

Schedule C:
Bilateral Agreement for
NDIS Launch between the Commonwealth and
South Australia

Schedule C - Agreement between the Commonwealth and South Australia

PART 1 — PARTIES TO THIS AGREEMENT

Parties to this Agreement

1. This Agreement is between the Commonwealth of Australia (the Commonwealth) and the State Government of South Australia (SA).

PART 2 — ROLE AND PURPOSE

Role and purpose of this Agreement

2. This Agreement provides the foundation for an National Disability Insurance Scheme (NDIS) launch site in South Australia. It outlines how the NDIS is expected to operate in the launch site, including the respective roles and responsibilities of the Commonwealth and South Australian governments. It takes account of South Australian departments' roles as funder, regulator and service provider.
3. This Agreement has been prepared in the absence of the final NDIS legislation and in parallel with the Intergovernmental Agreement for the NDIS Launch. South Australia has entered into this Agreement to permit the effective implementation of the NDIS in South Australia. Consistent with paragraph 129 of the Intergovernmental Agreement for the NDIS Launch, this Agreement may be amended at any time by agreement in writing by the Parties.

Launch Site Aims

4. In addition to the objectives of the NDIS launch outlined in Intergovernmental Agreement for the NDIS Launch and the NDIS Bill 2012, as enacted into legislation, the South Australia launch site will have the following further specific launch aims:
 - a. provide and model NDIS services to South Australian children with disability aged 0 to 14 years and their family, that delivers flexible support to maximise choice and control by individuals and their family;
 - b. tailor a choice and control approach to a child and family context;
 - c. contribute to the national learnings for best practice in the delivery of disability care and support to children for the purpose of transitioning to a full scheme, including incorporating child-centred, family-focussed approaches within a individualised support model;
 - d. establish seamless interface with mainstream services to support children with disability to participate in society as equal citizens and develop to their full potential; model the management and delivery of NDIS on a state-wide basis, including specific analysis of approaches that provide for the provision of services across a range of different contexts including but not limited to rural and remote regions and Aboriginal communities;

- e. investigate and test the assumptions around full scheme costs for children, including the application of the early intervention approach as it relates to children; and
- f. support the South Australian Government strategic priority 'Every chance for every child'.

PART 3 – NATIONAL DISABILITY INSURANCE SCHEME – FIRST STAGE

Features of the South Australia launch site

- 5. The South Australian launch will model the NDIS state-wide, addressing the challenges and sharing the learnings on delivering an NDIS across metropolitan, regional and remote communities. The focus on children is critical to the design and delivery of a full NDIS scheme that properly meets the needs of children and their families to grow as healthy, independent, and aspiring citizens.
- 6. From July 2013, the South Australian NDIS launch will make NDIS services available to children with disability aged 0-5 who are eligible under the National Disability Insurance Scheme Bill 2012, as enacted into legislation.
- 7. The launch will be extended to all eligible children aged up to 13 years from July 2014 and to all eligible children aged up to 14 years from July 2015.
- 8. A total of around 5,000 children with disability are expected to benefit from the launch stage of the scheme in South Australia as set out in Appendix A.
- 9. Participants in the launch sites will receive ongoing support until transition to a full scheme commences or an agreement is made covering ongoing support to launch participants supported in the first stage of the NDIS.

Areas of agreement for launch

- 10. The first stage of the NDIS in South Australia will commence in July 2013.
- 11. Both Parties agree that the process for phasing in the expected number of clients in the NDIS launch will be undertaken within the agreed roll-out arrangement (Appendix B). The Agency, in collaboration with the South Australia and the Commonwealth, will develop client flow arrangements before February 2013 that are consistent with the agreed funding arrangement.
- 12. South Australia's existing statutory and administrative quality assurance and safeguards for children include the Health and Community Services Complaints Commission, Guardian for Children and Young People, Community Visitors Scheme (pending), the Disability Services Provider Panel and the Care Concerns Investigation Unit.
- 13. These quality assurance and safeguards will apply in South Australia to relevant new and existing funded client support programs during the launch subject to further development of and transition to a nationally consistent risk-based quality assurance approach in the longer term.
- 14. South Australia will identify details of the existing client support programs and provide this information to the agency for the purposes of registering providers under the NDIS Act.

Working arrangements between South Australia and the Agency to ensure appropriate management and monitoring against these quality assurance frameworks will be developed.

15. Both Parties agree that funds for sector development programs will be made available by the Commonwealth consistent with the agreed national framework on an equitable basis and further agree that state government providers of disability services will be included in sector development programs in line with the agreed national framework.

