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## The National Disability Insurance Scheme

Report 14: 2017–18

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# Contents

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# Audit objective and scope

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The objective of the audit was to assess how effectively the Queensland Government is managing the transition to the National Disability Insurance Scheme (NDIS) and how well prepared it is to oversee services after the transition.

We assessed the effectiveness of the governance arrangements and program management of the transition.

We also assessed how effectively two state-funded mainstream services are integrating with the new NDIS operating model. Mainstream services refer to services in our community such as education, health housing, justice and transport.

We selected the discharge processes for hospital patients and prisoners with disability. This included examining how Queensland Health and Queensland Corrective Services are:

- identifying potentially eligible NDIS participants
- redesigning their processes to fit with the NDIS.

The scope of this audit did not cover all activities involved in transitioning Queensland's disability services system and its clients to the NDIS. These include, for example, multiple large-scale projects and programs conducted by the Department of Communities, Disability Services and Seniors (DCDSS) to:

- transfer information about each disability service client to the National Disability Insurance Agency (NDIA) including electronic records and data
- develop the readiness of participants and providers, and capacity of the disability service workforce and market
- communicate and engage with the public and potential NDIS service providers about how to become involved with the NDIS.

*We thank all the people with disability, their families, carers, and clinicians who gave up their time to share their experiences with us.*



# Key facts

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There are 859 000 Queenslanders with a disability. The Productivity Commission estimates 91 217 Queenslanders will be eligible for NDIS

Moving to the NDIS involves changing a service system in three years that has been in place for 70 years



**NDIS**  
is the largest  
reform since  
Medicare



In 2019–20, the NDIS contributions will be \$2.03 billion from the Queensland Government and \$2.14 billion from the Commonwealth

*Source: Productivity Commission, Bilateral Agreement between the Commonwealth and Queensland.*



# Summary

## Introduction

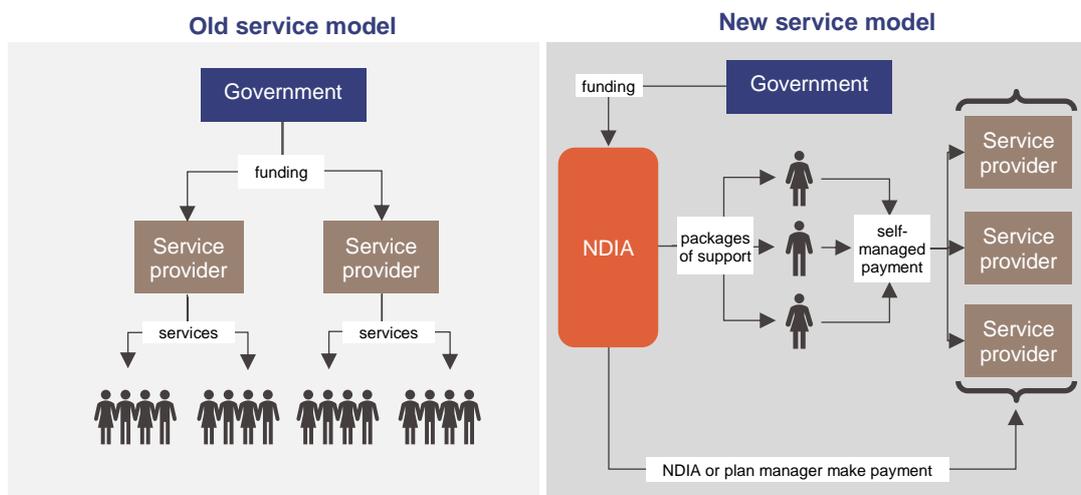
The National Disability Insurance Scheme (NDIS) is transforming the way Australians with disability obtain support services. It is a major national reform, jointly governed and funded through a partnership between the Commonwealth and the state and territory governments.

When the former Prime Minister introduced the scheme into federal parliament in 2012, she recognised the significance of the reforms, stating that:

- disability can affect anyone, and therefore affects everyone
- most people with disability cannot pay for the lifelong care needed to be active participants in their communities
- government-funded disability services are often provided in response to historical budget allocations rather than actual individual needs and circumstances
- support should be designed around goals and aspirations, not diagnoses and abilities
- people need access to a range of supports, from early intervention therapies through to slowing or preventing loss of functioning.

Figure A shows how the model to deliver disability services has significantly changed with the introduction of the NDIS. Previously, governments funded service providers in advance to deliver defined services to people with disability. The new model allows people with disability to choose and design their individual packages of support. They then use their package to obtain services from providers in the disability services market.

