the paperwork that has to be done. But the ones we're talking about are not specifically skilled for disability. House cleaning is the same thing. I know because friends of mine run a cleaning company and they went through the process of becoming a registered cleaner for the NDIS. They

were slammed immediately by clients coming on because they were the only local cleaning company that had gone through the process, so suddenly they we're swamped. We find the same in other areas. When you do have the good support coordinators and the good service providers who understand how to deal with challenging behaviours, they can't cope with the—

**Ms MACKLIN:** That's what I'm trying to get at.

**Mr Thomson:** I understand. What we've taken to doing lately is getting in contact with people who are interested in being sole traders. They are small independent organisations, if you will. We've been linking them up now with a new enterprise incentive scheme, to try and give them assistance that way, so they can then get assistance and set up as a sole trader and then register as a service provider. We try to help and encourage them in that way.

**Ms MACKLIN:** Before I go on, are there other gaps you want to highlight in addition to the ones you've already mentioned?

**Mr Thomson:** Yes, there is a lack of services. This may well be more Australia wide, but there is lack of services for younger adults who don't quite fit into what you perhaps would call the run-of-the-mill disability groups. They're higher functioning participants who may sit somewhere in the autism spectrum, but they don't really fit in. In their mind, they're fine; they don't want to go with a much more basic level of group. So, there's certainly a lack of help there. Paediatric physiotherapists can be very hard to come by as well. If we're talking about the Mackay region, because we are still in the same North Queensland region, realistically, we could think of other similar things. Mackay allied health tends to be a large problem. Most allied health providers, be they speech therapists or just occupational therapists—there tend to be very few. There are certainly gaps. Of course once you leave the major regional centres, such as Mackay and Townsville, then it's extremely hard.

**CHAIR:** And this is going to compound, because the ramp-up of the rollout, if I can put it that way, of the system from 140,000 at the moment to 475,000 over the next year or two is going to be very challenging.

**Mr Thomson:** Yes, that's right.

**Ms MACKLIN:** To go to a different issue, you talked about the people you employ as local area coordinators. How many Aboriginal and Torres Strait Islander people do you employ to make sure that local Aboriginal people have got the best access that they can get?

**Mr Thomson:** We actively encourage and try and recruit as many Indigenous staff as possible. Currently we have two in Townsville and two in Mackay, out of our staff here. We actively encourage and try and recruit as many as possible. However, we don't just recruit solely on the basis of Indigenous status of course; we try to make sure that the staff we recruit have the following three characteristics: firstly, they're emotionally very resilient and able to constantly deal with and assist participants in a way that will best help them out. We also try and make sure that they've got plenty of experience in the disability field, and we also make sure that they have some experience in person-centred assessment.

**Ms MACKLIN:** Sure.

**Mr Thomson:** What we then do is try to link into local Indigenous communities and local Indigenous service providers, and I think we do that quite well. Today, for instance, we're all day at one of the service providers—who, I believe, will be presenting this afternoon—the Townsville Aboriginal elders health service. We do that on a monthly basis. We go and embed one of our Indigenous staff members there, and they'll be there all day, assisting participants, who tend to be Indigenous of course, with specific questions. But it's in an area where they are. We've gone to yarning circles, for instance, in the Burdekin. We've got another one coming up here in Townsville at the end of the month to try and find participants who are Indigenous where they are in a situation or a setting that's small comfortable for them.

**Ms MACKLIN:** In relation to people who speak languages other than English, do you employ people particularly to assist with non-English-speaking language groups? One of the issues that is clear nationally is that there is an underrepresentation of people from non-English-speaking backgrounds in the scheme, even though you would expect there to be a particular proportion. What are you doing here in Townsville to make sure that people from those backgrounds have their entitled access?

**Mr Thomson:** We have over 23 languages represented amongst our staff across Australia, and here in Townsville we have seven different languages. We have a staff member, for instance, who speaks quite fluent Indonesian, so she's able to assist us if there is anyone like that. There is a limit to how many staff we can employ and how many languages they could possibly speak, so, though we actively encourage it, we do need to link into translation services when possible. But what we also try and do is link into relevant service providers like AbbaCare, for instance, who work more in the CALD space, and try and use their expertise. Once again, as we do

in the Indigenous space, we go to service providers who are comfortable in that space and participants come to them to be assisted. It is a more symbiotic relationship with service providers who specialise in that space. We can't have every language or culture under the sun, obviously, so we move in a more symbiotic fashion with them.

**Ms MACKLIN:** What is access to interpreters like in this area?

**Mr Thomson:** If it's face-to-face, it's quite low. It normally has to be done via telephone and sometimes it can be done via videoconference.

**Ms MACKLIN:** How do you go about getting access?

**Mr Thomson:** We have no issue in getting access if it is via telephone or via videoconference. That's quite a simple process. We have a contract set up with providers around Australia to do that, the same as we do for Auslan interpreters, for instance. The provision of translators isn't really the issue. If you want someone on the ground, face-to-face, then it certainly is. There aren't many. Because there are possible legal implications in someone's plan, we always go in. Even though we have staff who may speak the person's language, or the family may, we make sure we have an official interpreter to do any of the actual planning or the plan implementation work.

**Ms MACKLIN:** The other group we often hear a lot about on the committee are people who are often very hard to reach—people who may be homeless or go in and out of jail. What are the particular approaches you use to make sure that they get access to services?

**Mr Thomson:** The participants we work with are all allocated to us by the NDIA. We don't actively recruit.

**Ms MACKLIN:** I understand.

**Mr Thomson:** If someone were in a homeless situation, normally someone wouldn't be allocated. We only work with people who need a low level of care or where there is lower necessity for stakeholder involvement. For instance, in Townsville, we're working on the project that I was discussing. I'll find the name of the organisation. It doesn't pop straight into my head. We had a meeting today with the Townsville working group which works with homeless organisations in Townsville. We have the Mental Health Service Group, for instance. We also have the Townsville Drop-In Centre. That's where you'll find homeless people. There are a couple of other groups that go to those groups. So, wherever there is provision in the community of service providers who already work in that space, that's where we go to try to link in and also potentially identify people without access to the scheme, including those who don't even know about it, and then advise the NDIA so we can potentially assist them to access it. Across the Indigenous corporations, for instance, we would have assisted over 100 people to access it so far during our time in Townsville. They are people who had no access to the scheme and didn't really know about it. It was just by going out, spending time with them, letting them get to know us and hearing about things. We do the same thing in the call space, the homeless space and the others.

**CHAIR:** Thank you, Ms Mullins and Mr Thomson. We appreciate your participation today. Thank you very much.

**AKEE, Mrs Angelina, Chairperson, Townsville Aboriginal and Torres Strait Islander Corporation for Women**

**ANDERSON, Dr Kathy, Chief Executive Officer, Townsville Aboriginal and Torres Strait Islander Corporation for Health Services**

**ATKINSON, Ms Rachel, Chief Executive Officer, Palm Island Community Company**

**LYMBURNER, Ms Evelyn, Director, Townsville Aboriginal and Torres Strait Islander Corporation for Aged and Disabled Care—North Queensland**

**PRYOR, Ms Jenny, Chief Executive Officer, Bindal Sharks United Training and Employment, Sport and Recreation Aboriginal Corporation**

**STAINES, Ms Patricia, NDIS Support Coordinator, Townsville Aboriginal and Torres Strait Islander Corporation for Women**

[11:01]

**CHAIR:** I now welcome representatives from the Townsville Aboriginal and Torres Strait Islander Corporation for Women, the Townsville Aboriginal and Torres Strait Islander Corporation for Health Services, the Townsville Aboriginal and Torres Strait Islander Corporation for Aged and Disabled—North Queensland and the Palm Island Community Company. Thank you for appearing before the committee today. I invite you to make some brief opening comments. We will start with the Townsville Aboriginal and Torres Strait Islander Corporation for Women.

**Mrs Akee:** I am a founding member of the Townsville Aboriginal and Torres Strait Islander Corporation for Women and have been with the organisation since its inception in 1982. I am an Aboriginal and Torres Strait Islander woman with a diverse background.

**Ms Staines:** I am the NDIS support coordinator for the organisation. I would also like to acknowledge my heritage as a Wiradjuri woman from Bedgerabong in western New South Wales. I have been with the program since May 2016 to help the organisation develop an NDIS business model to roll out the program.

**Mrs Akee:** My Aboriginal heritage is from Kaanju country up in Cape York and from the Torres Strait and Darnley Island. I also have traditional links with Bindal and Juru as well, which is around the Townsville and Bowen area. We have native title on our country, the Juru country, on land, township and sea. As you would be aware, we not only come from a diverse background but also have a history in terms of our Aboriginal and Torres Strait Islander past.

But today I am here to introduce our organisation regarding the rollout of the NDIS. I acknowledge Tanya Akee, who is not available to come today. She was the acting CEO who started the negotiations from Brisbane right through to Townsville in promoting the NDIS and access to the NDIS services. Our board is very passionate. For many years we have been running the Home and Community Care Program, which deals with elderly people and young people with disabilities, and we saw the need not only for our people but also for non-Indigenous people. I acknowledge Synapse and the doctors who came up when we did a promotion about the NDIS through our service. In that promotion not only did we have our own people but we had a lot of non-Indigenous people who came forward and wanted to get access and information about NDIS. Unfortunately, there are lots of gaps in the NDIS services. We will probably elaborate on that a bit more when you start asking us questions. Like I said, we are an Aboriginal and Torres Strait Islander organisation, but we service non-Indigenous people as well.

**Dr Anderson:** I would just like to acknowledge the traditional owners, the Bindal and Wulgurukaba people. I am here as the CEO of TAIHS. We are a primary health service. We are not an NDIS provider. I think we registered when it first came out so that we could look into it, but with those concerns around workforce and the up-front costs we decided that we wouldn't be one. But as a primary healthcare provider of the roughly 8,000 Aboriginal and Torres Strait Islander clients we see we have a significant number who are eligible. It is patchy. Some have had really good experiences with NDIS and are linked up. We have partnerships with providers. So we are here not as a provider but as a primary health service.

**Ms Atkinson:** I am the CEO of the Palm Island Community Company. I will be bringing in a bit of a perspective on remoteness and how NDIS is rolling out in the community. First of all, I would like to acknowledge the traditional owners of the land where I sit today. I am an Aboriginal woman, Yorta Yorta, but I have lived up in this region for many, many years. The Palm Island Community Company, just to give a brief about what that organisation does, is quite a significant primary health service as well as social service

organisation. On Palm Island there are over 100 staff, local Palm Islanders, employed delivering health services right from age zero to death. Disability is one of the areas we cover.

We have a quite extensive services on Palm Island; however, I will make a statement now: we can't get it right with NDIS. It's not right. It does not fit in the culture on not only on Palm Island but probably right across the Aboriginal sector. We cannot get it right. Why? It is because we are trying to fit a model that was developed into the unique culture that is Aboriginal and Torres Strait Islander.

**Unidentified speaker:** I am a director with the Aboriginal and Torres Strait Islander aged and disabled respite care. I'll hand you over to Evelyn.

**Ms Lymburner:** I am Bindal and a TO of this country we are on. Also, I was the first coordinator 30 years ago that opened this centre. As you can see from our pamphlet, it was a vision from our old people who didn't want to be burdens to their families. They needed somewhere they could be with other Aboriginal and Islander people so that they could have at the ending of their lives and to get them through that stage. I don't know if it's an honour or annoying that we are all here sitting together. We are a black organisation. We have different kinds of services, but we do network with one another and we do appreciate each other's service delivery.

On the NDIS, at the moment we take in clients. Some of those clients can be very damaging to our centre. When we try to get financial assistance sometimes we are rejected. Some of them don't understand, but they see the black faces and they know they are still at home. If they were in a mainstream service, they'd probably freak out. We have two visiting clients—a young girl and boy—who live independently in mainstream accommodation and still come back for their cultural awareness with us every Tuesday. They look forward to that. We were one of the first Indigenous and one of the most identified services in this community on Palm Island and right across Queensland state. A lot of people are from Brisbane. Our elders in Brisbane contacted me when I was doing policies for our centre and used the ideal to start their operation.

