

Division 33: Communities — Services 10 and 11, Disability Services, \$564 570 000 —

Ms S.E. Winton, Chair.

Mr R.R. Whitby, Parliamentary Secretary representing the Minister for Disability Services.

Ms M.J. Andrews, Director General.

Ms M. Hailes-MacDonald, Assistant Director General, Disability Services.

Ms H. Nys, Assistant Director General, Policy and Service Design.

Mr L. Carren, Executive Director, Finance and Business Services.

Mr M. Richardson, Director, Management, Accounting and Financial Analysis.

Mrs S. Webb, Senior Policy Adviser.

[Witnesses introduced.]

The CHAIR: This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available the following day. It is the intention of the Chair to ensure that as many questions as possible are asked and answered and that both questions and answers are short and to the point. The estimates committee's consideration of the estimates will be restricted to discussion of those items for which a vote of money is proposed in the consolidated account. Questions must be clearly related to a page number, item, program or amount in the current division. Members should give these details in preface to their question. If a division or service is the responsibility of more than one minister, a minister shall be examined only in relation to their portfolio responsibilities.

The parliamentary secretary may agree to provide supplementary information to the committee rather than asking that the question be put on notice for the next sitting week. I ask the parliamentary secretary to clearly indicate what supplementary information he agrees to provide and I will then allocate a reference number. If supplementary information is to be provided, I seek the parliamentary secretary's cooperation in ensuring that it is delivered to the principal clerk by Friday, 31 May 2019. I caution members that if the parliamentary secretary asks that a matter be put on notice, it is up to the member to lodge the question on notice through the online questions system.

I give the call to the member for Darling Range.

Mrs A.K. HAYDEN: I refer to page 443, budget paper No 2, volume 2, and to "Appropriations, Expenses and Cash Assets". I note a massive drop in funding for the Department of Communities. What percentage of that reduction or aspect of that cut will affect Disability Services?

Mr R.R. WHITBY: The director general.

Ms M.J. Andrews: Could the member repeat the line she referenced?

Mrs A.K. HAYDEN: I refer to the total appropriations for the Department of Communities. The 2018–19 budgeted amount was \$1 723 685 000, but the estimated spend was \$1 708 584 000. Can the parliamentary secretary explain what impact that drop had on Disability Services?

Mr R.R. WHITBY: Certainly, member. That is mainly the result of transitioning to the nationally delivered National Disability Insurance Scheme in WA, which has resulted in reduced state funding for the administration costs and grant expenditure. As the member would know, we are transitioning to the nationally delivered NDIS and the commonwealth is increasingly picking up more of the costs of those services.

Mrs A.K. HAYDEN: Can the parliamentary secretary outline the percentage or dollar figure?

Mr R.R. WHITBY: I will refer to my colleague Matthew Richardson for more detail.

Mr M. Richardson: Can the member repeat the question?

Mrs A.K. HAYDEN: Absolutely. I refer to page 443 and the decline between the 2018–19 estimated budget and what was spent. What affect did that have on Disability Services? The parliamentary secretary said that it was due to the NDIS and less funding being required by the state. How much money did the state save as a result of federal funding assistance?

Mr M. Richardson: Sure. The key point to make there is to echo the member's point that it is more about changing circumstances. It reflects the fact that as responsibility for the administration of disability services transfers from the state to the commonwealth, the state avoids back-office administrative supports. It actually frees up funds to spend directly on disability services. We are looking at reductions in costs for office leases, insurance, workers' compensation, travel, stationery and that sort of thing. Instead, we are putting that funding towards support costs for people with disability.

Extract from Hansard

[ASSEMBLY ESTIMATES COMMITTEE B — Wednesday, 22 May 2019]

p306b-317a

Chair; Mrs Alyssa Hayden; Mr Reece Whitby; Mr Bill Marmion; Mr Shane Love; Ms Emily Hamilton; Mr Chris Tallentire

[2.10 pm]

Mrs A.K. HAYDEN: Has that reduction in costs affected full-time or part-time staff or wages?

Mr M. Richardson: Yes, there is a cut of about \$32 million in the salary budget for the Department of Communities.

Mrs A.K. HAYDEN: How much has that \$32 million cut from the Department of Communities' salary budget affected disability services?

Mr R.R. WHITBY: Is the member referring to an impact on disability services that the state used to provide?