**Figure A**  
Moving to a new service model



Source: Queensland Audit Office.



The NDIS intends to give people choice and control over the supports they need, including the ability to manage their own funding if they wish. The NDIS helps fund a range of supports such as:

- help with daily personal activities (such as bathing, dressing, cooking, and eating)
- workplace assistance to allow a participant to successfully gain or keep employment
- home modification design and construction
- mobility equipment (such as powered wheel chairs and scooters).

The Australian Government established a separate federal agency, the National Disability Insurance Agency (NDIA), to administer the scheme. It started operating in 2014, and is a relatively new entity with new processes, staff and systems. It provides individualised packages of support to eligible people with disability. Once participants receive the services, the NDIA, plan manager or the participant (self-managed) pays the service providers. The NDIA receives its funding from the Commonwealth and the state and territory governments.

Some elements of the new model are not yet finalised. These include establishing the NDIS Quality and Safeguards Commission, components of the quality and safeguards framework, and the roles and responsibilities of the NDIA and the states for some services (such as some health supports and transport).

Also, the disability services market is still being developed and will take time to mature. NDIS service providers are generally non-government organisations but, in some cases, may include government-funded agencies who become registered service providers, such as hospital and health services.

## Eligibility for NDIS

The Productivity Commission estimates that, by July 2019, the NDIS will be funding a total of \$22 billion annually in individual support packages across Australia (\$4.17 billion in Queensland).

Queensland’s estimated 91 217 NDIS participants are made up of 47 752 existing people with disability who are already receiving state funded disability support services, and 43 465 new/other clients (new clients are not receiving state disability services; other clients include transitioning commonwealth participants). The relatively high number of new clients is largely because Queensland has historically had less funding for disability services and therefore had higher thresholds for eligibility, resulting in less existing participants than in many other states. Figure B shows the estimated numbers in the context of the resident Queensland population.

**Figure B**  
**Estimated number of eligible people with disability by 2018–19**



Source: Queensland Audit Office.

**Specialist disability support services**—These are services designed specifically to meet the needs of people with disability. Participants with approved NDIS plans can access these services and use the funds in their plans.

**Mainstream services**—These are state and commonwealth funded services (education, health, housing, justice and transport) provided to all people, including people with disability regardless of whether they are eligible for the NDIS or not.

Broadly, the NDIA assesses a person's eligibility based on their age, residency, disability and early intervention requirements.

## Transitioning to NDIS

The *Bilateral Agreement between the Commonwealth and Queensland: Transition to the National Disability Insurance Scheme* (Bilateral Agreement), sets out the roles and responsibilities for the transition. It also includes the transition schedules and funding contributions.

The Department of Communities, Disability Services and Seniors (DCDSS, formerly the Department of Communities, Child Safety and Disability Services) currently provides or funds the delivery of disability services to Queenslanders. Once the NDIS rollout is finalised, DCDSS will have a very limited role in providing disability services.

DCDSS is the lead agency coordinating the whole-of-government transition to the NDIS in Queensland. It established a dedicated program management office (PMO) to coordinate the cross-agency transition to the scheme and support DCDSS transition out of the delivery of disability services. Many other mainstream government agencies are involved with the new scheme, such as those that provide education, health, housing, justice, and transport services to people with disability.

Queensland is transitioning to the new scheme progressively over three years. It started with an early launch in April 2016 in Townsville, Charters Towers, and Palm Island. It plans to reach full transition by mid-2019. In Year 1, 16 per cent of participants were expected to transition, with another 18 per cent in Year 2. The bulk of participants will transition in Year 3, with 66 per cent expected to sign up from July 2018 to June 2019.

As at December 2017, 12 939 participants in Queensland were receiving funding packages with the NDIS. Of these, 3 654 were new/other applicants who did not previously receive state-funded disability services.

## Audit conclusions

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We consulted with a range of Queenslanders with disability and their carers who have joined the NDIS. We also spoke to service providers and advocacy groups and disability networks. We heard how it is changing the lives of some people with disability. Participants consistently reported that the pathway and processes to obtain approved packages of support from the NDIA are frustrating and confusing. Overall, however, participants and their families and carers reported better outcomes.

It is critically important that governments manage the transition to the new model well and work together to ensure that people with disability have a positive experience connecting to the new scheme.



