

# 2024-2025 NDS Victoria Pre-Budget Submission

## About National Disability Services

National Disability Services (NDS) is the peak body in Victoria and Australia for non-government disability service providers, with over 270 members in Victoria and over 1000 members nationally. We provide information and networking opportunities to our members and policy advice to State, Territory and Commonwealth governments. Our members collectively offer the full range of disability services; from supported independent living and specialist disability accommodation services to respite, therapy, community access and employment.

NDS is committed to improving the disability service system to ensure it better supports people with disability, their families, and carers; and to building a more inclusive community. NDS has a deep commitment to supporting the implementation of a successful National Disability Insurance Scheme (NDIS) and is supporting service providers across Victoria as they work to thrive within this contemporary landscape.

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# Introduction

Last year was a landmark for change and proposed change in the disability sector both at Commonwealth and State levels. Federally, the Disability Royal Commission produced 222 recommendations, which if implemented would profoundly transform the sector while the NDIS Review final report recommended changes which would have repercussions beyond the Scheme. In Victoria, the new *Disability and Social Services Regulation Amendment Act 2023* and the amended Social Services regulations have changed the operating environment.

These systemic changes occur at a time of uncertainty. For disability service providers in Victoria, there is a sense that NDIS settings and deteriorating economic conditions are significantly impacting the sector. Our recent [State of the Sector Report 2023](#) found that in Victoria:

- 75 per cent of providers viewed operating conditions as worse in the last 12 months than the previous year.
- 41 per cent of providers made a loss in FY 2022-23. 13 per cent just broke even.
- 89 per cent of respondents said they had received requests for services that they could not fulfill.
- 76 per cent are worried they will not be able to provide NDIS services at current prices
- 76 per cent reported extreme to moderate difficulty in finding support workers, with availability of allied health professionals ranging from low to non-existent

This was the highest rate reporting a loss since the survey began collecting financial data in 2016. Most providers would place the root of this problem in pricing, especially with the rising cost of doing business.

The complexity of the regulatory environment is also a significant pain point for Victorian disability service providers. Intersecting and often duplicative regulatory oversight from both the national and state levels contribute to a system which can be

confusing and is difficult to navigate. As mentioned earlier, changes to the regulatory landscape in Victoria, which affect Victorian funded disability service providers and providers of Specialist Disability Accommodation (SDA) and Supported Independent Living (SIL), add to these challenges.

Prior to the release of the NDIS Review Report, NDS identified 10 priorities for NDIS reform. They are:

1. Co-designed sector led implementation and transformation
2. Best practice approach to pricing including an independent pricing mechanism
3. Strategies and funding mechanisms for workforce development and retention
4. Targeted payment reform
5. Regulatory reform and support for quality
6. Improved planning and support pathways
7. A joined-up ecosystem of support
8. A pathway to better home and living supports
9. Focus on employment outcomes
10. A redesigned NDIS for children and families

While some of these priorities are NDIS specific, most can be seen as relevant to the development of disability service provision as a whole. As such we have used them to frame our budget submission priorities.

The Victorian Government has been working hard to boost inclusion of people with disability within Victorian society. Recently, this has played out in critical work on a new Disability Inclusion Bill, the development of accessible infrastructure, and updates to tenancy arrangements to extend rights and protections for people residing in supported disability housing. The State Disability Plan has provided an excellent framework to drive greater inclusion. However, we still have a way to go, with the need for further investment in housing, transport, health, education, employment, justice, and civic rights, and changing societal attitudes required to ensure that Victorians with disability are empowered to live fulfilling lives with others in their community.

Within this context, NDS is calling for the Victorian Government to fund a number of projects to ensure that Victorians with disability and the organisations who support them can thrive in the face of an array of challenges during this budget period and beyond.

In summary, we recommend that investment be made available for the following:

Priority 1: Foundational Supports (priority 6 and 7 above)

Priority 2: Support for Children and Families (priority 10 above)

Priority 3: Reducing the complexity of the regulatory environment (priority 5 above)

Priority 4: Support a resilient and skilled disability sector delivering high quality services (priority 3 above)

Priority 5: Accommodation (priority 8)

Priority 6: Employment and Social procurement (priority 9 above)

Priority 7: Continue to build an inclusive Victorian community (priority 7 above)

# Priority 1: Foundational Supports

Currently, there is not enough support for people with disability outside the NDIS. Support for Victorians with disability is not planned, funded or governed as a whole ecosystem, which leaves the Scheme as the only option for some. We need to think about how supports are delivered to people with disability at every level.