I am happy to sit here and showcase our centre because it is a wanted centre and it is a vision that the old people had and it is thriving today. We had disability recurrent funding years ago and from July through to December last year we started networking with NDIS to do the changeover and it is a big difference. We are still learning. We have asked for training in that area, but it's still forthcoming. I don't know when we are going to get it. But we do get some knockbacks when we apply for funding. Even with clients who have been working with us we have asked for back pay from NDIS for when they stayed with us. We had evidence and everything and they knocked us back and they've gone on to other respite centres that have taken them. So these other major centres are stealing our clients away and they've left us in a debt. We've tried to retrieve that funding from NDIA or NDIS, but it has been rejected.

I don't want to see this centre fall or fail, because our old people struggle to survive. The old people back in those days set up what they wanted to do, and to see that vision here today thriving has been a privilege and an honour to carry it forward. We just want to keep doing that. My mum and dad were among the elders who had this vision. That is why I want to keep it going—for them and also for the Aboriginal and Islander community.

At the moment we have five bedrooms and can take eight people at a time. At the present moment we have got six. Two are visiting and four were already there. With our some of our client we do one-on-one with them 24/7, but with the other clients we bring in other workers. It's a privilege to work there.

**Mrs Akee:** The problem with the NDIS—no offence to the name—is that it is, as I call it, the 'national disaster for Indigenous services'.

**Ms Atkinson:** That says it all.

**Mrs Akee:** The problem for us and probably all the other Indigenous services is that we just don't fit in. When it first rolled out, we were told we weren't allowed to coerce our clients. Indigenous people had to admit themselves. So our people went and met with NDIS. They didn't know anything about what they were planning and they lost out on the best bargains. We work with the Palm Island Community Company. We have their clients come over and stay at our respite. They don't have enough money for respite anymore. They've taken that away from them. Every time you get a plan done with our clients, the money is downsized.

**CHAIR:** Thank you. That really leads into my central issue here. You said, Ms Atkinson, that the NDIS doesn't fit the culture and that we cannot get it right. Mrs Akee said there were lots of gaps. You've said something similar.

**Ms Lymburner:** A lot of them are not aware of our culture. Just because we are all black at this table doesn't mean that we are all painted from the same brush. We are all from different tribal backgrounds. I speak a different language to Yorta Yorta because I am a Bindal woman from up in Cape York. A lot of the non-Indigenous

mainstream—that is, not Aboriginal and Torres Strait Islander—paints us with the same brush. It has a very disastrous effect for our people.

**CHAIR:** Our task is essentially to try to make recommendations to the federal parliament as to how this scheme can be improved. It's not our task to redesign it, but it is our task to look at what the problems are in terms of the rollout and, wherever we can, to make recommendations for proposals for changes. What I'm interested in—if I could start with you, Ms Atkinson—is what essentially are the issues that we are not getting right at the moment and, more importantly, what are the things that need to be done to get it right? We can identify problems; but if we can't also identify some proposed solutions, we're not really serving our purpose or your purpose as well. I would encourage a discussion about that.

**Ms Atkinson:** What I might do is just, taken on the readings, discuss market readiness. I think a bit of where we were before and where we are now will give an understanding. I will just read from some of my points here. These comments are based on the program on Palm Island. However, I do sit at different national and state level forums I could probably safely say that a lot of these issues have been voiced across those. The implementation of NDIS on Palm Island lacked adequate preparation, especially for those clients transitioning from the state government disability service block funding to individual funding under the NDIS. That was a complex area. It caused a lot of angst on the island. In particular, there were significant gaps in funding during the transition. The state government stopped their funding as of 1 July. That's when NDIS 2016 rolled out on Palm Island, but no magic packages were there. We had a moral and ethical obligation to continue working with the clients, because we couldn't say, 'No, go away. The funding is finished.'

The modelling itself is difficult to understand and consequently it is difficult for the community to understand. The other big issue that made it difficult for the community and the clients themselves is the lengthy process it took. There was a lot of misunderstanding of what these packages meant and there was a lot of false information going around. It was like anything: when something new comes, everyone has got an opinion. The state government disability service declined to assist PICC during the transition because they said, 'We're learning too.' That was despite the fact we were trying to get ready for this and we just couldn't, because we didn't have a full comprehension of what it was about.

PICC was given poor and inaccurate advice from government, such as that PICC staff could not attend NDIS assessments with clients. Clients weren't going to NDIS to get that done and understand what was going on. They had a safety net and that was the Palm Island Community Company's local staff. We weren't allowed to go in there because we were a provider, and they saw that as a conflict. In doing all of this, for us to get ready, we actually invested a lot of money and got a consultant in to help us. It still didn't make any difference. The NDIA staff on Palm Island had a turnover. It has been quite a difficult position to be placed in in a remote Aboriginal community. Thus, community investment in the scheme has been difficult to maintain, because we didn't have that NDIA worker there.

The model for NDIS is founded on an individual funding. This is my point I raised earlier: funding for individual service is not an appropriate model for communities based on complex kinship relationships which prioritise the need of family and community groups. In some of our current cases at the moment, we are working with an individual client. It doesn't match the culture or the needs of that community. We walk in and our workers work with one client, yet the good practice of work with Indigenous families and communities is taking a holistic approach. You don't work with individuals. Unfortunately, this model is just not getting this right for some of our clients.

Culture and traditions are not accounted for. An example is sorry business. When we had block funding, we were able to go and attend to all the support for our clients to manage or go to sorry business events, funerals and other things. We can't now, because it's not in their plan for the worker to start supporting the NDIS client in sorry business. It is probably one of the biggest flaws, equally with all of the others I am raising. There is also no room for Palm Island and Townsville transitions. There is a lot of transition going on, so a client gets up, comes over and stays with aunty for a while or with their granddaughter or something. They have not used all of their plans up, so that's seen and there's no coordinating to work with that person whilst they are over here. That's okay. They are using their natural networks. But it then disadvantages the client when they go back for their next package.

The whole cost of delivering disability services in remote Indigenous communities exceeds the reimbursement from the NDIS. Travel is a particularly costly issue. You can't drive from Palm Island to Townsville. You need to fly or take a ferry. Those costs are quite significant. Also costly is the additional support needed for some clients to access the NDIS. At the moment, with the local knowledge of the community, to get them to access the NDIS they need a support to actually do that and that is an additional cost that PICC is covering. The economy of scale

principle does not work in small populations such as Palm Island. That's that thin market that has been talked about.

The availability of credentialed and suitable workers in a limited employment pool is poor, as there is strong competition for those workers from other PICC services and external agencies. We're not going to have workers that meet all of the requirements to deliver a service or support a client. If they have got all of those requirements, they are highly employable on Palm Island in other areas. They're not going to stay around and do two hours a day or something. It's not viable for those workers. The other big cost to this too is mentoring, support and developing training packages. Delivering those training packages to those individuals is another added cost that's not covered anywhere else.

In order to attract workers, PICC matched the disability support worker's salary to the support worker salary based on our other services. Under the award, I think we're paying about \$4 extra per hour because it's a competitive market on Palm Island to get those skill-based workers. Lack of staff has resulted in only 50 per cent of support hours being delivered from approved packages, because those packages were developed without a strong cultural input into how those packages should work. Some of the clients don't care about it. They want this part of it, but they do not care about the other.

In saying this, there are a lot of other broader issues why we are struggling with the NDIS. I like what you've just said about it being a national disaster for Indigenous services, because it really has hurt our sector. I think we were doing fantastically under the block funding. This model has come in and we can't work in those solo packages with what's happening now. To date, PICC has incurred a loss of probably over \$200,000 now since the implementation of the NDIS in 2016. This is endangering the viability of other PICC services. The Palm Island Community Company will be making some very serious decisions on where we will go with this.

When the NDIS was first spoken about, Palm Island was flooded by the major disability services and the big non-government organisations. They flooded Palm Island. It didn't take them long to walk back out again, because they knew it was not going to work and it's not viable. I go back to how culturally inappropriate this service is. There was no consultation as to how it was really going to fit in these communities. It's not viable at this point. It doesn't meet the needs.

**CHAIR:** Ms Atkinson, what suggestions do you have in terms of any modification, change or alteration to the way in which it works for an Indigenous community such as Palm Island?

**Ms Atkinson:** I think, given the thin market, we're struggling with that. To really operate a good service in a remote Aboriginal community—and I could probably say, even, in our community in Townsville here—there needs to be a core grant of some sort to build the capacity of the sector. We don't have this big reserve to back us. That loss to PICC is probably one of the most damning losses that we've ever had since the inception of PICC, and we are vulnerable. It's our working capital. But we could not not do it. We had to do it, so I think what we're talking about is, 'Give us that block funding.' There's got to be some uniqueness in NDIS, not one shoe fits all; it doesn't. I think what we really need is to revisit and look at the difference and why it isn't working in our remote communities. We've had two reviews, and they're all coming up with the same thing. We've had National Disability Services who've clearly said, 'It's not going to work, no matter what you do.' And they're telling us what we're telling them. I do know other remote communities, up in Aurukun and all those other places, are really seriously looking at: how is it going to work for them?

**Ms MACKLIN:** How broad would the grant be?

**Ms Atkinson:** In terms of what—

**Ms MACKLIN:** Coverage.

**Ms Atkinson:** Coverage—in terms of building up capacity in these communities, to cover those extraordinary costs that you won't get in other services. And, if we're going to deliver services to the most disadvantaged communities, we do need a capacity building and a prop up. In terms of the old history when they looked at why Aboriginal and Torres Strait Islander people weren't accessing mainstream health services, 40 years ago we talked about needing to look at a whole different model. Out of that, our Aboriginal medical services were born and in that there is unique—I can't think of the word, but we've made a difference, and we are working towards closing that gap. We had to fight for that. We got different item numbers in Medicare. We've taken on a holistic approach, not just fixing the diabetes; we look at the whole person. We've got to have that sort of thinking and cover the cost of doing that. To survive, and for any of us to survive in what we're trying to do here, we need that block funding.

**Dr Anderson:** What Rachel's saying is correct. Not solely, but in primary health, we claim Medicare but we don't generate a profit, so the grant funding, the block, subsidises that gap because of the additional needs. I completely agree with Rachel, because, when we did the budgeting a couple of years ago to say would we be a

provider, that gap was what we were concerned about, and Health funds us for that gap with its grant funding. But I still strongly believe that there should be a per service in the same way there is with Medicare, because that keeps everyone—

**Ms MACKLIN:** You're suggesting a combination?

**Ms Atkinson:** Yes.

**Dr Anderson:** Absolutely. And that's how Health does recognise the additional cost of delivering to clients with complex needs.

**CHAIR:** So your suggestion, Dr Anderson, is that the experience and the way in which this has been done with health would provide a starting point in terms of a model for a hybrid type of arrangement for Indigenous communities?

**Dr Anderson:** Absolutely.

**CHAIR:** It's the key.

**Dr Anderson:** Through Synapse, and when we first started promoting NDIS, we actually got a team from Brisbane that came up to Townsville through our service. We had the doctors, we had nurses and we had Synapse through the mental health area as well. If we hadn't got those people up to identify and do the assessment on our people, we wouldn't have been able to get the number of people that we've got on our books now. Not only that, all the clients that were CHSP that were eligible then got assessed as well to come over to NDIS.