DCDSS has put a lot of effort into transitioning state disability services—transferring existing client data to NDIA, following up existing clients, working with providers and delivering readiness, communication and engagement activities. The proposed whole-of-government governance and program management arrangements were well designed. However, the Queensland Government and DCDSS have not implemented them as effectively as they could have.

As lead agency, DCDSS has not proactively identified and addressed governance gaps to ensure it is reporting accurate and complete information about the state's status and risks to an appropriate level of authority. Despite whole-of-government governance bodies being in place since 2014, one of the two mainstream agencies audited is not ready to transition.

The NDIS transition agreements between the state and Commonwealth governments are largely principles-based, so some elements of the scheme's design and operation are still being clarified by all jurisdictions, such as how some health support services interact with the NDIA. The hospital and health services we visited, along with the Department of Health, have planned and managed their transition well to date. While they still have some significant outstanding service delivery issues, national agreement needs to be reached about how some of those services will be funded across all states and territories.

We also found that Queensland Corrective Services (QCS) had planned its transition to the NDIS well in 2014–15 but had not started to implement it. QCS has only recently (during the audit) developed a 2018–20 implementation plan despite having prisons in areas that are already operating under NDIS arrangements. QCS acknowledges it has not put in place timely governance arrangements to oversee its transition as it prioritised implementing recommendations from five other reviews of corrective services since 2016.

Current gaps in processes for managing and monitoring readiness of state government agencies and the NDIA have increased the risk for Queensland's final stage of transition. Although there was an early launch in Townsville, Queensland did not have the benefit of formal pilots or trials. Despite signing the agreement later than five other jurisdictions (Western Australia and the Northern Territory signed afterwards) Queensland agreed to an aggressive rollout schedule to keep the same completion date. More than 60 000 participants need to join the NDIS in 2018–19 to meet the total estimated participant numbers.

At December 2017, Queensland's participant numbers were less than expected—56 per cent of estimated participants had joined. Only seven per cent of the Aboriginal and Torres Strait Islander people with disability estimated to join by full scheme in 2019 had joined. If these trends continue in the future, it will be particularly important to understand why people with disability are not joining the scheme and to assess the impact on value for money considering the state's current full scheme (from 1 July 2019) contribution commitment of more than \$2 billion. We acknowledge Queensland has the ability to re-negotiate the final agreement with the Commonwealth prior to full scheme but there are no guarantees that the funding commitment will change.

In terms of how well-prepared Queensland is to oversee services post full scheme, more work needs to be done. Queensland doesn't yet receive sufficient information to determine whether Queenslanders with disability are achieving positive outcomes. The government also needs to ensure it has timely and effective processes in place to monitor and resolve ongoing financial and operational issues impacting Queensland beyond transition.



The Queensland Government needs to strengthen program management, monitoring of readiness and reporting across government. This needs to happen now, before the biggest regions of the Gold Coast, Sunshine Coast and Brisbane roll out the NDIS from 1 July 2018. Readiness assessments and assurances from the NDIA that it has the infrastructure and capability for successful roll out are needed. Without this, the Queensland Government cannot be certain that the ambitious targets for Year 3 will not result in poor experiences and outcomes for Queensland participants.

## Summary of findings

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### Are the current governance and transition plans effective?

The NDIS is a major national reform, so Queensland's governance arrangements for the transition are understandably complex.

The state has implemented some better practice governance approaches. These have included:

- setting up transition governance committees within agencies
- establishing a whole-of-government program management office (PMO) and a steering committee with representatives across government (the Reform Leaders Group (RLG)).

Despite this, there are some elements that DCDSS needs to strengthen. These include:

- actively managing and monitoring whole-of-government preparedness
- clarifying service delivery responsibilities
- sharing information and communicating risks.

#### Actively managing and monitoring whole-of-government preparedness

We examined the effectiveness of governance and risk management in the context of how well agencies are prepared in the lead-up to Year 3 (the final stage of transition). Year 3 is referred to by DCDSS as the 'blockbuster' year in recognition of the high expectations of transitioning 60 000 people in Queensland's biggest regions.

The initial governance model Queensland proposed in 2014 reflected the high-risk nature of the state's transition program. The model supported accountability and engagement of all agencies affected by the NDIS. It included:

- the RLG, a decision-making body with representatives from all NDIS-impacted state government agencies, chaired by DCDSS
- a program management office (PMO) with membership invited from affected agencies to proactively lead and coordinate all NDIS transition/readiness activities
- mechanisms for ongoing Cabinet-level oversight of progress.