The NDIS Review Report stressed the need to re-imagine disability supports outside the NDIS, thinking of them as a new category of community wide support called 'foundational supports'. Such supports sit alongside mainstream services, open to all in the Victorian community. The Review identified two types of foundational supports – general and targeted.

General foundational supports would include programs and activities like information and advice, individual and family capacity building, peer support, self-advocacy, and disability employment supports.

Targeted foundational supports are supports available for people aged under 65 with disability who are not eligible for the NDIS. They should include home and community supports, such as shopping and cleaning or assistive technology for people with less intensive support needs. There should be targeted supports for adults with a psychosocial disability to build their capacity, independence and daily living skills. There should also be early supports for families and children with emerging developmental concerns and transition supports to help young people prepare for employment and independent living. Targeted supports should be matched to people's level of need.

Foundational supports should also be designed to meet the diverse needs of individuals recognising people with disability are represented in First Nations communities, Culturally and Linguistically Diverse populations and LGBTQI+SB communities. The intersecting diversity with the population of people with disability and living in rural or remote areas result in additional disadvantage in accessing appropriate supports.

We recommend that the Victorian Government continue to drive mainstream services to be more accessible and inclusive, while undertaking major investment to build foundational supports. These should be available to all NDIS participants and people with disability aged under age 65 who are not eligible for the NDIS and their families. Victoria already has a social services infrastructure which could underpin foundational supports and ensure good integration with mainstream services. For example, the new Mental Health Locals, our extensive network of Maternal and Child Health services, Community Health Services, the HACC PYP program, and so forth.

NDS is keen to contribute and work closely with the Victorian government on the design and implementation of Foundational Supports in this state.

## Priority 2: Support for Children and Families

Closely linked to the call for Foundational Supports, NDS wants to see greater support for children with disability and their families in the state budget. NDS acknowledges that the Victoria Government is currently investing in a variety of programs which support children with disability including rolling out Disability Inclusion reforms in schools, investing in early years supports, and investing in some advocacy services. Building on this we would like to see funding for the development of a suite of integrated supports creating a truly inclusive and robust early years and education system. We are keen to see the system being much more proactive with early intervention for young children with developmental delay. There is also a swathe of work required to create an education system that responds to the education recommendations of the Royal Commission, with disability inclusion reforms to increase system performance and accountability.

Some of the key programs we would like considered for expansion include:

- Family Services Specialist Disability Practitioners
- the Children with Complex Disability Support Needs program.
- Early Childhood Intervention Services (ECIS) expanding eligibility for Kindergarten Inclusion Support
- the Better Start Program

In all areas requiring significant reform, NDS urges the government to extend its existing consultative mechanisms, to ensure the voice of service users, families, advocates and providers are all considered. This will be particularly important in the critical area of services for children and young people.



## Priority 3: Reduce the complexity of the regulatory environment

### **Rebalancing the quality and safeguarding system**

NDS is eager to see the Victorian Government use this opportunity to rebalance the quality and safeguarding system so that Victorian quality and safety initiatives complement rather than duplicate national initiatives. This would include more investment in prevention initiatives such as the NDS [Zero Tolerance](#) initiative and in individual and systemic disability advocacy services, which are a key safeguard against abuse, neglect, and violence against people with disability.

### **Reducing regulatory burden**

The introduction of the *Disability and Social Services Regulation Amendment Act 2023* and the amended Social Services regulations while making welcome changes in the sector have also added further uncertainty and potential regulatory burden.

At present, depending on the type of service provided, an organisation may need to satisfy registration requirements and quality and safeguard standards of two different systems - those covered by the Act and regulations in addition to the NDIS.