But I support what Rachel is saying. It's the funding. Mainstream services have got the building and they've got the resources, but services like Kent Street, Palm Island company and ours are still surviving on what little money we're getting. I agree that we need to have a grant that would give us capacity to build on NDIS, especially with our people. And I'm not ashamed to say it. When you walk into a house and you see a lady with no legs living downstairs in a high-floor house with no toilet, using a bucket and having to have a bath out of a bucket—eligible for NDIS? In this day and age, we shouldn't have clients who have disabilities and don't have the capacity to get assessed and all that. It's not about colour here. This is about a service that people need to have and, unfortunately, the NDIS is not providing the type of service that we could provide as a service provider. Our service needs a medical team because our staff are not medically able to go out and assess people in their homes who are having major medical problems. We need to have capacity in terms of vehicles. It's exactly as Rachel said: when you go to Palm, you've got to go by boat or air, but here we've got to have vehicles. Our clients live not only in the regional area but also in Townsville, where you've got to go 15 to 20 minutes out to service people and longer. But I'll let Trish take over, because—

**Ms Atkinson:** You're doing really well—

**Dr Anderson:** It's very frustrating for us. We bought a building, and it needs major repairs. We've been lobbying both state and Commonwealth government to try and upgrade that building. Compared to every mainstream service, who've got really good buildings, here we are and we don't even have proper steps for our people in wheelchairs. We have to build ramps for them to get into the building. So the capacity that we have is not suitable for people with disabilities. Go on, Trish, you take over.

**Ms Staines:** I think one of the biggest issues when I first came into the area with the Corporation for Women and identifying the structure of the model is going back to this concept that possibly the solution is a hybrid model, because what I saw was a model that was aimed at white middle-class Australia, and it fits quite well in that middle sector, but it has completely forgotten the Indigenous sector, and not just the Indigenous sector but the CALD sector as well. The lack of capacity in the community-based organisations in terms of cash flow and that operational capacity—those organisations have been in a funding model for generations and, all of a sudden, we're expected to develop a business model. To develop a business model and change thinking within an organisation creates a huge cost. The number of clients that we identified initially that were eligible for the NDIS but were inundated with the word-heavy process of the NDIS—and that happened within the organisation as well. People trying to learn and understand how the NDIS was going to work and what it would look like were overwhelmed with the density of the information. And if people in organisations are having that difficulty, then how are NDIS participants going to be able to navigate that? So we then stepped out into community to start educating, breaking that density down and bringing in words and formats of explaining the NDIS to participants to get them eligible and to get them to understand what this process was going to be like. The NDIS, in the infancy of the rollout here, really did not understand the burden of cost to business to engage in community to give that message out, the cost to the organisation then to bring the SDT team and Synapse up so that we could break down some of those barriers of getting people into medical services for assessment. There's \$50,000 alone already eating into your ability to start up a new business and fund the provision of services to those clients.

**CHAIR:** I hear what you're saying there. What I think is important is to separate out what are transitional issues which might be relevant to an Indigenous organisation and a non-Indigenous organisation—because we hear similar stories in other parts of Australia from non-Indigenous organisations, with the cost and the burden of the transition starting off. But what I am particularly interested in is the ongoing issue—that is, are we looking at a situation in which the market is going to remain a thin or non-existent market, therefore, to pretend that somehow in the future, magically, this is all going to rectify itself and the market driven system is going to work, if it is never going to work? I am influenced, I suppose, by what you said, Dr Anderson, in terms of having looked at this and said, 'We're not going to be in it because we can't make it work,' and what you said, Ms Atkinson, that you were flooded with all sorts of organisations that came to Palm Island and said, 'We'll look at setting up,' and they all disappeared almost as quickly. That took you back but took us back generally to what is working and has worked, and maybe that's why we need to be looking at some sort of hybrid approach to this. Then the question is: if this is still designed to be a system which the individual drives or has control over, and the market is the mechanism, if you like, by which that occurs, where's the trigger point to say it's not going to work at, for example, Palm Island or in some other situation? I think that's the question that we're grappling with, not just in relation to Indigenous communities but in some other areas of, to use the cliché, thin markets.

**Ms Lyburner:** You talk about getting readiness for us. We've had no NDIS come to our table and offer renovation. Our centre's been open for 30 years, and renovation has been little. We've got a bus that's beyond 20 years old that we're still using. But nobody's come to the table and said, 'Do you need any capital to help with some renovation or modification?' We've got a client who came from the hospital with an OT attached, and we had to get special things for his bedding and that. It can't be done until we get a package for that client. In the interim, I agree with my sisters here on this table, but we are in a different situation. We've got a centre that offers accommodation 24/7. It's short-term and long-term stay. NDIS workers come in and they say it's lovely, clean and everything, but modification needs to be done—renovation, painting, whatever. Nobody has brought that to the table or offered us a new bus—nothing. If they want us to keep this in existence, we need that kind of support, not just the block packages that clients bring to the table. We need that extra support from the NDIS team or whatever.

**Senator GALLACHER:** If you look at the Reconciliation Action Plan 2016-2017, it actually says, "We are working with communities, building capacity." There is a direct statement there, which you are obviously all not agreeing with:

We are taking a community development approach, building capacity directly with communities and working closely with Aboriginal corporations and service providers in health and other allied sectors.

That's what they're saying they're doing, and you're saying that's not happening at all?

**Ms Atkinson:** Absolutely—

**Ms Staines:** What state was that written in?

**CHAIR:** We'll just hear from Ms Atkinson and then come to you, Ms Staines.

**Ms Atkinson:** I'll reiterate that we said we were learning too. That was from the state government disability services at the time, and then, because we already provided a service, we got a consultant in to do a package. They virtually told us what Kathy has said. As I say, PalmICC is the biggest social services provider on Palm Island. Morally and ethically, we couldn't walk away from those clients. When we saw everyone fly out again, we stayed there with them. Today's the day we may be drawing the line in the sand in terms of what you're saying. I have my board sitting and going through the budget as we speak. We cannot sustain what we're doing, and we're not doing anything different from what we were doing before. We're working with the clients' packages, but we can't make it pay. We've tried everywhere and we're clever with how we work our budgets, but we're not big enough to keep carrying this. Unfortunately, the board are going to be talking today about the future of where we are going.

Having said that, the line in the sand will probably be drawn today, but what happens then? In response to your question, I have to say I don't know who these people are who wrote that or said they've done that. Nobody's come and worked with us. We've got emails saying, 'We're learning this too,' so I don't know who was supposed to come build and support.

**CHAIR:** I interrupted you, Ms Staines.

**Ms Staines:** I do agree with all of that. There are areas that have been significantly missed in terms of direct, face-to-face negotiation with the NDIS office here. However we do as organisations have a responsibility to step up and ask the NDIA for assistance as well. Tanya, the previous CEO, was instrumental in terms of ringing the NDIS, demanding meetings, engaging and developing those relationships. Through those meetings that we had

with the regional manager here and his cohort of staff, I have to acknowledge that they took on a lot of the concerns that we had identified in terms of dealing in a culturally safe framework for the NDIS. I have certainly seen improvements over the last nearly two years with regard to their engagement.

This is a long journey. It's not an easy journey. We are all still learning. The goalposts change significantly every day with the NDIS, but I do also agree that other organisations have not had the contact and support that they should have had. I do believe that there should be a hell of a lot more training modules designed by the NDIS that can be stepped into these organisations to help facilitate a better understanding of the pricing model as well. The pricing model has had significant issues. Understanding that pricing model, developing other edges of innovation in terms of delivery of service to make the cost of that service more effective and efficient. That should be happening. In our organisations we learn face to face, not through the website, and I think that's a real consideration that has to be taken on board by the NDIA to make sure that these organisations are getting the information delivered to them in a context that can be absorbed.

**Mrs Akee:** I just want to say that a lot of money's gone into the Northern Territory, Western Australia and so forth, but they've got to look at urban communities where we have large Aboriginal and Torres Strait Islander communities. Townsville has a large transient population as well—people coming from the Torres Strait to the cape and south as well as west. So there's got to be some equity in terms of the funding that is going into various states to look at our growers in terms of providing the services for our people. Whether it be accommodation, whether it be on Palm Island or whoever, the capacity is that we're getting more of our people with major disability and mental health problems. We've got to have the capacity to work with our clients, black and white.

At the same time, what Rachel is saying is true. We don't have the financial capacity. When you look at the needs of various clients, the capacity is the cost in ensuring that that service is being provided to that client. Kent Street drives around in a bus that should be upgraded, the same as every other service that is providing NDIS. We don't have capacity for cars. Somebody's got to be listening to the Aboriginal and Torres Strait Islander community with regard to what's happening with our people. We've got mainstream services getting access to our people and we've heard that, if there's not enough money under NDIS, they don't give a bugger. Well, we do. We care about our people. We've got overcrowding in housing. What's the capacity to accommodate people with disability like Kent Street? You can put them into Kent Street for long-term or short-term stays, but they need capacity to do that. We're very frustrated, I hate to say. But, in saying that, closing the gap is not being met in terms of NDIS.

**Ms Pryor:** I apologise for being late. I was just at the prison and had to get here. In support of what's happening, I'm associated with Kent Street as one of the founding members of it all. Since Kent Street in the evolution, it was always jumping through the hoops to please government and what government always assumed should be the care of Aboriginal and Torres Strait Islander people. It was set up as a pilot first through the Commonwealth and then went on to the state funding. It's not what the people wanted or the community wanted; it was what the government wanted. I think that's where the downfall is. Even with the changes from disability to NDIS and putting Indigenous organisations on a level playing field, there was no support or even opportunity for establishment and professional guidance to ensure that we were set up in the most appropriate way. Most mainstream services probably had the upper hand because of being backed by a church group or a multimillion-dollar organisation. It's either hit and run, do what you want, or, like the other service providers are saying, our mob seeming to take it slow even to get through the door to say, 'No, you can't use our service anymore; you have to be an NDIS client' and just going through the hoops with that. That's the biggest problem that our mob have. There are a lot of people out there who haven't been assessed.

So the assessment process is not user friendly for our mob. That's one issue. The other issue is having enough appropriate facilities. Even when we talk about the clientele out at the prison with the men and women who could be eligible to be assessed to be on NDIS for whatever reason, whether it's a physical or mental disability, those structures or supports aren't in place to even accommodate or get them assessed so they have a better chance of going straight from prison to the acute mental health or rehab. There's that math that we're mad. 'No, I'm not simple or anything like that,' or, 'I don't need help.'

It was always about the Aboriginal and Torres Strait Islander community taking responsibility for their own, but there are changes in society. We've got a big ice problem here in this community, with some as young as nine selling themselves for ice. From interviews that I've had this morning, the ice epidemic that's happening is not something that just turned up yesterday; it's something that's been going on for the last 15 to 20 years in this community when we all seemed to have thought everyone was just smoking marijuana. It's added to the additional stress, mental conditions and health of our mob, which, because of our make-up, is more prone to being categorised as NDIS clients. And the labelling goes on. With all that the other two or three services are saying,

until there's some coordination and finding out what the real needs are, we're getting to a situation of wastage of taxpayers money, because it's not what the people wanted. It's got to be set up by the people and for the people. You've got to do it with us, not for us and not telling us what to do if we don't want wastage. A lot of us are used to keeping ourselves going in the bartering arrangement. All of us have a connection in some way, but naturally people see it as nepotism rather than seeing it as healthy. A lot of non-Indigenous people who get into the private sector have got their families working in the same area, but it's all right for non-Indigenous but not for Indigenous, because we're nepotistic.

All I'm saying is that it does need to look at it rather than being pressured by politicians. They seem to be getting worse at it. We all have to jump to the voters, but I think that, if we take a breath and really assess it, wastage of taxpayers' money will stop. But everyone here who is trying to do the right thing by our people can't do it, because we've been forced into a process that is not accommodating our clients, our people. Thank you.

**Ms Atkinson:** It's what I said before. This model is not ever going to fit into our sector. I think she just said it. We're always trying to fit into a mainstream model, and it's not going to work. One of the things that I really want to emphasise is that we can all try to work towards preventing an inquiry or some sort of royal commission into how NDIS failed Aboriginal and Torres Strait Islander people in 10 years time, because there will be a lot of pain getting there. We need to stop that and work out how it's going to best fit the needs of our community and our clients and how our sector can meet the demands and needs of the Aboriginal and Torres Strait Islander clients who are eligible for NDIS. We've done it in child protection. We've done it in a range of other services where we constantly have some sort of commission or inquiry.