Collection and Management of Data

16. Both Parties agree that the launch site will be used to collect qualitative and quantitative data and information on:
 - a. eligibility boundaries and changes to the NDIS eligible cohort and full scheme population numbers;
 - b. clients and their families experience of the NDIS launch and their views on longer term impacts for the client and the family, including social and economic participation;
 - c. remote and regional service issues; and
 - d. client needs and scheme design issues applying to Aboriginal children;

and this, taken together with the outcomes from the other launch sites, will be shared with all governments to facilitate national data collection and consolidation that will contribute to the analysis of costs, liabilities, service interventions, service delivery models and implementation strategies.

17. Data collection and management will take account of clients' best interests and relevant legislation. The data management approach including data collection, storage and transfer will be agreed between the Commonwealth and South Australia and reflected in an information protocol. The Agency will be required to operate in accordance with the data management approach in the information protocol.
18. Both Parties agree to share client and provider information and data during the launch to ensure continuity of support, financial accountability and effective interactions with supports and services outside the NDIS, subject to privacy and other requirements.

Interactions with existing legislation

19. This Agreement is to be considered in conjunction with existing legislation and is subject the National Disability Insurance Scheme Bill 2012, as enacted into legislation. This could include the following South Australian legislation:
 - a. *Disability Services Act 1993*;
 - b. *People Living With Disability Bill*, when enacted;
 - c. *Children's Protection Act 1993*;
 - d. *Health Care Act 2008*;
 - e. *Health and Community Services Complaints Act 2004*;

- f. *Motor Accident Commission Act 1992; and*
- g. *Victims of Crime Act 2001.*

Financial contributions

- 20. Both Parties agree to contribute to the NDIS launch site in accordance with Appendix A.

Overspends and underspends

- 21. If, at the end of the first three years, total three year costs are less than the anticipated three year funding commitments set out in this Schedule and South Australia's actual contribution is a different proportion of actual cost, compared to South Australia's proportion of expected costs (59.4 per cent for South Australia and 40.6 per cent for Commonwealth), an additional adjustment will be made that will be either:
 - a. a payment from South Australia to the Commonwealth if the actual contribution was a smaller share of actual cost than the jurisdiction's share of expected costs; or
 - b. a payment from the Commonwealth to South Australia if the actual contribution was a larger share of actual cost than the jurisdiction's share of expected costs.
- 22. Arrangements for overspends and underspends in all other circumstances are outlined in the Intergovernmental Agreement.


Review of this Agreement

- 23. This Agreement will be reviewed by both Parties following finalisation of the review of the National Disability Insurance Scheme Bill 2012, as enacted into legislation, and amended if necessary to take account of the review outcomes, with the agreement of both Parties. The review of this Agreement will include consideration of the entry of new clients to the NDIS following the response of the Council of Australian Governments to the review of the NDIS Bill 2012, as enacted into legislation.

The Parties have confirmed their commitment to this Agreement as follows:

**Signed for and on behalf of the Commonwealth
of Australia by**

Signed for and on behalf of South Australia by

A large, stylized handwritten signature in black ink, appearing to read 'Julia Gillard', written over a horizontal line.

The Honourable Julia Gillard MP
Prime Minister of the Commonwealth of Australia

7 December 2012

A large, stylized handwritten signature in black ink, appearing to read 'Jay Weatherill', written over a horizontal line.

The Honourable Jay Weatherill MP
Premier of South Australia

7 December 2012

APPENDIX A - FUNDING ARRANGEMENTS FOR LAUNCH

1. The Commonwealth and South Australia agree that the estimated client population covered by the launch site is as shown in Table 1.

Table 1	2013-14	2014-15	2015-16
Estimated client population	1565	4688	5085

2. This estimate is based on the following assumptions:
 - a. NDA client numbers for 2010-11 for the age cohort 0-14 year olds, indexed by population growth of 1% per annum from 2011-12;
 - b. 2013-14 estimated client population is 0-5 year old clients, 2014-15 is 0-13 year old clients and 2015-16 is 0-14 year old clients; and
 - c. the estimated total cost of providing individual support packages (shown in Tables 2, 3 and 5 below) assumes that the total number of new clients each year are transitioned evenly over the 12 month period.
3. In recognition of the uncertainty about the impact of the definition of developmental delay that has been agreed as part of the eligibility for the NDIS, both Parties agree that the client numbers set out in Table 1 above will be reviewed after twelve months from the commencement of the agreement. Both Parties agree that, with the agreement of both Parties, this review may result in a change in the client numbers for the purposes of this agreement. However, any increases to South Australia's contribution from an increase in client numbers will be limited to existing state funding for the additional client numbers. This funding will be provided as a combination of either cash or direct provision of services.
4. The estimated total cost of NDIS funded supports to the agreed client profile in Table 1 is shown in table 2.