Most disability organisations undertake work for the NDIS, and if they are registered, they are subject to comprehensive regulation by the NDIS Quality and Safeguarding Commission. This regulation includes independent audits against standards and strict reporting requirements. NDS would like to formally highlight the importance of mutual or unilateral recognition of the NDIS Practice Standards and Code of Conduct within the new Victorian Social Services regulatory framework to avoid duplicative reporting and auditing requirements.

A number of disability providers have warned us that the increase in costs and administrative time associated with the proposed new regulations may result in them having to review their provision of services to TAC and WorkSafe clients, and

potentially exiting the sector, thus negatively impacting on service user choice and access to services.

In the context of the new regulations imposing additional requirements on service providers, NDS recommends that all organisations subject to this new regulation be supported with a modest grant to be used towards staff training and system amendments and upgrades to ensure adherence to the new requirements.

### **Resource relevant Victorian authorities to improve the NDIS Worker Screening process for Victorian workers and volunteers**

NDIS Worker Screening Checks continue to be a significant barrier to recruitment for disability service organisations. The 'no check, no start' policy in Victoria and 8 to 10 week delays in manual application processing are creating recruitment bottlenecks and influencing many successful candidates to abandon their positions.

The inaccessibility of the application process is also contributing to recruitment challenges. With larger numbers of applicants from culturally and linguistically diverse, refugee, Aboriginal or Torres Strait Islander, low socio-economic or long-term unemployed backgrounds attaining employment in the sector, investment in the accessibility of the system is urgently needed. Currently, there are significant barriers to the application system, including restrictions around accepted documents and need for significant digital literacy.

Additional resources for Services Victoria and the Victorian NDIS Worker Screening Unit are urgently required to better support those applying for NDIS checks in Victoria and minimise delays in attaining checks. Currently, around 5000 NDIS applications are processed online every month. NDS supports the recommendation of the NDIS Review that all workers be screened, however recommends significant investment to upgrade Services Victoria check system in readiness for the significant extension of screening proposed.

## Priority 4: Support a resilient and skilled disability sector delivering high quality services

### Workforce

Workforce shortages in the disability sector are reaching crisis levels as tight labor market conditions coincide with growing demand for services. Victorians with disability are missing out on services they need, with 76 per cent of Victorian respondents in our [State of the Sector Report 2023](#) survey indicating that they had received requests for services that they were unable to provide, in most cases as a result of a lack of workforce supply.

Labor supply issues are also accompanied by significant skills shortages, with particularly acute challenges in the areas of allied health, behaviour support and supporting clients with complex needs.

NDS has welcomed the establishment of the Centre for Workforce Excellence within the Department of Families, Fairness, and Housing and is eager to see the Centre's initiatives include targeted supports for the disability sector. Particular support is needed to strengthen the connection between training and industry, fill skill shortages in supporting participants with complex health, therapy or behaviour support needs, and build the capacity of leaders to manage the current risks and challenges in the operating environment. Targeted training for boards and senior leaders to grapple with operational and compliance risks and navigate the changing regulatory environment should form part of this support.

Further investment in attracting and maintaining disability workers to the sector is also required. The low unemployment and skilled migration rates have altered the typical jobseeker profile in the disability sector, with organisations seeing larger numbers of applicants from culturally and linguistically diverse, low socio-economic or long-term unemployed backgrounds. Funding will be essential to assisting many applicants from these cohorts to overcome particular barriers to entry to the sector.

## **Insurance**

Victorian providers continue to have difficulties obtaining insurance cover ranging from property; public liability; cyber security; vehicle; workers compensation; physical and sexual abuse (PSA); and the cost of insurance has risen.

In a July 2023 NDS Pulse Survey, 32 per cent of respondents had trouble accessing insurance required to run their disability services in the last 12 months. There are a few insurers willing to provide PSA coverage, and there are signs of market failure for PSA insurance due to a reduced risk appetite by insurers. This will impact providers who provide individualised Out of Home Care (accommodation) services in settings other than Group Homes (i.e., 1 on 1 Supported Independent Living (SIL) and Individualised living options (ILO)).

NDS is seeking Victorian Government engagement on this complex issue, and consideration of options to mitigate the risks posed to people with disability and disability providers due to a lack of insurance coverage.