However, the Queensland Government and DCDSS did not implement all elements of the proposed model. For example, cross-agency membership of the PMO did not occur, as the government felt it was better to keep expertise within the agencies responsible for their own respective transition plans. While a Cabinet committee had been overseeing whole-of-government preparedness for the NDIS in 2013 and 2014, there has been no equivalent oversight of transition since 2015.



The Queensland Government established the RLG but members regularly delegate attendance to proxy attendees at lower levels of authority due to competing priorities within their agencies. The RLG terms of reference do state ‘Proxies are expected to act with full decision-making authority of the member they represent’. However, with proxies there is an increased risk that engagement, decision-making and oversight of whole-of-government transition progress may not occur with an appropriate level of authority.

In 2014, the RLG endorsed agency-level transition plans. It did not then seek any regular reporting against the specific milestones, deliverables, budgets and risks identified in those plans until early in 2018. During the audit, some mainstream agencies updated their transition plans. In December 2017, the chair of the RLG formally requested for the first time that all agencies provide assurances, through self-assessment, about their overall NDIS readiness for Year 3.

These governance gaps have created challenges for DCDSS in terms of being aware of all aspects of Queensland agencies’ transition activities. In other jurisdictions, the ministers leading the NDIS transition are supported by Cabinet-level engagement of all respective mainstream department ministers to monitor their whole-of-government progress. These gaps create a risk that Queensland’s lead minister is not aware of all the transition risks and issues.

DCDSS has advised us that it intends to revise the terms of reference for the RLG and other governance arrangements for the remainder of the transition to address these gaps.

### Clarifying service delivery responsibilities

Schedule I of the bilateral agreement lists the principles for determining the responsibilities of the NDIS and other parties, like state-based mainstream service agencies. A lack of clarity in some schedules has led to long-running disagreement and negotiation between the Commonwealth, NDIA and states/territories over funding responsibility for some services for people with disability such as transport (taxis and school transport) and some aspects of health-related care.

Despite having dispute resolution terms built into the bilateral agreement, resolution of the operational problems impacting Queensland’s transition program is a lengthy process. National working groups with senior officers from all jurisdictions including Queensland and the Commonwealth, consider disputes and work on national policy issues.

It took seven months for Queensland to come to a temporary solution over transport payments. In July 2017, Queensland re-established the taxi subsidy scheme for NDIS participants until June 2019. Initially, the cost of re-instating the subsidy was intended to be deducted from Queensland’s payment to NDIA. However, the Commonwealth is yet to agree to this.

While the parties are resolving the interface issues, Queensland is paying for the services that the NDIS is not providing. This is despite having already removed the funding from agency budgets, who are now providing the services again. The lack of certainty over who is responsible for the services increases the risk of poorer service delivery experiences for clients. It also increases the potential for duplication of service systems, and gaps in service.



## Sharing information and communicating risk

The RLG's terms of reference do not formally define mechanisms to share information across government, even with other governing groups such as the Queensland Transition Steering Committee (TSC). The TSC's purpose is to resolve operational matters with the NDIA that are affecting transition and to escalate issues to national forums where required. It includes Queensland attendees, the NDIA and the Commonwealth Department of Social Services. As RLG and TSC terms of reference do not require them to formally share information, it is possible that emerging risks or issues are being considered separately and inconsistently, and not being communicated or resolved in a timely or most appropriate way. The RLG's terms of reference allow for significant policy, legislative or financial issues to be escalated to Cabinet Committee or Cabinet Budget Review Committee (CBRC).

A key risk to transition readiness is whether the NDIA has local area coordinators (LACs) in place at transition sites within agreed timeframes. The role of the LAC is to link participants to the NDIS. So far, the NDIA has only met its bilateral agreement requirements to have their LACs in place six months before transition in one Queensland location. Despite this, on 2 May 2017, the lead minister (on the advice of DCDSS and RLG), wrote to the Commonwealth and proposed bringing forward transition dates for Year 2 regions. This was based on advice that the NDIA was aiming to complete LACs in time for the draw forward. The Commonwealth agreed to this proposal. The minister also sought options to bring Queensland's Year 3 transition schedule forward. This did not occur because the revised schedule suggested by the Commonwealth was not accepted by Queensland, as NDIA could not allocate all the required resources to support the revised schedule.