I think the other big issue is the standard of packages too. I know of some that are happening in Townsville, but the poor packages that some of our clients are getting with NDIS compared to the mainstream mean it would be somewhere we'd need to do a bit of comparison. There's a vast difference between some of the packages in this community in Townsville—I'm talking mainstream—and what I know and see in Palm and Townsville. There's starting to be a division in what's happening out there and what we've got to fight against but we're not resourced to get up there to have equitable access to the best packages out there.

**Ms Pryor:** A lot of our mob, when we do finally get them through the door, are from the park. They're long-term homeless, and you try to get them reconditioned to live in some type of facility. You have to have the extra time and tender loving care, and it's only through our family connection. We don't need NRL clubs to be running all our organisations. They seem to think that football's going to solve the problems, so everyone's a champion of something. It's what Rachel's saying: at the end of the day, just do it the right way. We're doing the full circle now. We've gone back, like we say, with closing the gap. Every minister assumes that they've got the best solution, but they take us back 10 or 20 years. All I'm saying to you is that I feel sorry. It's only because we've been brought up that you have to take responsibility that we do it without getting paid. We're just learning about, 'You've got to charge for that phone call. You've got to do this. You've got to do that.' That's not something—it was just part of the process of taking care of family and extended family. With the clientele out at the prison, they're a discrete community. I had one non-Indigenous woman say, 'Why can't I go in the prison to jobs program? Why aren't there white programs like that?' I said, 'Well, you have—you just haven't got the right people out here dealing with you.' But it then causes segregation and racism between black and white. Like what Rachel is saying, some clients—because they've got the gift of the gab or they know how to write submissions and do whatever—get the money through the door, but they're not providing the best service. Thank you.

**Ms MACKLIN:** Thank you. You'd all be aware that there's a national organisation for first peoples with disabilities. I wonder what the interaction is that you have had from your different perspectives with them and whether or not you feel that's been an effective way for them to put forward the views on behalf of people who are transient. I want to come back to your point about people who are transient. I think it's a really important issue. People in remote communities, people coming out of prisons, people who are homeless—we've heard a lot about all of these different groups of people and we know that there need to be different approaches. I think all the points you've made are very well made. I'm interested to hear whether you think that national organisation is working. They've been before our committee a number of times. Perhaps you each have different views, particularly on this issue, Rachel, of remote delivery and whether or not this is a view in other parts of Australia—the approach that you have proposed. Angelina, you raised the transient issue, which I think is a very serious one. Once again, what sort of delivery approach do you think would be more effective? I guess it's the same in relation to people coming out of prison. What would be a more effective delivery approach?

**Mrs Akee:** I think it goes back down to the assessment of the individual clients, especially if they're under NDIS. Unless it's in their package to say that they would do so many trips, no-one can foresee whether they're going to have a major health problem, coming down from the cape or coming down from Torres Strait to

Townsville. Over the years with my involvement with the Townsville Aboriginal and Islanders Health Service, we've had lots of problems where people were left at the airport for hours waiting for somebody to pick them up. So the system itself through Queensland Health hasn't worked in that way as well. The Queensland government have got to familiarise themselves in terms of how they're dealing with the transient clients that are coming down. They get them down here and then they don't have the support. They get families in and then the family has to get home because they've got children. But there is a way—we've been doing it for a number of years. We engage with the service providers in the various towns and talk about setting up a model that would suit the transient clients when they come to Townsville. If they're under NDIS, in their package they would identify that they had to do so many trips to Townsville, for instance, and then we take them on board once they get here. In that way we know that they're getting the services. Also when they're here it's about accommodation as well. Some of them go into motels; some of them go into Red Cross. They still need the capacity to be able to get that support while they're here.

Then we have the acute mental health section. Again it's just like the prison out there, as Jenny was saying. A lot of those people are eligible for NDIS and a lot of them are going through mainstream services. They're bypassing the Indigenous services. We've had a couple of young fellas that have mental health problems and we engage with them to come into our service. All they want to do is stay there and participate in cultural activities. They're providing a service, but not from our people's point of view. Once they're locked up and they get out, all they want to do is get amongst Aboriginal and Torres Strait Islander people. They want to do Aboriginal and Torres Strait Islander arts and crafts; they want to participate in things that are happening. Unless people out there negotiate or talk to us, they'll never know what's going on out there. From a cultural perspective you've got to engage more Aboriginal and Torres Strait Islander people in mainstream services as well.

**Ms Pryor:** Jenny, in relation to your question, on that national level, ATSIC was the best structure, because we had regional councils. We had representatives from right around the country. National bodies that are set up at the moment are set up by government and are very selective. If they are not back from here, we don't get to hear about them, and that's the saddest part. So there needs to be some type of avenue so people like us and people in remote and rural areas can get the message across and get heard. Here there are four different services. Even with Kent Street, when they left disability funding to then try and make a business through the NDIS, there was no support, no transition. But everyone else gets the hand. Here they are, borrowing from Peter to pay Paul to survive, and a lot of people have gone into debt over it. Meanwhile, people that have the know-how set up these little private businesses because they know and they've got the gift of doing things. You only need four or five of them and you've got your business made for life. So people are doing it sometimes just for the money and the wrong reasons. Our services that have been going for 30 years and are trying to go through the different transition because it's the flavour of the month miss out and we're not given the right supports. But there is no channel to get that message across. Sometimes you can't get the NDIS here in Townsville. You ring Mount Isa and they say, 'We'll pass the message on.' It is still in that. There's trial and error, but ATSIC got thrown out with the bathtub after only nine years of operations. But there are still government departments and organisations around that make a million and one. Queensland Health has got a monopoly on the health services within the prison. It just goes on and on and on. Probably Newman was the best when he came into Queensland. He didn't discriminate—he just went and cut—

**Ms MACKLIN:** It's not normally how it's described!

**Ms Pryor:** One good thing he did was make people reassess the gluttony and wastage going on and start delivering quality services. You've got to give him that, in a sense. So what I'm saying today is that you need to have a look case by case and there needs to be some type of authority that supports the small Indigenous organisations that are trying to do the best to their ability to help our mob. I've got polio. I'll probably be in the NDIS soon. It's that thing again: 'No, I don't really need it; someone else needs it more than me.' A lot of our mob are going without and they're never going to get a guernsey. It's like what Rachel or Angie were saying. Even the fact of going through and designing a package—some of them don't have that expertise.

**Dr Anderson:** That coordination is really important. There's a big gap with neurological assessments. We have clients that aren't connected, whereas some are really well connected. It does depend. The assessments, clinical, case coordination are really critical.

**Unidentified speaker:** It's who you know or who you're sleeping with!

**Ms Staines:** Yes. And support coordination within people's plans—it's a huge priority in the area that we work in. The NDIA are reducing the amount of money with support coordination. We have so many complex clients. Our clients are multilayered within that area, as has been eloquently stated, in that it's not just the individual you deal with but their family; it's all of the factors in and around that household. To provide the services required in

those households, those plans and the complexities that we are dealing with, I can't achieve what I need to achieve with our participants without that support coordination. Now that money's been taken away from us, how do I then engage all of the multiple services that I need to to make sure that person is provided with supports? It has to be multilayered. Take away the support coordination, we lose the ability to service our clients.

**CHAIR:** I thank you all and draw this session to a conclusion. It's been a very interesting and, hopefully, from our perspective, helpful discussion. I think the message has been fairly clear and consistent from all of you, which is always useful for us in taking that into consideration. Thank you again for your participation today.

**Ms Atkinson:** Just to make one comment in closing. Community control is the other element of this. It's only going to work if Aboriginal and Torres Strait Islander community control can work on this with government, with NDIS, with everyone, to make it work, and not compete with the NGOs out there that are stepping in because they can. I think we need to go back and look at what community control is. We can self-determine how this is all going to work out. But we need that support to do that.

**CHAIR:** Thank you again.

**Proceedings suspended from 12:05 to 13:03**

**BROADLEY, Ms Robyn, Manager, AbbaCare Australia Pty Ltd**

**ESTERQUEST, Mr Richard (Ricky), Service Design Coordinator, UnitingCare Community, Townsville**

**MEWETT, Mr Peter, Chief Executive Officer, Cootharinga North Queensland**

**CHAIR:** Ladies and gentlemen, we will resume the hearing. I now welcome representatives of Cootharinga, UnitingCare and AbbaCare. I thank you for coming and participating in this hearing today. I invite you, if you wish to, to make some opening remarks.

**Mr Mewett:** Cootharinga North Queensland has been operating under the NDIS since the early launch in North Queensland in April 2016. We're currently supporting over 540 customers under the NDIS. We operate from St Lawrence in the south to the cape and over to the Northern Territory border. We are currently going through the process of Cairns and Far North Queensland coming on board as well. We currently support people in regional communities such as Normanton, Croydon, Mount Isa and Charters Towers, right down to Mackay and St Lawrence.

While on the whole there is no way I would ever suggest moving back to the previous system that existed, because it was well and truly broken, there are issues with the NDIS and how it's actually implemented. There is certainly no doubt that a great many customers, by far the majority of customers, of ours under the NDIS are achieving much better outcomes than they could have hoped to achieve under previous systems. However, there are a range of issues that I think we'll probably address as we go on.

The major points I want to talk about today are about market connection with North Queensland communities, understanding those communities; some Cairns transitioning issues; planning, and I'm sure that's something that's going to be common throughout all the people on the panel; and the focus on the insurance approach being lacking. We've seen that insurance approach at the front line dissipate over the past two years. Transport is absolutely crucial and a major issue here, as it is nationally. There are issues for regional, rural and remote Queensland, and I just note that, out of the 740-odd remote or very remote communities in Australia, North Queensland has some 200 of them. There are workforce issues and then NDIA processes, which I'm sure my colleagues will be covering as well.

**CHAIR:** Thank you very much.

**Mr Esterquest:** Thank you, first of all, for having us here to get feedback and collate all of that. I can definitely follow on from what Peter has said in some of the things he mentioned. Our service stretches north to Cairns and out to Mount Isa. Our head offices are in Brisbane. For the purposes of most of our core service, the better futures program within UnitingCare is all one-to-one direct support. We work alongside about 90 individuals, and we've spanned everything from direct support to support coordination, which we don't do at the moment.

Our program itself, since rollout in April 2016, has restructured four different times. We've brought on about 40 new staff, and our service provision in terms of the number of individuals who've come to our service has increased by probably over 150 per cent—somewhere in that range. Something that also is important to note that will definitely be touched on at some stage is just the amount of administration increase that we've had and also not only the readiness of our organisation but the readiness of the workforce that impacts our organisation—the pool of people which we have to be able to hire from and train and some of the backgrounds around that.

Certainly we're really seeing some good stories coming out of the work that we're doing and also good stories coming out, from a providers perspective, about providers being able to know what their specialty might be, acknowledging that and working together a bit more to really get those good outcomes. So, yes, it's not all doom and gloom.

**CHAIR:** Thank you very much.

**Ms Broadley:** At AbbaCare we acknowledge the Australian Aboriginal and Torres Strait Islander peoples of this nation. We acknowledge the traditional customs and culture of this land. We respect the elders past, present and future. AbbaCare is committed to honouring Australian Aboriginal and Torres Strait Islander peoples' unique culture and their rich contribution to our business and society.

AbbaCare is a small business in terms of providing services under the NDIA at the moment. I'll just say for a start that, in AbbaCare, 'Abba' comes from the Hebrew word for father. We tend to approach it from a perspective of being family orientated and—

**CHAIR:** Not from the northern European rock group!

**Ms Broadley:** No, it's AbbaCare, not from 'Abba Abba Abba'—indeed not! It is a Hebrew word. It's around family perspectives and being family orientated in our approach to how we deliver services.

