

Bilateral Agreement Confirms Move to Troubled National Scheme

On 12 December 2017, the Minister for Social Services, Christian Porter and Premier of Western Australia, Mark McGowan released a new Bilateral Agreement that will guide the transition of the Western Australian disability system to a nationally run National Disability Insurance Scheme (NDIS) by June 2023.

Nulsen Disability Services has been lobbying for the operations of the scheme to be retained in Western Australia. Though we are relieved to finally receive a decision, we are disappointed that key elements that contributed to the success of the disability system in WA will not be retained to ensure local negotiations and decision-making. The key features of the new Bilateral Agreement include:

- The transition of current WA-NDIS clients to the national system will occur from April to December 2018 and the national agency will manage the scheme in WA from July 2018.
- The scheduled timeline to June 2020 remains in place, with the same number of people, though with a reduced allocation of money (minus \$182 Million recurrent)
- The State Government has taken the opportunity to reduce its contribution by \$136 Million recurrent and the Commonwealth Government by \$46 Million recurrent.
- Over a decade, the total reduction in funding will approximate \$1.82 Billion.
- The Premier assures us that this will not negatively affect outcomes for people living with disabilities, their families and carers.
- The Nulsen houses in North metropolitan region will commence transition from 1 July 2018.
- The houses in South East metropolitan region will transition from 1 July 2019. At this time, the majority of Nulsen's services will commence transition into the National NDIS and require all service users to develop new person centred funding plans.
- The overall transition timeline in WA will extend to June 2023.
- The number of people served will increase from 39,097 (June 2020) to 47,941 by June 2023. This will be a good outcome for people living with disabilities, their families and carers.
- The existing quality management process will remain in place until June 2020 and the national system will take over the process from 1 July 2020.
- The terms of the new Bilateral Agreement mitigates the future risks for the State Labor Government.
- The Bilateral Agreement acts as a financial contract between the two levels of government, there are few details provided on the impact for people living with disabilities and disability sector organisations.

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With certainty now provided by the Bilateral Agreement, significant work will continue by Nulsen management and staff to ensure that the provision of services to people with complex disabilities remain responsive and sustainable under the NDIS. Nulsen Disability Services has invested significant resources and time over the past five years in preparing the Association for the implementation of the NDIS; this investment will ensure we continue to be a leading provider of services to people with complex disabilities. We will attempt to ensure that our staff will continue to receive suitable induction and training, ongoing professional development and recognition.

There is no doubt there a number of significant challenges still to be resolved with the design of the national scheme, particularly in the eastern states. These include:

- Demand and rate of implementation is increasing rapidly, about 4 per cent per quarter.
- Low prices are placing financial pressures on disability service providers with 23% reporting a recent financial loss (21% in 2016).
- Cash-flow is under significant stress, especially evident in New South Wales.
- The provision of supply of services is variable, particularly across rural and remote locations.
- The disability sector has ongoing strained relations with the National Disability Insurance Agency (NDIA—the federal government body).
- The issues relate to pricing, problems with the electronic portal, significant delays in payments, the quality of individual plans and delays in implementation, combined with rushed processes to meet unrealistic rollout timelines.
- Recent research has demonstrated that confidence of Chief Executive Officers of disability service providers has dropped by ten percent during the past twelve months.
- The recruitment of all levels of staff, required to meet demand for services, is being stifled as the pay rates available are simply not economically viable for the workers of the disability sector to get by.

We shall overcome these many challenges. The Association will continue in collaboration with the State Government and the National Disability Insurance Agency to ensure Western Australia continues to provide a great service system for all people living with disabilities.



Professor David Gilchrist is a chartered accountant and a historian. He holds a PhD in economics from the University of Notre Dame Australia and is currently a professor of accounting at the University of Western Australia. Over his 25-year career, David has held many senior roles in the not-for-profit, commercial and public sectors. He has taught at several universities across the globe, sits as Chairman on multiple boards and has published several key national reports. A few of his achievements include; working as the Assistant Auditor General for Western Australia, and the Associate Dean of the School of Business, University of Notre Dame Australia. As a Chairman to Nulsen Disability Services, and the Kimberley Individual and Family Support Association. Also producing the "Australian Charities 2013" and the

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Chair Chat

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Mid December 2017

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"Australian National Costing and Pricing Framework" issued jointly with National Disability Services. He is widely published as an academic and a journalist. [See David's full profile here.](#)