Table 2	2013-14	2014-15	2015-16
Estimated total cost of NDIS funded supports	\$8.2 million	\$34.5 million	\$56.7 million

Commonwealth contribution

5. The Commonwealth's funding for NDIS funded supports is shown in Table 3

Table 3	2013-14	2014-15	2015-16
Commonwealth's funding for NDIS funded supports	\$3.3 million	\$14.0 million	\$23.0 million

6. The Commonwealth's share of funding for individual support packages will be provided in cash and through direct provision of services. The estimated value of cash contributions to the scheme is shown in Table 4.

Table 4	2013-14	2014-15	2015-16
Commonwealth cash contributions to the Scheme	\$1.9 million	\$7.8 million	\$13.0 million

7. The Commonwealth programs which are expected to be drawn on in providing direct services include:
- Autism Specific Early Learning and Care Centres;
 - Better Start for Children with Disability initiative;
 - Continence Aids Payment Scheme;
 - Support for Day to Day Living in the Community: A Structured Activity Program;
 - Helping Children with Autism;
 - Hearing Services Program;
 - Targeted Community Care - Mental Health Respite: Carer Support;
 - National Auslan Interpreter Booking and Payment Service;
 - After School Hours Care for Teenagers with Disability;
 - Respite Support for Carers of Young People with Severe or Profound Disability; and
 - Young Carers Respite and Information Services.
8. The Commonwealth will pay for all Agency-related administration and system support costs associated with the launch.

South Australia contribution

9. South Australia's share of the cost of NDIS funded supports is shown in Table 5.

Table 5	2013-14	2014-15	2015-16
South Australia's funding for NDIS funded supports	\$4.9 million	\$20.5 million	\$33.7 million

10. The South Australian share of funding for individual support packages will be provided in cash and through direct provision of services. The South Australian cash contribution to the scheme is shown in Table 6.

Table 6	2013-14	2014-15	2015-16
South Australia's	\$3 million	\$ 7 million	\$10 million

cash contribution to the Scheme			
---------------------------------	--	--	--

11. South Australia will make available existing programs and services that provide in scope disability support including community supports to children eligible for the South Australian NDIS launch. South Australia will aim to finalise the nature and value of these programs by mid February 2013.

Arrangements for Intergovernmental/Payments

12. The Parties agree that intergovernmental payments currently provided by the Commonwealth to South Australia for the purpose of providing disability services to individuals, through the National Disability SPP, should be repaid to the Agency on behalf of the Commonwealth commensurate with the expected NDIS client numbers in the South Australia launch as a proportion of the total expected NDIS client numbers in South Australia.
13. South Australia agrees to pay the Agency on behalf of the Commonwealth, in-kind or cash services to the equivalent value of the amounts set out in Table 7, in instalments during the financial year, at the same time as the contributions to NDIS funded supports, as outlined in paragraph 32 – 39 of the intergovernmental agreement for the NDIS Launch.

Table 7	2013-14	2014-15	2015-16
Repayments of Commonwealth Grants by SA	\$0.7 million	\$3.1 million	\$5.0 million

14. It is acknowledged that part of the in-kind contribution identified in paragraph 11 will be funded from the NSPP. The proportion of the in-kind contribution which should be counted as a Commonwealth contribution, because it is funded through the NSPP, will be agreed between the Commonwealth and South Australia once the mix of in-kind and cash has been finalised.

APPENDIX B - PLANNED INTAKE OF CLIENTS OVER THE LAUNCH BASED ON A NUMBER OF CLIENT CHARACTERISTICS.

1. On the basis of the agreed funding and the population assumptions, it has been agreed that the client flow will be as per table one in Appendix A above.
2. It is acknowledged that these clients will need to be phased into the NDIS on a monthly basis. It is further acknowledged that in determining the actual clients that are to be processed, the Agency will use best endeavours to ensure clients processed fit within the available funding envelope.
3. In determining the client flow, the Agency will need to ensure that there is adequate capacity in funding and resourcing allocation to allow for crisis and unplanned assessments.
4. It is further agreed that in the first instance, client flow will be managed by staggered age cohorts. Further strategies will be considered to facilitate a flexible approach to implementation, particularly with regard to newly eligible clients, existing clients from regional and remote areas and / or crisis situations and to take account of Agency capacity.
5. These strategies will then be considered in the context of the impact of these flows on:
 - a. Providers involved and impact on the overall sustainability of the supports provided where this support is required by other individuals;
 - b. The provider transition strategy required to meet the conversion from in-kind to cash contributions;
 - c. The nature of current funding arrangements with providers; and
 - d. The availability of cash and in-kind funds and the needs of the individuals for supports that can or cannot be met by the existing in-kind arrangements.
6. The strategy will be incorporated into detailed joint communication materials from the Commonwealth and South Australia from March 2013 onwards.