In 2016, there was an independent review of whether the NDIS was ready to be introduced in Queensland. The review identified national issues that required systematic program management to ensure the main governance bodies had a shared understanding of risks and gaps with the NDIA. Separately, the PMO conducted a formal review of Townsville's transition experience. However, the PMO has not continued to review the transition program to effectively mitigate risks for future transition sites. For example, it has not independently assessed the program prior to each critical milestone. Nor has it formally analysed and shared learnings about each transitional roll out, measured or tracked the benefits of the program, or tracked agencies' implementation costs.

As the program enters its final, highest-risk stage, the lessons from each transition site must be shared and acted on—particularly before a new bilateral agreement is negotiated for the full scheme. Queensland needs to know if NDIS-affected mainstream services are ready for full scheme to ensure that participants can access all the support they require.

## Are NDIS-affected mainstream services ready for full scheme?

### Readiness of health services

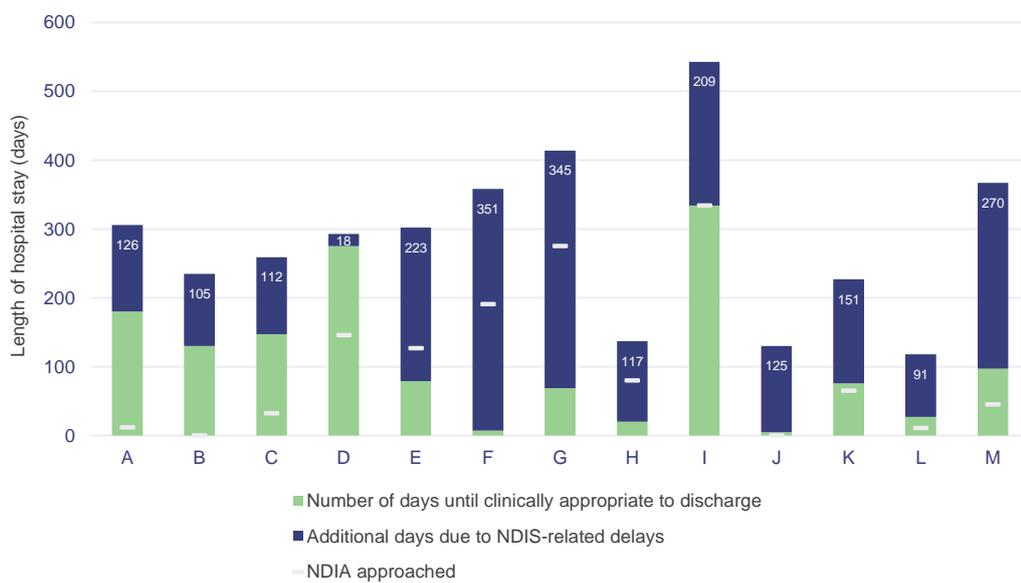
Overall, the Department of Health and the health and hospital services we visited had developed and implemented effective governance processes and plans to discharge patients from hospitals to the NDIS. However, ongoing uncertainty about how people with disability access NDIA services is delaying the discharge of patients with disability and blocking beds in Queensland hospitals. There are also unresolved health service issues with the NDIA resulting in a lack of clarity about the actual cost to the state during transition.



We received 13 case studies of patients in three public hospitals affected by discharge delays. We note that they are not necessarily representative of the experience of all NDIS-eligible patients, but they do illustrate that delays for some patients and services can be lengthy and costly.

Delays in discharging patients from hospitals also postpones treatment of other patients who could have used the beds. The additional costs to discharge these 13 patients in Figure C, based on the 2017-18 average daily rates and other costs, was \$3.7 million. If they had been in the community or their own homes, supported by an NDIS package, the cost to the state would have been \$65 per day or \$145 000 in total.

**Figure C**  
**Length of time to have the reasonable and necessary supports in place for a safe discharge for patients with disability**



Source: Queensland Audit Office from 13 case studies provided by three Hospital and Health Services.

### Readiness of corrective services

In 2010, Queensland Corrective Services (QCS) and its equivalent correctional service agencies in other jurisdictions identified the pending impact of national disability reform. QCS started to plan for the impact of the NDIS on its services in 2012 and developed a NDIS transition plan in 2014. Since then, it has not addressed the changes needed to its business practices to manage the integration with the NDIS model. We visited three correctional centres and found they were unprepared to identify or transition potentially eligible prisoners with disability to the NDIS when being released into the community.

This has the potential to reduce the number of new individuals connecting to the NDIS during transition. It also increases reoffending rates as research has shown that prisoners with a cognitive disability have a higher risk of re-offending than other prisoners.