### **Support for NDS, the peak body**

NDS has welcomed the support the government has demonstrated in recent one-off funding to NDS to support implementation of the DRC and Review recommendations in Victoria. We also acknowledge the reinstatement of limited recurrent funding and are keen to see this increased in the 2024/25 budget. NDS provides valuable insights and analysis to government about the disability sector, its workforce, and the people supported by disability services. We are also a valuable conduit of government information to the sector which comprises a major element of Victoria's community services.

If accepted, the NDIS Review recommendations rebalance the services provided to people with disability directly by the Commonwealth via the NDIS, and those provided jointly or via State Government funding. This reinforces the need to support an effective voice for disability services at state level.

## Priority 5: Accommodation

While NDS acknowledges housing initiatives undertaken by the Victorian Government, there continues to be significant shortages of affordable and accessible housing for people with disability in Victoria. Only 6% of NDIS participants are eligible for NDIS-funded Specialist Disability Accommodation, leaving a significant number of Victorians without access to affordable housing supports. Most private rentals are unaffordable in Victorians on a Disability Support Pension.

NDS is eager to see the Victorian Government continue to promote the development of a range of accessible and affordable social housing and small-scale specialist disability housing options. There needs to be greater requirements and obligations for builders and developers to build Victorian homes that comply with the Liveable Housing Design Standards and mixed developments that include social, affordable, and accessible options.

There is an urgent need to review the status of SDA legacy stock which the Victorian government presently owns and design a strategy which sets out timetables for upgrading or repurposing ageing (Legacy and Basic) Specialist Disability Accommodation stock in line with the recent DRC and NDIS Review recommendations. A transition plan for existing SDA residents living in larger scale group homes and/or those who wish to seek a different housing option is needed. The strategy should sensitively respond to the needs and preferences of residents and should be designed in collaboration with residents, their supporters, and advocates. It also needs to engage with and include support for the providers currently operating Victorian government properties.

Home ownership shared equity schemes (such as, the Victorian Homebuyer Fund) are needed to support more Victorians with disability to have similar home ownership rates to other Victorians.

## Priority 6: Employment and Social procurement

People with disability continue to experience disproportionately low levels of employment compared to the rest of the Victorian community. Employment is often not prioritised in NDIS participant plans and some participants need support to identify, explore and try a range of employment options. With unemployment at its lowest in decades, we are presented with an opportunity to empower many people with disability to enter the workforce.

NDS consultations found disability service providers want the public sector to be more accountable and provide regular data on employment numbers of people with disability in the public sector. Monitoring of data can be a way of shifting the dial on diversity and inclusion of people with disability. State Government should collect data on the number of people with disability employed in each public sector department, sharing this data publicly and reviewing the impact of inclusive policies and practices to ensure they have created more equitable and accessible workplaces.

NDS recommends that in line with the recommendations of Disability Royal Commission, the State Government work with all stakeholders to develop a cohesive vision for employment that brings together the range of existing supports available, improves how they work together, identifies gaps, develops strategies to address these gaps and supports a range of employment options for all people with disability. Targeted supports to assist people with disability who are long-term unemployed to enter employment will be part of this process, as will training to assist supported employment providers to transition participants to open employment options.

NDS welcomes the current review of Victoria's Social Procurement Framework but is looking for greater support for social enterprises whose central mission is employing Victorians with disability. We would also encourage the Victorian Government to increase government purchasing from supported employment services, including procurement and employment targets and mandatory set aside policies, similar to the model developed with the Indigenous Procurement Policy. This could include supporting the [Buyability](#) procurement website for redevelopment and promotion. This website provides government and private business with an easily navigated platform

to identify and source highlighted social enterprises by location or business category. Supported employment providers who have a steady source of income from government purchasing are more likely to offer an increased range of quality, sustainable employment for people with disability.

## Priority 7: Continue to build an inclusive Victorian community

The Victorian government has a good track record in working to make this state more inclusive for people with disability. This has been demonstrated by the State Disability Plan, significant work throughout 2023 to develop a Disability Inclusion Bill, the passing of the DSSRA Act and the drafting of new regulations.