We have a couple of objectives. We provide multicultural services and supports that provide holistic approaches to those families, as well as within the first nations. We try really hard to work to build their skills and their knowledge as clients but also as staff. We have multicultural staff and multicultural clients and Aboriginal clients and Aboriginal staff. We're constantly trying to work towards building that skill on both sides so that the communities come together and have more enrichment from their contact within their lives.

A lot of our CALD clients and our Aboriginal and Torres Strait Islander clients and staff can have come from really traumatic backgrounds, so it's not just about having a support worker go in; it's about actually being able to provide a service that delivers what they need. In some terms it might be that we've got clients who speak Swahili, and it's about having Swahili-speaking staff to go in there and work with them. That then reduces the confusion that sometimes comes out of their not understanding what the plan is or what it means for them. There's a lot of stuff around that that's really important from our perspective.

The other component to that is that our staff are all involved in training and doing the new program, the daily living skills, through the TAFE and through the other training organisations. It's a great training program, but for me the staff delivering the training are not culturally able to relay the information in a way that's received well by our multicultural staff. The information is confused by some of the meanings from one culture to another culture but also some of the language barrier and how it interprets. So for me a huge issue in relation to training is that we're not approaching that area very well, and therefore we're not approaching the way we deliver our supports for the staff to the clients very well, so it has a role on impact as far as I am concerned.

We're working really hard at the moment in a process of what I call pro bono work, because no-one is funded for it. But, as you heard this morning, there are a lot of clients, a lot of people, who have been unable to access the NDIA or have been unable to navigate the system, and they often need supports. In reality, if these guys could do it all themselves, they wouldn't need us. They don't have anybody out there, so we've been going in there. They contact us. We go and take them to the appointments. We make sure they get the evidence they require. We find ways for them to get the assessments if they've got to have assessments, whether that be through Closing the Gap for Indigenous clients or through mental health care plans, but we try really hard to navigate and find alternatives to get those assessments and eligibility set up for them.

But we don't just stop. We then continue to make sure they've got the planning in place. We have the following up with the plan. So they've got their plan. Feros Care will do them a great job of telling them about their plan, but they're going to walk away going, 'I don't understand it; it doesn't make sense to me.' A lot of the time it's not because they haven't told them; it's because there's a lot of information coming at them and they don't understand what it means as a thing. In those terms, the NDIA plans are complicated for the person who is reading them. Family members and individuals with disabilities and/or mental health issues are struggling: 'What are "core supports"? That doesn't mean anything to me. What are "daily living skills"? That doesn't mean anything. I actually want to see that it says I can get public transport or I can catch the taxi, or I've got someone coming in to do personal skills and care with me, or I'm going to have someone help me go out into the community and become part of a group.' They actually want to see those words—tell me if I'm wrong, you guys; I'm quite happy to share the blame—rather than the full scale of other technical terminology that we tend to use.

What tends to happen is that clients learn the lingo, but they actually don't know what they're talking about when they're saying the lingo, so we really need to make sure we're translating that backwards and forwards in really simple terms. It's as simple as doing the travel allowance. It's not: '\$1,600, cool! I've got \$1,600 for travel!' It's 80 kilometres a fortnight. Not a lot of kilometres can get done. Here in town, we can do nothing less than 100 to 150 kilometres a week just for the one client, and they're not covered to do anything else. When they've got to come from out of town into town for doctors and medicals, how then do you cover those issues?

Probably I'm going to kind of stop a little bit. Our pro bono stuff is what we are putting much focus into as well as delivering services for clients and staff.

**Mr Mewett:** From a market readiness context, we find it's before people enter the NDIS. It's fairly clear in North Queensland—and I think it's mirrored across the country—that the information or the engagement with communities being undertaken by the NDIA is not achieving the traction that it needs to. That's fairly clear when you look at new entrants into the system in the two major regions we have—Mackay-Whitsundays and the Townsville region, and you need to consider that the Townsville region goes from Ayr to Ingham and up the western corridor from Mount Isa into the Gulf Country. It's fairly large. It's not just Townsville; it includes Palm Island and Charters Towers. We are looking for new entrants, not people who have been previously funded. I

understand in February we were hitting just over 54 per cent of the new entrant target in Townsville—and we were supposed to be at full operation by 1 July 2017—and 35 per cent in Mackay-Whitsundays.

Cootharinga is a proud North Queensland organisation and have been for 67 years. We're not just a service provider; we're part of the economic and social fabric of North Queensland communities. We are experiencing in regional communities that people are just not getting that the NDIS exists. They are not seeing the relevance for their particular circumstance. They receive a lot of information, but the information is not sticking. The format in which the information is given means it's not sticking. I will give an example.

We were on the Cassowary Coast last week after having had a few people who live there approach us and say, 'We just want some information from people who know.' So we took up the experiences from the 540 people that we support—not just our experiences but their experiences about: 'How do I engage? What does this all mean?'—and ran conversations, as opposed to presentations. We got traction there. The tens of people who attended the seven sessions took away 250 to 300 kits with them with the information. We engaged in a different way. We said: 'What do you want to know? How can we help you? How can our experience help you?' I would be interested to see how many people there are in Pentland, Prairie, Richmond and Julia Creek who are engaged. We know that the larger centres are. The presentations are simply not working in outer regional and remote communities.

We've done a lot of work in Normanton, for example. The work we're doing there crosses boundaries. We've worked with and through local community organisations, which is what we are not seeing from the NDIA, to actually bring on board more NDIS participants than have ever been supported in Normanton. We are now supporting 14 people in Normanton. We're employing locally and, the same as AbbaCare, are ensuring that people are employed from the cultural background of the people we support, regardless of what that may be in those communities.

The good news story of the NDIS overall, outside of the outcomes for individuals, should be that it can be a services led recovery for a lot of the small economies that have taken a real battering over the last 20 years. That's what communities want to hear as well—both that they can get support and that it means money is being injected into these communities.

**Ms MACKLIN:** This inquiry is supposed to be about market readiness. You're really saying that, before we get to market readiness, people don't even know that the NDIS exists. I'd like to hear your views about where the gaps are in the market, given that's really the purpose of the inquiry, but I think it's a very important point that you're making that there are many people who are expected to be entitled to come into the scheme who either don't know it exists or, when they get close to it, can't understand what they may be entitled to. You've both made a couple of suggestions about how to remedy that, such as by having more culturally appropriate people engaged. Are there other clearer materials? What other things would you suggest?

**Mr Mewett:** I'd suggest working through local community organisations, as opposed to appearing on a stage, giving a presentation and sending around fliers. It is not an easy thing to engage communities that are largely closed. The NDIS assumes that a market will prevail and market forces will work. First of all, for that to occur, you've actually got to have a market in the whole community services area, but before that you've got to have an underlying economy that still exists. A lot of these communities no longer have an underlying economy. You may have a service station and a pub, and between the two of them that is the entire economy, because everything has been pulled out.

We went to each community along the western corridor, and each of them were very different. That's another point—when you know one rural, regional or remote community you know only one, and you can't necessarily take those assumptions from community to community. You need to engage with them and understand what their barriers are in connecting with government—and, believe me, they're there. My suggestion would be to work to get the community to come and at least listen. That is your first step—to go through community organisations. That doesn't necessarily mean not-for-profits; it could be the local chamber or a whole range of organisations who have a trust factor with that community. That's the first step. Otherwise, you're just not going to get people there to listen.

You then need to look at how you are giving the information. You need to look at who you're going to help engage as a champion with you in those communities to give that information. That's when you start getting traction, because people simply aren't testing their eligibility. The notion for all of us, as providers, is greater choice and control for people when they get through. You can't make a choice when people are not identifying themselves. To be so far behind target in those communities, nearly 12 months after full scheme rollout in these two regions, tells a story in itself.

**Senator GALLACHER:** Have you expressed that to the agency?

**Mr Mewett:** Yes. It's not that it falls on deaf ears; it's a difficult thing to achieve. As a provider, we've been around for 67 years. Do we get it right in these communities that we've worked in for that long? Absolutely not, because these communities are not static; they're dynamic, and you need to understand the prevailing conditions in that community at that point in time. As an example, we did the Whitsundays the week before the cyclone hit. Everything that we did in that lead-up was not wasted, but we needed to go back and do it, because suddenly the community completely changed. We were up in Cassowary Coast last week and then then flood hit—so I'm a bit worried about what follows me!

**Mr Esterquest:** Following on from that, when we're talking about market readiness, there are other components. If participants, possible eligible participants or people who have rolled over into the scheme from a previous form of funding are not ready, I really question whether the people who know them best—their families and carers, if that's what you want to call them, or other people who support them—are ready.

I notice a business development centre and other organisations were on the earlier agenda. I question whether they were or currently are ready. The gap for myself, especially, is in those mainstream supports and the informal supports—the people who aren't necessarily funded as providers to provide those supports. If someone happens to have a disability and their family has some access to the PCYC, what happens if the people at the PCYC don't understand anything about the NDIS? Frankly, they wouldn't really know what to do. That's my opinion.

**Mr Mewett:** That's a really valid point if you take the link with the mainstream and community. It's not just about non-government organisations. What happens if the people at the community health centre or the local GPs have absolutely no knowledge of the NDIS? They're going to be the first point of contact for a lot of people asking, 'Where do I go?'

If they have no knowledge, they don't direct people the right way. That's a key point.

**Ms MACKLIN:** What about the other parts of the market—the services that people actually need? What are the major gaps, from your perspective?

**Mr Mewett:** I'll jump in and say that if an industry reform of this magnitude had been in any other sector then I'm sure there would have been industry development portfolios involved in getting those sectors ready for it. I haven't seen a single cent spent at either state or federal level from industry development or regional development portfolios.

**Ms MACKLIN:** There actually is a big sector development fund but, leaving that aside, what do you think are the gaps?

**Mr Mewett:** Take our organisation—75 per cent of our revenue base was transferred from one style of operation, which had been going for decades, to a new style of operation in effectively five months. Regardless of how well you prepare—and we prepared for three or four years—that creates chaos. You make a lot of assumptions and you prepare, but there are always going to be things coming from left and right. At the very same time, the working capital that we potentially had to play with was used we needed to use that as investment in improvement.

Also the divorce—if you want to put it that way—from state government funding was obscenely quick, so you're left with little capacity no matter whether you are large or small. The working capital available to a lot of the providers in this sector—and, like it or not, the NDIA is absolutely dependent on the disability sector at this stage because there haven't been a great deal of new providers in that capacity or that have at least existed for a period of time. If that can't operate in a way that allows you to operate efficiently and effectively, you're going to get the market failure that we're starting to see in other states and we suspect are starting to see here in North Queensland.

**Mr Esterquest:** From a provider's perspective, a lot of the gaps—at least for me—exist around providers of last resort. Those are the providers to go to when no-one else can provide the service that someone's looking for or if it's an emergency situation or the person who is their informal support or carer can't provide that support and the service that they typically would go to is unable to provide what they're looking for in that situation. There is a definite gap in providers of last resort—who does that and where do they go. There's a major risk that individuals who use the scheme are going to regress back to the old system of isolation. They're going to be in a respite situation constantly or forced to live in some sort of group living situation. That's my personal perspective, frankly. I think that's a major gap that, if it's addressed properly, can help the informal support carers feel like they have an option there.

**Ms MACKLIN:** How could it be addressed?

**Mr Esterquest:** I know that there are some providers out there who have options in that regard, but I don't think there are enough. It's a very tough balance in this type of market between too many providers, which then throws the market's sustainability off balance, and not enough. At the moment there just aren't enough options. It could be addressed in a mainstream way. Maybe there's some form of nonfunded provider that could be implemented to be able to do this in the community. I don't know that I have the answer to that exact question.