National research by the Australian Institute of Health and Welfare estimates that between 1.3 to 5.3 per cent of prisoners are potentially eligible for the NDIS. In 2016–17, there were 13 092 admissions to Queensland correctional centres, making an estimated 170 to 460 prisoners potentially eligible each year.



The federal parliament's joint standing committee on the NDIS highlighted the importance of connecting people with disability with the scheme. It reported (in its 2017 inquiry into people with disability and psychosocial disabilities) that:

- the NDIS has potential to decrease imprisonment rates for people with complex disability support needs, particularly Aboriginal and Torres Strait Islander people (who are overrepresented in prison)
- access to the NDIS must be readily available and consistent within the criminal justice system.

Senior management at QCS has recognised the benefits of the NDIS and stated their commitment to ensuring correctional centres implement the NDIS. During the audit, QCS provided us with an updated NDIS implementation plan for 2018–20 that aims to address its preparedness for the largest transition year.

## Is Queensland monitoring outcomes and risks?

Queensland doesn't have all the information it needs to assess the value for money from the new operating model. The participant intake rates are lower than those agreed with the Commonwealth and there is uncertainty as to whether Queensland will meet full scheme target estimates for the funding committed. Fewer people than expected are joining the scheme and benefiting from NDIS-funded disability supports (called reasonable and necessary supports).

The performance information currently provided to Queensland by the NDIA is incomplete. It does not yet include data on all the key performance indicators and measures listed in the bilateral agreement performance framework. For example, it does not have data to support many outcome measures or visibility of complaints. As a result, DCDSS cannot yet determine if the Queensland participants in the NDIS are achieving the expected economic and social outcomes to improve their life opportunities.

### Outcomes for Queenslanders with disability

DCDSS is receiving information about participant satisfaction with the NDIA planning process and decisions regarding access. It has also recently started to receive information about participant benefits and the impact on people's lives in the *December 2017 COAG Disability Reform Council Quarterly Report*. The Queensland government and DCDSS have not however clearly defined what their performance reporting needs are now and post scheme to monitor outcomes for Queenslanders.

Current reports from the NDIA and the Productivity Commission point to some early indicators of positive results for participants nationally. In its quarterly reports, the NDIA indicates the overall level of satisfaction of Queensland participants with the planning process is 92 per cent. It should be noted that the data for July to September 2017 is based on responses from only 129 Queensland participants (six per cent of the 2 049 participants who signed up to a plan during quarter one of 2017–18). The NDIA reported that the numbers participating in the survey were broadly in line with previous quarters. It does not report results if there is insufficient data in the group. In April, March and December 2016 and March 2017 there were not enough responses to report.

DCDSS has not sought an assurance from the NDIA on the reliability of the satisfaction data. It will need to do so in future, so it can be clear about what it means and the extent of participation.



## Queenslanders experience in signing up to NDIS

We approached disability advocacy groups and networks to offer their clients and members an opportunity to talk to us about their experience in signing up to the NDIS. We spoke to 22 NDIS participants and/or their family/carers in Townsville and Toowoomba. The number of people we interviewed does not allow us to draw conclusions about the experience for all Queensland participants, but has provided a valuable insight into the issues and results for some participants.

Overall, people told us the supports approved in their NDIS plans were helping them to achieve their goals. However, many found they were not well prepared to navigate the approval pathway, as it was confusing and bureaucratic.

One participant told us, 'The NDIA needs to streamline the process, simplify, and individualise.' This is consistent with the findings published by the Productivity Commission in its 2017 report.

That said, another participant reported that, 'The NDIA is a safety net now, if anything happens.' And a third said, 'I would not have achieved my goals without the NDIS.' Appendix D includes all the case studies from the interviews we conducted.

Figure D lists the key themes that participants spoke to us about from their experience in signing up to the NDIS or in supporting their family member.