However, there is still a long way to go. The second annual report on Australia's Disability Strategy 2021–2031 Outcomes Framework indicates that just over 1 in 2 (54 per cent) people with disability felt valued and respected in the community in 2022 (see [Australia's Disability Strategy 2021–2031 Outcomes Framework: Second annual report, Summary - Australian Institute of Health and Welfare \(aihw.gov.au\)](#) front web page). NDS urges the 2024-25 budget to invest in an array of activities to drive greater inclusion, including:

### **Making transport more accessible for all Victorians**

Transport services are central to community participation and access to education, health care and social activities for many Victorians with disability. Yet many localities across the state remain poorly connected, and current infrastructure continues to be inaccessible for many people with disability or low mobility. NDS calls for a five-year Accessible Transport Infrastructure Blitz to advance priority projects which make public transport more accessible.

### **Improving access to justice**

As the Disability Royal Commission highlighted, Victorians with disability are significantly overrepresented at all stages of the criminal justice system. NDS is concerned that real disconnects exist between the State Government administered

criminal justice system and the Commonwealth run NDIS. Strong pathways between the criminal justice system and mainstream disability services are vital for the wellbeing of Victorians with disability who become involved, as offenders and detainees, with the criminal justice system. NDS would like to see targeted and funded initiatives in this space to improve outcomes for people with disability who come into contact with the criminal justice system.

### **Continuing to fund work to improve accessibility to mental health services for Victorians with disability**

NDS has welcomed recent efforts to improve the accessibility of the Victorian mental health system for people with disability. NDS has identified significant gaps and needs in the system within its Diverse Communities work funded by the Department of Health and is eager to see the Victorian Government work with other key systems including the NDIS to improve access to mental health supports for Victorians with disability. We welcome the recommendations re some psychosocial disability supports being part of Foundational Supports in the NDIS Review, and note that Victoria's new Mental Health Locals are well positioned to host such supports.

### **Continuing to fund models of support related to hospital admission and discharge**

Unmet health needs continue to be an issue that affect the quality of life of people with disability in Victorian. Its impact is seen in difficulty accessing health care services leading to outcomes such as lower life expectancy, poor oral health, and poorer general wellbeing. The Disability Liaison Officer Program and the Pathways to Home Program have been identified by the disability sector as beginning to address the complex barriers that people with disability, carers and disability providers encounter when hospital admissions are needed. Continued funding for both programs will enable the current work between the Victorian Government Department of Health and the disability sector to progress.



## **Continuing to fund community palliative care consortiums to enable people with disability to be supported to die at home**

NDS has been working with statewide community palliative care consortiums to identify the barriers preventing people with disability from accessing palliative care support to die at home including disability accommodation settings. Continued funding of the consortiums will ensure progression of this work to address the need for and increased disability specific capabilities within community palliative care and end of life knowledge and supports in the disability sector. Progression of actions focussed on solutions aims at reducing avoidable admissions of people with a disability in the end stage of their life.

## **Sustaining bonus disability advocacy funding**

Advocacy plays a vital role in promoting, protecting, and ensuring people can enact their rights. The Disability Royal Commission found greater investment is needed in disability advocacy. At a minimum, the Victorian Government should ensure the 50 per cent bonus funding given to organisations funded under the Victorian Disability Advocacy Program is a permanent increase to baseline funding

In recent years we have seen a number of new state initiatives relating to safeguards for people with disability and others. We welcome the positive intention of such initiatives, and the need for a robust safeguarding framework, but note that significantly greater resourcing of advocacy and promotion of quality and evidence based good practice within the sector, may more effectively drive more responsive, and higher quality service delivery to people with disability.

## **Conclusion**

NDS calls on the Victorian government to recognise people with disability and the disability services sector in its upcoming state budget. The sector plays a vibrant and important role within Victorian community services, and its voice needs to be heard, its workforce expanded and supported, and issues of sustainability and quality addressed. The Victorian State Government's support for the disability sector throughout 2024-25 will be particularly important as the sector navigates significant

change in light of the NDIS Review, the Disability Royal Commission, and various noteworthy developments in the Victorian regulatory landscape. The Victorian Government also needs to keep working to make this state truly inclusive for all people with disability and fund the frameworks and initiatives which will achieve this.

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