**Ms MACKLIN:** That's all right.

**Ms Broadley:** I suppose I'll go back to the beginning of the question. A lot of the reasons why we haven't got everybody engaged is because they might have received letters or seen the messages on the TV or seen the information in the newspaper—whatever—but they haven't understood how it relates to them. They've only understood that it's an insurance scheme. Aboriginal people and Torres Strait Islanders will get a phone call from NDIS that says, 'NDIS insurance scheme,' and they will go, 'I don't want insurance,' and that's done. You have to come up with something that talks to them about what it is they're able to access and what it means to them in a different way. I agree with the ladies we had here earlier from the Aboriginal and Torres Strait Islander services: it's about how you approach the Aboriginal and Torres Strait Islander communities. You can't just give them a political blurb, because it won't do it; they won't respond.

It's the same for our CALD backgrounds—not so much our Greeks and Italians, but maybe our African client base, our Sudanese and those from the Congo and places like that. They've come from some really bad areas. If someone rings them up and tells them that they're an insurance scheme, they go, 'Am I going to get into trouble? I'm not going to say anything. I'm just going to say, "I'm okay; I don't need you"', because they don't know what it means and they don't want to get into trouble; they don't want to get deported. There is a whole heap of things that go through their thinking in how they respond.

For me, it's really about going back to them and providing an inclusive approach to them having an application. It's not about NDIA ringing them; in those particular population groups and those low socioeconomic groups, it's more of a case management arrangement, where they've got someone there. You can ring them till the cows come home. It doesn't mean anyone's going to answer the phone. You can text them. That's probably not going to work. The only way you're actually going to do it is to turn up and talk to them and be culturally appropriate, whether that be Indigenous people talking to Indigenous people or being accompanied by someone who has a connection to the family. You have to have those informal connections before you're going to get anywhere with them. Again, that's my opinion. It's not necessarily always the way it seems, but it's the way I see it.

**Mr Mewett:** The saddest and funniest story I have about mismatched communications is to do with central NDIA. It took a number of approaches for them to realise there is no postal service in Normanton. There were seven waves of letters sent to potential applicants. We approached them and said, 'There is no postal service in Normanton.' It relies on someone knowing that something's been sent to them and coming in to a central point to get that. We and other people in the community took it upon ourselves to try and get stuff out to people, but you'd think after two approaches, three approaches, six approaches they might get it—but seven waves of letters being sent out after being advised there is no postal service in Normanton! I stress this is not the local office, who have a really good understanding of communities in North Queensland. But, if you're in Geelong, it's really hard to equate that with what it means to live in Weipa, Normanton, Doomadgee, Mount Isa or, at times, even Townville. You need to make the connections through locals who actually understand what the best way to communicate, engage and connect with this community is. That is the most critical step in getting the message out. Then you need to tailor the message.

As far as services are concerned, we in this part of the country are all making investments to do that. Of course there's no return on that investment, but we're all committed to these communities and our constituencies, in much the same way as you've spoken about the safety net provision. Certainly the last group of witnesses talked about having operated on a very large safety net, because they're not prepared to give up on the people they've been supporting for years simply because they haven't been able to make it through that entry point into the NDIS. Eventually, as they also said, it catches up with you, financially, as an organisation. That can be done for a while, but the expectation that that safety net will exist forever is not there. Certainly the providing sector—I don't think any of us would disagree—have to continue to go through a process of evolution into this new market. That is fully supported and always has been fully understood. It's not a one-year process.

**CHAIR:** There's a tension in the scheme that relies on a market approach and individual control. The purpose of this particular inquiry is about market readiness, and that implies that there are some markets which may never be ready. They may be non-existent or so thin, to use the cliché, that they're not going to work. The question for me seems to be: how do we recognise that in advance, before it becomes a disaster for the individuals concerned?

The underlying premise of the scheme—which is not our place to challenge here as part of our work; it's to try and make it work better—is individual control. It's about a market based approach et cetera. We also recognise the limitations in that. It would be best, optimal, ideal to be able to predict in advance, as best we can, when the market's not going to work and to make modifications to allow services to be provided, otherwise we'll have disasters in the future where the market, which didn't exist, was relied upon, no services were there, and there'll be a great outcry about all of that. How do we determine—in advance, which is the real challenge—that trigger point, that tipping point, if you like?

**Ms Broadley:** You have the evidence from disability services across the nation. You have the evidence of how hard it's been to contact and engage them. The NDIA will know how many people they haven't been able to engage. That's where you say: those communities are really hard. It's in their data. If it's not in their data, it should be collected that way. Does that make sense? If you're ringing up and you're trying to get through and sending letters to somebody, they're obviously in the catchment area where they're not going to be picked up. So, you really have to go and target that area.

My industrious colleague and support coordinator has noted that we need to go out to places like the drop-in centre or Happy Valley. It's not about them coming to you; you actually have to go into those communities and become part of their community so they accept that you're part of it and so you can actually encourage them to participate in it. It's the same thing in the CALD communities. It's about being part of what they see as a regular thing, so they know that they can ask a question and not feel like they're going to be intimidated or feel that they might not be able to answer the question.

**CHAIR:** That's the dissemination of information or the identification of people who may qualify for the NDIS; I accept that. But you could still do that, if you take Normanton or Julia Creek or somewhere—

**Mr Mewett:** You could use information, as they do now. There's obviously information, in a the market sense, that's available to the NDIA about their assumptions about how many people with a disability would be eligible for the NDIS in particular communities. That must exist, because they're able to do it on a larger scale. I've seen down-to-postcode models of that. This is probably the best you can do, even though there is a census, noting of course—and this is really interesting. In 2016, the number of people in really remote communities in North Queensland identifying as having a disability dropped significantly, primarily because it was an online census. People don't have access or don't want to go online to do the census. If you look at 2011 and 2016, there was a drop. I doubt there's actually been a drop.

However, identifying where you think a thin market exists—it's potentially about looking at what the solutions around thin markets are. We spoke to McKinsey and suggested that, in developing markets, if you have providers that are prepared to develop markets, you should potentially look at bulk purchasing arrangements for a couple of years, because you've got to develop that market. The market doesn't exist. If a provider is prepared to put in the investment to develop a market, you should potentially look at having a bulk purchase arrangement in that market for, say, two years, but after that it's all bets off. If in the first year you are successful and show that a market has developed, then it should be like in small business programs, where you say after the first year you should give us evidence of your investment and we will reimburse you for 50 per cent of that investment.

Meanwhile what the NDIA or government has been able to do is use organisations, whether they be for-profit or not-for-profit or mainstream or specific-purpose organisations—it doesn't matter which—to actually go in and do the market development for them in a way that works. And they only get recompensed if it's successful. But what they do get is the surety that they're going to have customers coming through the door, because that's going to give them the operational revenue and the incentive to do it. If you develop a market and you get customers and then that just opens the market for everyone else to walk in as soon as you've developed it, you're not going to invest in community after community. That was one suggestion we put forward.

**Senator GALLACHER:** Has that been put to the agency, and, if so, what was the response?

**Mr Mewett:** I put it to the agency in the past. I certainly put it to McKinsey, and it is reflected somewhat in their report.

**Senator GALLACHER:** Did the agency give you a response?

**Mr Mewett:** They took it on board.

**Ms MACKLIN:** What does that mean?

**Mr Mewett:** I understand that—

**CHAIR:** You don't have to answer that. Can I ask you about something else, Mr Mewett, which was in your list of issues at the outset. If I recall exactly—correct me if I'm wrong—you said there was some movement away from the insurance approach?

**Mr Mewett:** It's not from the executive or the NDIA, but the biggest issue we face in processing in the NDIS is the variability at the frontline in planners and local area coordinators. It is a similar complaint across Australia. Every provider and every participant I've ever spoken to is saying that the variability of translation of what the NDIA is about is palpable. What we are really seeing at the moment is a move away from an insurance approach, where you have an actuary and you have information that helps guide decisions, but it is also on an understanding that you are looking at a 20-year to 30-year outlook, with the aim being: 'Let's improve life outcomes, but, also, let's ensure the greatest possible positive economic impact. We will reduce costs as much as possible as a result of that up-front loading.' We are seeing that focus on up-front loading that was there initially in plans disappearing after the first plan. It's almost like we have appropriation-based contract managers trying to deliver an insurance scheme, where their focus is on: 'If I can spend as little as possible in this plan I'm going to get a pat on the head, because we have restrained costs.' In fact, you're increasing costs over a 20-year to 25-year period.

One of the clearest examples we have is the time it takes for people to get assistive technology. I did not think, in my lifetime, I would see anything worse than the Medical Aid Subsidy Scheme. I'm afraid to say I see it now. It takes seven, eight or nine months to get a piece of equipment that has to be prescribed. There is second-guessing, third-guessing, fourth-guessing and fifth-guessing of allied health professionals prescription descriptions. We have allied health services and we also have an equipment modification system where we work with allied health professionals from every company across North Queensland. They are all experienced in those issues, particularly where that assistive technology—whether it be equipment or whether it be speech generation, regardless of what it is—actually enables people, in the long run, to need less support or that capacity building. So there is much more focus by planners on core than there is on capacity building, if you look at those two areas. It was not the same when plans first came out in Queensland. Core was always the greatest focus, but there was more of a focus than there is now on that capacity building element. The clearest way we see that is the amount of allied health in second plans. As I think that all providers and all participants here in North Queensland would suggest, I know of very few circumstances where someone—whether a child or an adult—has maintained or increased the allied health support they get in their second plan.

**Mr Esterquest:** When we were talking before about how we know in the future if a market isn't working before it stops working, that has a direct connection to it. The consumers that you're talking about are the individuals who are getting a plan. Those are the consumers; those are people who really need to be asked. At the time they get their second plan that's not happening. Those planners might ask a question like, 'You didn't use any of your improved daily living funding for any kinds of therapies or any delivery in that regard, why was that?' They might be asking that, as a planner, to figure out what might be the underlying issue. But, as an example, a gentleman who we work alongside didn't use any of his improved daily living funding at all. I spoke with him a few times about that, which I'm happy to do. Again, as a provider, I'm of the belief that I'll dedicate—every hour doesn't have to have an hourly rate—the time to talk to them about their plan. I also advise they ring Feros Care and I give them the number. I always use the agency and local area coordinator, but I stress to Feros Care that the reason they didn't use it is because they didn't understand. English isn't their first language. They speak some language spoken in the central part of Africa. After I spoke with Feros Care, nothing was done to remedy that.

Another gentleman who we work alongside—I'm just throwing out examples; obviously good things are going on in the background as well—has a visual impairment. He didn't quite understand some of the details of his plan and what was in there. This gentleman has a visual impairment; he's completely blind, and he wasn't even offered a copy of his plan in braille, so how is this gentlemen meant to understand his plan? I had to sit down with him after the fact and say, 'Hey, do you want us to call together, and we can request a copy in braille?' That happened, and it's been over a month now. We've followed up three times and he still doesn't have that copy. We're talking about how you know if a market isn't working. The idea is to look at why people aren't using this type of funding and why they aren't meeting those outcomes. Is it because it costs too much per hour for improved daily living that they're not getting enough sessions and, therefore, they're not meeting outcomes? Or it is because they don't understand what they need to do? You could talk to providers until the cows come home, but people need to have that opportunity to sit down for a first plan or a second plan. As providers, we can go out there and really try to speak with people and help them get access. But the planners really have a duty to understand things like: why didn't you use this funding? are you meeting these outcomes? how do we measure those KPIs? It's pretty hard, I find, to measure KPIs about a human achievement because a lot of it is very emotional. I feel like I achieved, but what's the measuring? It's very subjective.

**Mr Mewett:** I think we're all finding that people are having reviews and not realising. We recommend to everyone: 'If someone rings you from the NDIS, ask, "Is this my planning session?" If they say yes, say, "I don't want this to continue. I need to have it face to face."' We have just seen train wreck after train wreck through phone planning. The same is now happening with reviews.