**Figure D**  
**Key interview themes from 22 NDIS participants**  
**and/or their families, and carers**

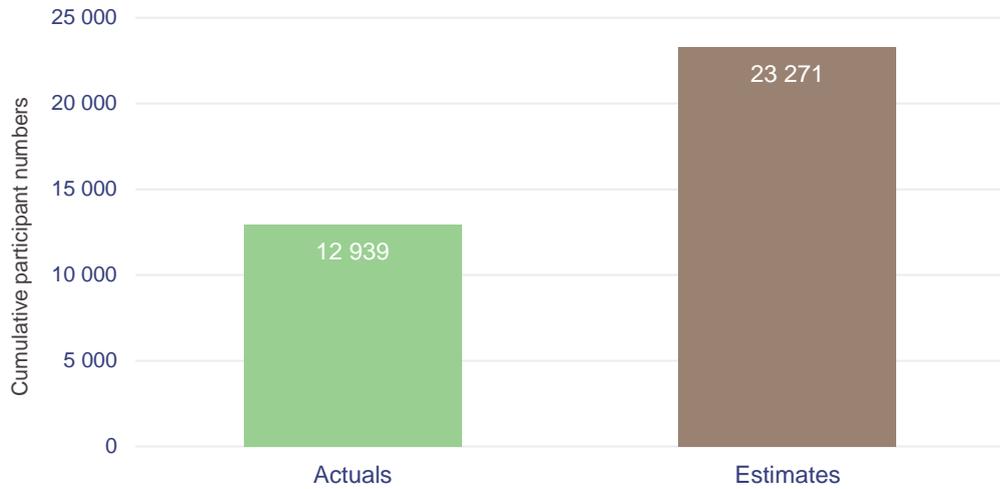
Themes	Number of times raised
Receiving funded support for the first time	7
Plan is helping them achieve their goals	13
Satisfied with NDIS pathway	6
Dissatisfied with the NDIS pathway	14
Difficulty finding local service provider	6
Didn't get the level of support expected/required	12

Source: Queensland Audit Office.

## Managing key financial risks

By the end of December 2017, just over half (56 per cent) of those expected to participate had approved NDIS plans. This means that approximately 10 000 people less than expected are receiving the benefits of the NDIS supports in Queensland. Figure E shows the progress against the estimated transition phasing to date.

**Figure E**  
**Progress of participant intake numbers as at December 2017**

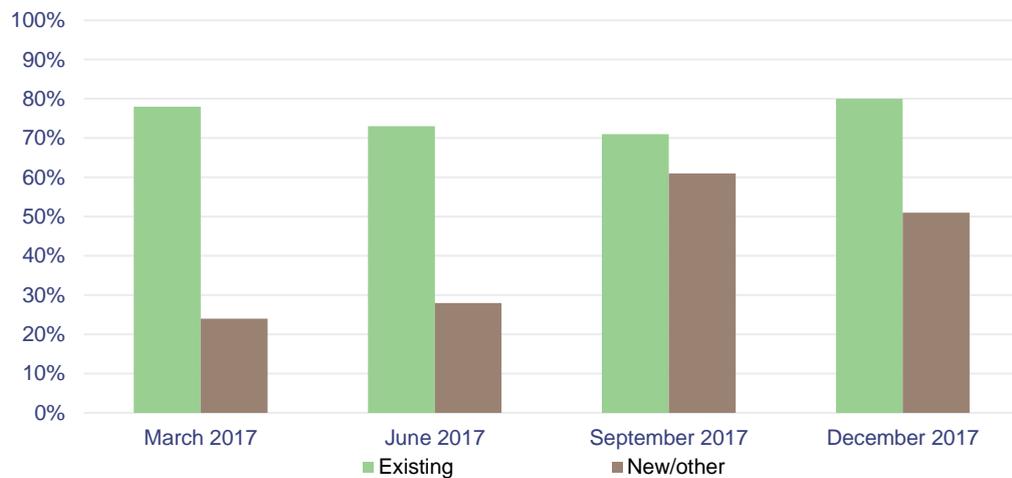


Source: NDIS quarterly reports.

If the intake rate from 2016–17 continues, by the end of 2018–19, Queensland may have only 51 000 participants with approved plans instead of more than 90 000. If Queensland is unable to re-negotiate its current commitment to contribute \$2.03 billion come full scheme, this would see Queensland’s contribution to each participant’s plan increase on average from the planned \$22 250 to \$39 700. This represents a significantly different value-for-money proposition than originally planned.

Figure F shows that efforts to help existing Queensland clients transition to the NDIS are more effective, with between 71 per cent and 80 per cent of the estimated existing clients joining in the last four quarters. The participant rates for new/other clients are less than expected with between 24 per cent and 61 per cent joining in the same four quarters. The NDIA publishes cumulative rates from the beginning of transition showing the comparison of new/other and existing clients against the estimate quarterly.

**Figure F**  
**Queensland participant intake compared to estimates**  
**—new/other client and existing clients**



Note: Data prior to March 2017 not published.

Source: NDIA quarterly reports.



