

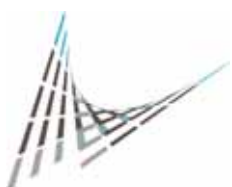
Disability Care and Support Report:

Response from the City of Boroondara

The Australian Government is committed to developing a National Disability Strategy, including the National Disability Insurance Scheme (NDIS), under a National Disability Insurance Agency (NDIA), to enhance the quality of life and increase economic and social participation for people with disability and their carers to be implemented between 2014 - 2018. The proposed scheme is described in the Productivity Commission's Draft Report *Disability Care and Support* (The Report).

The City of Boroondara supports the introduction of the National Disability Insurance Scheme and the entitlement to individually tailored service which is comprehensive and portable. The following recommendations in The Report will strongly benefit the Boroondara community and their ability to access services through Council and other local agencies:

- The role of the Australian Government in establishing the NDIS as a consolidated, national source of funding for disability support services.
- The proposal for the implementation of greater choice and control for people with disabilities over the services they receive through individualised support packages.
- The emphasis on portability and consistency of service entitlements will benefit people with disabilities.
- The recommendation to increase substantially the funding for support and care by doubling the amount available so that most people currently getting disability services would receive more support under the NDIS.



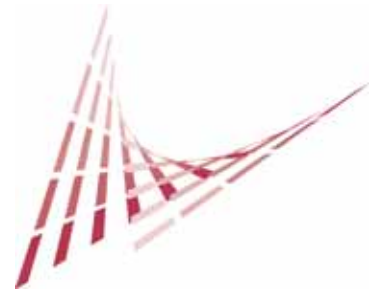


Funding model

The draft report recommends that the 'residual' costs of the no-fault insurance scheme should be collected through municipal rates. The scheme would retain current no-fault insurance arrangements for motor vehicle, medical indemnity and workplace injuries. The Victorian share of the 'residual' costs is estimated at \$60 million per annum in the draft report. The City of Boroondara concurs with the Municipal Association of Victoria in opposing the proposed model of funding for the National Injury Insurance Scheme through Council rates and supports an alternative funding model — either a model which is more able to accurately connect the risk of injuries to the contributors or a tax which also fulfils criteria related to equity and distributional impacts.

There is very little nexus between catastrophic injuries that will be covered by the NIIS and Councils' risks. We support the MAV's argument that this lack of connection implies that the primary purpose of the proposed funding model is to collect revenue in the most economically efficient manner. The proposed model is sub-optimal because it does not consider all the characteristics of an effective tax (notably, it does not consider the distributional implications of the proposed funding mechanism), but also fails to produce incentives for bodies with risks to manage them appropriately (e.g. state and commonwealth land, private land, crime). The model actually does the opposite in arguing that Councils can influence the risks involved for the vast majority of 'residual' costs associated with the scheme that are not its current responsibility.

Rates are levied on property owners - property wealth does not provide the best basis for determining who should be funding this national scheme. Rates might be relatively 'efficient' in that they are simple to operate, but a tax base such as income is arguable better and more consistent with how similar bulk insurance schemes (e.g. Medicare) are currently funded. The funding model should therefore be selected as either a model aimed at introducing a 'good' tax or as a means of apportioning the funding across those parties that would benefit from a no-fault insurance scheme. The current proposal attempts to identify a good tax without reference to any notions of equity and also presents fallacious arguments about the benefits likely to accrue to local government through a no-fault scheme.

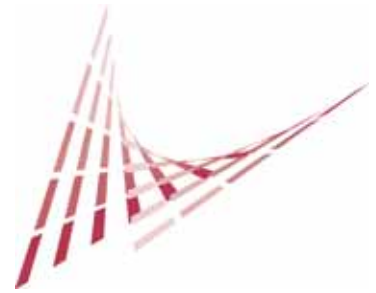


Service Provision Issues

The City of Boroondara recommends that the NDIS considers the role of locally integrated services such as that provided by Victorian local governments. In particular that the NDIS seeks information on the impact on local HACC services of the national scheme on the service coordination and service development roles of Victorian local governments. This should be incorporated into Recommendation 3.4 of The Report which recommends the introduction of Memoranda of Understanding with other sector providers.

Sector interface issues also need to be discussed on a state by state basis, prior to implementation to ensure that these are addressed in the program design. Clarity around the role of local government staff in both assessment and service provision, including potential impact on service demand and type, is crucial to preparing for the roll out of the NDIS at the local level.

While local agencies and services actively promote information dissemination, locally employed assessors such as Council HACC assessment officers and case managers, are an important source of information themselves. Local assessors not only know what resources are available but often know how these resources work and how best to them. The City of Boroondara questions whether independent assessment necessitates the use of assessors who do not have a 'long standing connection to the person' and recommends an assessment model inclusive of local government knowledge and community relationships. While objectivity and the use of validated assessment tools are important, if NDIS assessors do not have local knowledge, and do not have time to develop a relationship with the person, it is likely that some people with disabilities, particularly if they have communication needs and/or do not have a carer, would need an advocate or helper with this knowledge. This advocate would be well situated in a local government framework.



Remaining Issues

The City of Boroondara understands whilst that the scheme is still under development, there are several questions and issues that need to be clarified to enable adequate planning for the introduction of the NDIS and a more detailed response to the proposal. These questions include:

- Is Local Government considered a 'Service Provider' under the scheme? How does local government differ from 'other government' services and community or agency services under the scheme?
- Will the NDIS replace the HACC (Home and Community Care) funding received by people with a disability? Will it complement this funding? How?
- Will Council staff who are currently in disability assessment roles become case managers under the scheme? Will this require a broadening of the roles and skill bases for these staff and an increase in staff in this role?
- Who will assess the 'reasonable needs' of the clients entering the scheme?
- The Draft Report states that the services under the scheme will be initially supported to generate a market and will later move to client based purchasing. Does this mean that Council will be eligible for funding to expand services or fund existing services?
- Will facility based respite options be supported under the scheme and is there any opportunity to source funding through the scheme for the development of a local facility (or similar respite services)?
- How will the roll out of this scheme be coordinated with the roll out of the Caring for Older Australians report findings and the active service model? What will the relationship between these two reforms be and how will they impact on the relationship between aged and disability services provided by local government?