**Ms MACKLIN:** Has the phone planning stopped?

**Mr Mewett:** It has stopped. What's happened is that you can actually say, 'I want face to face.' But review mechanisms are still happening via the phone, and people don't realise, necessarily, that they're having a bit of their review discussion on the phone. We're still getting that feedback now when we ask, 'Why can't you make a claim anymore?' They then contact and find there's been a review, but they can't actually pinpoint when a review happened.

**Senator GALLACHER:** A slightly different question—all three of your organisations are providing services in the new model.

**Mr Mewett:** Absolutely.

**Senator GALLACHER:** You're invoicing individuals and getting paid.

**Mr Mewett:** Absolutely.

**Senator GALLACHER:** Is that working well? Is that satisfactory?

**Mr Mewett:** For us, where it's with current plans via the portal—some of the issues are ours, and we would never pretend otherwise—there is a claim and 48 hours later we've got the money in the bank. That's fine. It's where there's a rejection and we have no idea what the rejection is about. It's about reconciliation afterwards. Another really big issue for all of us is when we realise that we have to make a claim and it's against a previous plan. That happens a lot with reviews happening. That then is a manual process. We change from a 48-hours payment to—our record is 9½ months for a payment of something that was in a previous plan, and that was only four weeks out from that plan.

**Senator GALLACHER:** How would you characterise the move from block funding to you invoicing and receiving payment? Is that a satisfactory shift?

**Mr Mewett:** I would say that the claims process, when it works well, is satisfactory with the NDIS. As far as invoicing individuals goes, that always works well because we have a relationship with individuals. With those people who are self-managed or those people who are third-party managed, we've had no issues there. It's when you get a rejection of a claim, which may be our issue or the NDIA's issue, that issues really start.

**Senator GALLACHER:** Is that true of all the organisations?

**Mr Esterquest:** Yes, that's definitely true. The claiming process, as it's set up, is generally working well. It's when you have something that is underlying and you're not sure. I have to add there, though, that, with our service particularly, we've restructured three times. We've added four new full-time admin positions, one of which is directly focused on only NDIA things. She and I communicate about billing and portal and invoicing, and it's working well because of that. From a business perspective, the amount of investment that's had to be made is a big burden on a business, and we've had very little to no support from the agency around best practice to make that happen. We were fortunate to be able to have done that. The process is working well. The things that have been needed to make that happen have been a challenge for a lot of businesses out there.

**Ms Broadley:** Smaller services, in particular, struggle with the administrative cost around that area, because it's an intensive program. It's not a case of taking five minutes to do it; it takes hours to do quite a number of applications through the portal.

**Senator GALLACHER:** Is there enough growth in your businesses to cope with that increased—

**Ms Broadley:** It's growing slowly. It's about growing without growing too fast, because you don't want to grow and fall over because you've had too much—

**Senator GALLACHER:** I'm trying to get a sense of whether the move from block funding to this model is progressing.

**Ms Broadley:** A lot of clients have come out much better off. They have more control and they have more ability to say what they're going to do in their life. They might have been in a residential setting and they might have been supported with a limited number of hours, and they have that control. I think the choice and control has been successful. From our perspective, the clients come in, they will choose their roster, they'll choose their staff, they tell us what they want, they come in and have coffee or tea and they go and do stuff. They come in whenever they want to. It's an open house. It's time-intensive. It's not covered under the program. It's not financially viable

in a lot of ways to be able to give that stuff. But, to be able to provide a quality service that clients respect and where feel they're valued, you have to be able to do those things.

**Mr Mewett:** I could answer that. Maybe in a quantitative sense. Our AP, accounts payable, increased from an average of 300 a month to 3,000 in a month. That was in the first three months. So we had to create a claims team, which we never had before. We hope that will eventually fall away, but our organisation's overheads increased; they didn't decrease. The assumption is you can operate on less than 10 per cent organisational overheads. I would defy any business to run successfully on that, except if it's purely a matching service, like Uber et cetera.

**Ms Broadley:** That's definitely not a profit-making service.

**Mr Mewett:** It depends on what you argue 'organisational overheads' are.

**Ms Broadley:** I want to go back a step. I was talking to a colleague earlier and you were talking about access and things like that. He told me that, if you go to an appointment or an interview with Feros—and I'm not putting Feros down—there are ramps and access to get in and out, but, if you have a hearing impairment or you need interpreter services, that has to come out of your plan. From where I stand, that should be something that's covered by those providing the service. It shouldn't be coming out of their plan, because they will need that funding in other areas, for interpretation. I suggest that would be a huge deficit in some area or it's a miscommunication in some area. I don't know how it works, but that should be part of what's seen as part of the cost of the lack of services, Feros Care or whichever service is providing those things. There's definitely a need to review some of the interpretation type services.

**CHAIR:** Mr Mewett, could I come back to the reduction in up-front expenditure and less provision—for example, allied health, second plans and the like. It seems to me, and as you say, to be contrary to the investment or insurance basis—

**Mr Mewett:** I can see it over the long term, but it's surprising that it drops so very quickly in a second plan.

**CHAIR:** If this is based on an investment approach, it shouldn't be based on one or two years in a person's life—

**Mr Mewett:** Exactly.

**CHAIR:** it should be based, ideally, on their lifetime. Whilst you can't predict that, obviously, you can make some assumptions from an actuarial point of view.

**Mr Mewett:** There's lots of evidence from actuarial—

**CHAIR:** If you're dealing with a 25-year-old who has a certain disability, based on that disability et cetera you can make some assumptions about what the lifetime of that person is likely to be. An investment approach should be on the basis that, as you say, this is going to lead to better outcomes for an individual over that period of time, but, also from the financial point of view, looking at it in the longer term, it should mean less overall expenditure from the government or the taxpayer—however you want to describe that. That's the theory underlying it. What I'm hearing is that it has not really been translated in the way this is implemented for individuals and that it's too much about the here and now.

**Mr Mewett:** As I said, first up it wasn't our experience. Now, two years in, it is most definitely our experience. Allied health is a really good one to discount because they are discrete interventions, but it's almost seen as a single intervention as opposed to a series—it depends on what life stage someone's at. Someone who's two or three will have a different series of interventions over a longer period of time than, maybe, someone who is 25 who may have more episodic intervention or is able to maintain their lifestyle. But they are series of interventions, and there seems to be very little understanding from planners or LACs in what allied health is actually about as far as making an intervention to achieve the greatest possible outcome. That may be because goals aren't specified particularly well, so I'm not suggesting it's simply the fault of planners. Outcomes aren't being expressed well by providers or by participants in coming back and saying: 'We started here. We finished there. This is the benefit achieved. It's now been suggested that we take the next intervention which will take us to the next step'—because an intervention isn't singular.

The scariest thing I heard was a planner telling one of our customers, 'Your child doesn't need speech pathology because they can talk.' I would regard that every single planner in the NDIA would have a greater understanding of allied health—and, if they didn't understand, they wouldn't necessarily open their mouth and—

**Ms MACKLIN:** Say something—

**Mr Mewett:** say something like that to a participant. Because the other thing is that we, as providers, sometimes get caught as the meat in the sandwich and end up with the collateral damage from those plans, because it is seen as: 'It's your fault we didn't get enough in our plan this time,' when we do not have a huge

amount of influence over the NDIA—and nor should we. We, as an organisation, have tried to take a back seat as far as not wanting to be seen as trying to groom customers. I think there's a short-sightedness looking at an 'in one- or two-year outlook' rather than a 20- or 25-year outlook. For a child that's been supported through the early intervention that UCC does, the best outcome for this child would be for them to be able to go through mainstream schooling so that eventually their opportunities for getting a job without assistance are enhanced, but that's going to require intensive support. Whether the child is on the ASD spectrum or they have a physical disability, if they need really intensive support for three years that is going to cost \$100,000, but you're going to have few or little support costs after the child is 15. You have to look at that broader outlook. It's not worth it in two years but it's certainly worth it over 20 years.

**CHAIR:** Agreed. Thank you very much to each of you for coming along and participating. Again, it's been very interesting.

**FERGUSON, Ms Helen, Senior Executive Director, Department of Communities, Disability Services and Seniors**

[13:58]

**CHAIR:** Welcome, Ms Ferguson, from the Queensland government. I have to remind you that the Senate has resolved that an officer of a department of the Commonwealth or a state or territory shall not be asked to give opinions on matters of policy and shall be given a reasonable opportunity to refer questions asked of the officer to superior officers or to a minister. This resolution prohibits only questions asking for opinions on matters of policy and does not preclude questions asking for explanations of policies or factual questions about when and how policies were adopted. Having said that, thank you for appearing before the committee today. I invite you to make some opening remarks and, in doing so, make any comments on the capacity in which you appear.

**Ms Ferguson:** Good afternoon. I'm the senior executive director for policy and legislation for the department. Thank you so much for the opportunity to appear today. I'd firstly like to acknowledge the traditional custodians of the land on which we meet and pay my respects to elders past, present and emerging.

The NDIS is a reform of great importance for the people of Queensland with disability, for their families and their carers. It provides significant opportunities too for the market, particularly for the disability services that have been transitioning to the NDIS. We've seen a number of very good success stories for people with disability as a result of the NDIS. A number of people have had very good outcomes. Having said that, the NDIS rollout isn't without its challenges.

The NDIS of course is based on participants acting as informed consumers in the marketplace, sourcing information about providers, understanding what makes a good provider and negotiating their service agreements with their chosen service providers. People have talked about that choice and control, which is really important and an important underpinning of the NDIS. The NDIS also requires service providers, as we've heard today, to make the shift from having block funded agreements with governments to having their services purchased by participants and having their service agreements organised by participants. Again, participants are in the driving seat. Of course, as we've heard today and we know, this requires a major change for organisations in their organisational culture, their service models and their business systems. They also need to understand very minutely what customers value and the value proposition of what they are offering to customers.

The Queensland and Commonwealth governments have been working together to ensure that people with disability, their families and service providers are prepared for a smooth transition to the competitive NDIS marketplace. Critically, a skilled workforce must be in place for the significant growth in jobs created by the NDIS. As the Queensland government's submission to the committee's previous inquiry on transitional arrangements to the NDIS noted, the former Department of Communities, Child Safety and Disability Services committed a number of millions of dollars to the NDIS in terms of participant, provider and workforce readiness activities over the last few years. In addition, the Commonwealth has also provided sector development funds to further support these activities. Through this funding, a range of tools and resources have been developed to assist participants to understand and build their knowledge of the NDIS and providers to understand the market, respond to consumer demand and build community response and service provider capacity, including in areas of thin markets.

Having said that, as we have all heard today and are very aware, thin markets are proving to be a challenge. There's evidence of thin markets in Aboriginal and Torres Strait Islander communities, rural and remote areas and in supporting various cohorts of people with various types of disability. Some specific initiatives that we've funded to address these challenges have already been mentioned today, and I note that our Aboriginal and Torres Strait Islander colleagues on the panel before did note the work of Synapse in the north of Queensland.

Queensland has also previously provided advice to the committee about its work in establishing WorkAbility, a consortia of four organisations that is supporting the sector to implement the workforce strategy in Queensland for NDIS and to build workforce supply and capability to meet demand under the NDIS. The WorkAbility strategy includes statewide workforce supply and capability issues to build workforce intelligence, inform change practice and provide sector leadership. Importantly, there are place based WorkAbility coordinators around the phasing areas in Queensland who are facilitating local solutions through establishing strong, sustainable employment and training networks in each transition area and working intensively with them to analyse the labour market and to develop local action plans. We're continuing to invest in key training pathways aligned to the NDIS, such as through the Certificate III in Individual Support qualification, to meet demand for skilled workers. We've also committed \$5 million over three years to 2019-20 for training, support and workforce development activities in the sector.