New clients who do not join the NDIS do not get the benefits that NDIS packages of support can deliver. For participants, reasonable and necessary supports can lead to greater independence and reduced impairment. It can reduce the public expenditure on the lifetime costs of care and support for people with disability and reduce the demand on state-funded mainstream services.

So far, 1 073 Aboriginal and Torres Strait Islander people (7.38 per cent of the total estimated as eligible by full scheme in 2019) have approved plans. The service providers we spoke to identified specific challenges helping to connect Aboriginal and Torres Strait Islander people with disability to access the NDIS. They emphasised the importance of the NDIA having culturally appropriate staff with local connections to the community.

### Workforce transition

DCDSS has successfully supported regional staff affected by the NDIS in transitioning to other roles within the department or other government agencies, or in accepting voluntary redundancies.

The transition of the largest regions in Brisbane, the Gold Coast, and the rest of South East Queensland is about to occur. This will see another 1 022 staff affected. The scale of the next phase of transition is likely to require a significant effort from DCDSS and all other government agencies to successfully transition the large number of staff who want a permanent position at level.



# Recommendations

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## Department of Communities, Disability Services and Seniors

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We recommend that the Department of Communities, Disability Services and Seniors (DCDSS), as lead agency for Queensland Government’s National Disability Insurance Scheme (NDIS) implementation:

1. elevates oversight to ensure Cabinet is advised at regular intervals and in line with significant milestones and deliverables via a sub-committee or other relevant mechanism, to be determined by the Premier (Chapters 2 and 4)
2. strengthens whole-of-government program management to increase assurance regarding all impacted agencies’ preparedness for the NDIS  
This should include:
  - greater detail of planning (at a service level) by mainstream agencies affected by the NDIS, and proactive monitoring of progress, issues, and risks
  - revising the scope of the Reform Leaders Group to reinforce senior executive decision-making responsibilities and oversight capabilities. (Chapter 2)
3. develops readiness criteria for the remaining regions for formal sign-off prior to advising the minister on whether Year 3 transition should be delayed  
This should include:
  - obtaining assurance from the National Disability Insurance Agency (NDIA) that infrastructure will be in place in accordance with the bilateral agreement
  - obtaining assurance from the NDIA that it has sufficiently and appropriately trained staff to accommodate Queensland’s estimated third year intake, given that it will include high numbers, a significant percentage of new participants, a diversity of geography, and several Aboriginal and Torres Strait Islander communities. (Chapter 2)
4. establishes formal mechanisms to share lessons learnt regularly and routinely, and risk information between governance groups such as the Reform Leaders Group and Transition Steering Committee (Chapter 2)
5. seeks to refine the terms and conditions in the intergovernmental agreement for full scheme to allow clearer escalation and resolution processes, particularly for mainstream agency service delivery responsibilities (Chapter 2)
6. establishes the framework, key performance indicators, and data it needs to monitor the outcomes of Queensland NDIS participants and value for money. (Chapter 4)

## Mainstream agencies impacted by the NDIS

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We recommend agencies affected by the NDIS in Queensland:

7. strengthen internal governance and reporting arrangements at the service level so heads of agencies can provide the lead agency with accurate assessments about their agencies’ readiness for the NDIS and any emerging risks. (Chapter 3)



# Auditor-General reports to parliament

## Reports tabled in 2017–18

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1.	Follow-up of Report 15: 2013–14 Environmental regulation of the resources and waste industries	September 2017
2.	Managing the mental health of Queensland Police employees	October 2017
3.	Rail and ports: 2016–17 results of financial audits	December 2017
4.	Integrated transport planning	December 2017
5.	Water: 2016–17 results of financial audits	December 2017
6.	Fraud risk management	February 2018
7.	Health: 2016–17 results of financial audits	February 2018
8.	Confidentiality and disclosure of government contracts	February 2018
9.	Energy: 2016–17 results of financial audits	February 2018
10.	Finalising unpaid fines	February 2018
11.	Queensland state government: 2016–17 results of financial audits	February 2018
12.	Investing for Success	March 2018
13.	Local government entities: 2016–17 results of financial audits	March 2018
14.	The National Disability Insurance Scheme	May 2018



## Audit and report cost

This is the first of two reports on the National Disability Insurance Scheme. The audit and report to date cost \$595 000. The audit included five individual reports to the in-scope entities.

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## Performance engagement

This audit has been performed in accordance with ASAE 3500 *Performance Engagements*.

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