We're reaching our third year in Queensland of transition, which is what we call the blockbuster year. In our third year, 60,000 Queenslanders with disability are estimated to transition to the NDIS. Having said that, we know that that won't be without its challenges. The market will need to step up to meet the demands of 60,000 people in the next 12 months or so. Those 60,000 people are in the heavily populated areas of the south-east of the state and in the more rural and remote areas of the Far North Queensland part of the state. We've already heard about challenges in these markets particularly for allied health workers, as well as in terms of providing sufficient support in rural and remote communities.

A closing comment I'd like to make in my opening statement is in relation to the establishment of local area coordinator positions in Queensland. Queensland's bilateral agreement requires that LACs are in place six months in advance of each phase in the area. We've brought to the committee's notice previously that we've not been able to achieve those LACs in place in that period of time, except for one occasion, which is the Bundaberg phasing area, which has worked very well. Having LACs in place well in advance in Bundaberg has seen LACs working with participants, working with the community and linking people very well to services well in advance of the NDIS rolling into that area. This is the arrangement we are very keen to see, and we're quite disappointed that that hasn't happened in any area apart from Bundaberg. With LACs on the ground well in advance, we consider that there will be a higher opportunity and success for more smooth phasing of the areas to come, particularly those starting on 1 July.

**CHAIR:** Thank you very much, and thank you for the ongoing cooperation of the Queensland government in terms of the work of this committee to try and help smooth this process through as best can be done. It seems quite clear from various pieces of evidence that we received both in the hearings and also looking at what, for example, the Productivity Commission has said that achieving the rollout in the time frame is a fairly 'heroic' assumption, to use a *Yes, Minister* approach. We heard today from one of the providers who came before us of only, I think, a 54 per cent achievement rate to date in Townsville and 35 per cent in Mackay. We know overall that the planning rate is about 80 per cent. Then, if you look within the plans, only about 70 per cent of those who have a plan are receiving services three months after the delivery of the plan, so there are obviously substantial delays in terms of getting this rolled out. That will have consequences especially with the ramping up of the rollout with, as you said, 60,000 in Queensland in this coming third year. The failure to achieve those goals—and I'm not blaming anybody; I'm just stating what now seems to me to be clear as anything—is going to have consequences for not just the NDIA and the Commonwealth but obviously the Queensland government as well because there will be a large number of individuals who will be wanting services that may not be provided, so they'll be looking elsewhere. If you are at liberty to talk about this: what's the contingency approach to what seems to be a slower than expected rollout of the NDIS?

**Ms Ferguson:** To date, Queensland, the Commonwealth and NDIA have agreed to bring forward a number of existing people in the rollout areas of Ipswich, Bundaberg and Rockhampton. That's been quite successful in seeing a number of existing clients of the state disability services arrangements being brought forward earlier than they were initially scheduled to be brought forward. That is, I think, quite an interesting strategy for us to keep in mind for the future to see if there are other opportunities similar to that. We're also working very closely with our Commonwealth and NDIA colleagues to identify other opportunities for the smoothing to happen as quickly as possible. We are really keen to see those LACs on the ground well in advance. Of course, the Early Childhood Early Intervention services need to be up and running from day one of the phasing areas as well so that people can get as much value from the NDIS system as they can, as early as possible. We know that access to phasing areas is open six months in advance. We're very pleased about that. We're doing all we can to promote that people make their access arrangements online as quickly as they can, early, before their area phases. That is also having a good effect. I mentioned the number of participant provider and workforce readiness activities that we're delivering. Through those, we've connected with over 30,000 potential and existing people in Queensland who will be participants, to really upskill their knowledge and their understanding about the NDIS and it coming to town, if you like—to their community—so that they're as ready as they can be for it.

We have heard today about a range of people who are still unaware or maybe not as confident about approaching the NDIS system. We are working with groups like Synapse, as was mentioned before, to run all sorts of familiarity sessions with people. Certainly, the work that they've been doing in places like Far North Queensland, North Queensland and the south-west of Queensland, in conjunction with Health and with DATSIP, the Department of Aboriginal and Torres Strait Islander Partnerships, has really been very significant and has been very welcomed by Aboriginal and Torres Strait Islander people who may have taken a bit longer to get the understanding of the NDIS and their access arrangements into the NDIS. Those sorts of strategies do need to be continued. They're very successful strategies. We need to keep those going.

**Senator GALLACHER:** The Productivity Commission's recommendation indicates that we won't be able to keep up with the need for allied health professionals and, indeed, the workforce generally. Given that Queensland is, I think, home to 240-odd remote communities and you have a huge area to cover, is there any assessment of the shortfall in, say, speech therapists and occupational therapists, particularly in the early childhood intervention area? If I go to the Eyre Peninsula in South Australia, people will say to me immediately, 'I've got a great plan and I know what I want to do, but I can't get an occupational or speech therapist. I have to travel to Port Lincoln or Adelaide.' Is that a bigger problem in Queensland?

**Ms Ferguson:** I'm not sure if it's a bigger problem. Queensland has its own geographic uniqueness in that it's a very decentralised state and a vast state geographically. We have been running a number of workshops together with the Commonwealth and with NDIA and partnering with the Department of Aboriginal and Torres Strait Islander Partnerships and with others, including with Aboriginal and Torres Strait Islander councils through the cape, in preparation for the Far North Queensland phasing period, which starts from 1 July this year. Those workshops are identifying the opportunities that the NDIS is bringing. They are also identifying the gaps and some of those challenges that you just raised about what else we need to do to make sure that we are all as ready as we need to be for that, including the workforce arrangements for that area.

**Senator GALLACHER:** The briefing we got from the Productivity Commission was basically, 'It doesn't matter what training you undertake, what workforce development do, you will not be able to meet the skills that are required other than by migration.' We know how difficult it is to get doctors to work in regional Australia, particularly in South Australia, and get them to stay there. Is this also a problem in this area?

**Ms Ferguson:** I'm not saying that there isn't a problem. I'm trying to say that we're trying to foresee what those challenges will be, particularly in the far north of the state, and to monitor how those professional arrangements are going in other parts of the state. Our minister is very keen about workforce data and has requested—and it's been delivered—that the workforce measures be put in place for the NDIS generally and that that data be available down to local levels. That work is being undertaken as we speak at a national level. That will be really important work for us, to monitor what the workforce arrangements are looking like on the ground.

We know that the NDIA had put out market position statements—in 2016, I think they were—for the phasing areas, but we now need to see how those proposed jobs are turned into actual jobs and what the range of jobs being put on the ground are. We do know that a number of allied health professionals are registering with the NDIA to provide services. Whether all of those are providing services yet, before the full rollout, is something that we're looking at as well. That capacity is potentially there. It's really about when that capacity is going to be utilised by those providers as well as when participants pick those up.

**Senator GALLACHER:** The briefing we had on the Productivity Commission report was brutally frank in that you won't meet the market needs without some targeted immigration. Is that not your experience? Do you think there is still going to be a sufficient amount of people to undertake the range of services that people may want?

**Ms Ferguson:** To date, we haven't needed to do any of those migration arrangements to any great extent that I am aware of, but of course we do need to keep monitoring that and keep an open mind about how that part of the market is met if there are issues.

**Ms MACKLIN:** Thanks very much for being here today. As you know, we're trying to focus on market readiness. You have emphasised the workforce. Another area that you focused on in your opening remarks, in terms of making sure that local areas are ready, is the appointment of local area coordinators well in advance. Could you explain a little bit more about why they're not being put in place in the six months in advance that you think they should be?

**Ms Ferguson:** I'm not sure if I can explain it all. It is certainly the reality for Queensland that, for example, for the phasing areas starting from 1 July, the partners in the community are yet to have been announced by the NDIA. They're not announced, therefore they're not—

**Ms MACKLIN:** This is right up in the north, for example.

**Ms Ferguson:** This is the big urban area of the south-east and the Far North.

**Ms MACKLIN:** So that is in neither—not in the south-east nor in the Far North.

**Ms Ferguson:** That is correct.

**Ms MACKLIN:** But you're not really at liberty to say why. We might ask some other the people.

**Ms Ferguson:** And of course, until those partners are announced, the positions can't be promoted and recruited to.

**Ms MACKLIN:** Exactly. You would have thought, particularly in the Far North—given the evidence that we heard this morning about the importance of getting people from communities who understand each other, are able to talk with each other in local languages and are culturally appropriate—that that would be ideal.

There is another very important issue that I'm sure you're aware of and the committee has heard a lot about over various of our different inquiries—well, there are two issues. One concerns is some of the services in the states. And this is not just about Queensland, it's a general issue, but it has been raised here today as well. The specific area I want to go to is the provider of last resort. Traditionally, as you would know, the states have made sure that there is a provider of last resort. One of the concerns that we hear repeatedly in different parts of Australia, not just here, is that that's not necessarily clear. So there's that specific question. The related issue, at a broader level, is the intersection with mainstream services. Can you help us understand where you're really up to here in Queensland. People need clarity about whether it's the NDIS that's responsible or whether it's the child protection system or the hospital or whatever it might be. How could that be better progressed? So there are two separate but related issues.

**Ms Ferguson:** Thank you for that question. The Queensland government included some of that advice in its recent submission to the committee on the NDIS transition arrangements. But, to note your question today, in terms of provider of last resort, I'd probably like to address the question in two ways: one around the transition period and the other around full scheme. For transition, the Queensland government continues to deliver a service for accommodation support and for respite service, and, ultimately, where the market generally might not be able to provide the support to a person, the provider of last resort could be put in place. For full scheme, we're yet to have a policy position on that. For interface issues, as you're suggesting, the Queensland government does continue to pay where there are interface rubs. Where the NDIA is yet to resolve the application of the interface principle in favour of the person with disability and their situation and the person is left in dire straits, the Queensland government will pay for that. In terms of the health interface, that is an area of ongoing negotiation nationally, in terms of transport interface, particularly transport interface. In terms of child protection, as you've noted in your question there, those areas are areas where, at a national level, we are having ongoing, deep negotiations about the application of the applied principles around roles and responsibilities between the NDIA and state and territory governments for those matters. Some of those lines are grey and need to be worked through, and some of those lines, in a number of respects, seem to be more clear and yet are still being worked through.

**Ms MACKLIN:** I just think, for the purposes of this inquiry, they're often not thought about. When people think of market readiness, they think about the regular services that people need that are part of their plans rather than think about things that may or may not continue to be part of mainstream services. And so, for the purposes of this inquiry, I think it is helpful for us to emphasise and to try to get some understanding from you about how that can be quickly resolved. I understand it's difficult for you to comment, but you understand how important it is.

**Ms Ferguson:** Given they're subjects of national negotiation, I'm anticipating that there'll be resolution during the year. But I need to emphasise that that's an anticipation on my part, in terms of the progress of those negotiations.

**Ms MACKLIN:** Just to take the issue of child protection, which I'm sure you're familiar with, until we sort out who is actually going to pay for out-of-home care where children are not to become wards of the state, we're going to end up with some very distressed families. We are, in other states right now, and so I just wanted to—

**Ms Ferguson:** Indeed. I agree; that is one of those interface rubs that we are working through. I am aware that there is an example of a bit of a pilot being run in New South Wales around that with some suggested ways forward. That looks a bit interesting, but it hasn't been progressed for formal policy consideration at this point.

**CHAIR:** I think what Ms Macklin says is significant, from the committee's point of view. I understand that the NDIA may be making a report to the next Disability Council meeting in terms of provider of last resort or some other language that is being suggested, but evidence that has been consistently before this committee has been that this is a real issue and it's not about to go away. You obviously don't have to, and shouldn't, respond to this, but I think it would be our admonition to all involved to ensure that this is addressed and resolved as quickly as possible.

**Ms Ferguson:** I certainly note your concern.

**CHAIR:** I thank you very much for coming along and again thank the Queensland government for their cooperation with the committee over the time of its existence.

**Ms Ferguson:** Thank you very much.

**CHAIR:** Ladies and gentlemen, that concludes for the moment today's hearing into the market readiness for provision of services under the National Disability Insurance Scheme.

**Committee adjourned at 14:27**