Mrs A.K. HAYDEN: We just heard a reference to a \$32 million cut in salaries across the Department of Communities. What portion of that \$32 million is under disability services?

Mr R.R. WHITBY: I will seek some clarity, but, as Mr Richardson has explained, a lot of the administration, bureaucracy and back-office services are no longer required at the state level as the commonwealth increasingly picks up responsibility for the National Disability Insurance Scheme and as more people are transferred to the nationally delivered scheme. Obviously, there will be a reduction in the need for those people, because fewer people would be getting services through the state disability scheme. I will get Mr Richardson to add to that.

Mr M. Richardson: I suppose it is not as simple as asking which part of the Department of Communities is disability services, because as a result of the machinery-of-government changes, a lot of staff previously employed by the former Disability Services Commission are now employed by the Department of Communities. As an example, previously I was just working with disability services and now I perform roles across the Department of Communities. On a purely paper-based argument, one could say that 100 per cent of that cut affects the back-office staff of the former Disability Services Commission, but, practically, that is not how the agency works currently.

Mrs A.K. HAYDEN: How many staff lost their jobs because of that \$32 million cut in salaries to the Department of Communities across the last year?

Mr R.R. WHITBY: I will seek that information if it is available, but the point to remember is that these services are being replaced; there is no net loss of services to the people of Western Australia. Those savings are the result of other people working for the commonwealth to deliver services. Yes, there is less spending and fewer staff at the state level, but that is being replaced by more spending and more staff at the federal level to provide an improved service for people with a disability in Western Australia. I think we need to remember that this is a positive scheme and a very large change in the way in which disability services are delivered across Australia, and in Western Australia. Because it is one scheme across the nation, we are not duplicating services at the federal and state levels, so obviously there will be savings. I would have thought that, on balance, that will result in more money being spent across the whole system on the delivery of services that have a real impact on people's lives, rather than funding the bureaucratic machinery behind it. I will ask Mr Richardson to clarify the member's query.

Mr M. Richardson: Perhaps it is simpler if I expand on what I said earlier about there no longer being such a clear definition between disability services and the rest of Communities. As the parliamentary secretary said, there have been no forced redundancies, but we are seeing some staff, both former disabilities and communities staff, choosing to take up the opportunity to work either for the commonwealth government or with service providers in the community, or to move to another agency. Where that is happening, facilitated through the machinery-of-government movements, there is an absorption of the work those people did into the existing structures of the Department of Communities. That is not restricted to disability services staff; it might be that somebody who formerly worked for the Housing Authority has taken the opportunity to work somewhere else, and then someone who was previously a Disability Services Commission employee picks up that role. The point-blank answer is that no-one has been forced to lose their job, but there has been a reconciliation of tasks behind the scenes.

Mrs A.K. HAYDEN: We have established that the state funding has been reduced due to federal funding to help with the NDIS. Is there a reason why that funding has now gone up from \$1.7 billion to \$1.8 billion in 2019–20? The funding was reduced due to federal funding, but it goes from \$1.7 billion to \$1.8 billion in 2019–20.

Mr R.R. WHITBY: Which line item is the member referring to?

Mrs A.K. HAYDEN: It is the same line item—total appropriations for the Department of Communities on page 443. We have just had the drop explained, and I want to know why it then goes up.

Mr R.R. WHITBY: I believe it is to do with the fact that at this early stage, some extra costs are involved in the changeover. If the member looks at the forward estimates, she will see that it drops away somewhat. I am happy for Mr Richardson to explain further.

Mr M. Richardson: The quickest answer is that that appropriation line is not purely disability services. Although the reduction we are talking about is largely driven by disability services, that growth represents the consolidated appropriations across all the former agencies. It reflects an increase in service capacity across child protection,

prevention of family and domestic violence and others. The parliamentary secretary is right that there is some increase in the transition workforce to assist and facilitate the NDIS, and the change of roles and focus, but by and large that increase is not driven by disability services.

Mr W.R. MARMION: To clarify, would it be better to look at this issue in relation to page 447 of budget paper No 2 and services 10, 11 and 12 in the service summary table, which probably sum up the point the member was making? If we add up those figures, we find that the budget estimate for 2019–20 is over \$1 billion and then drops back to about \$900 million in the forward estimates. Does that extra \$100 million or so reflect the transition of the NDIS to the commonwealth?

Mr M. Richardson: I thank the member for the question; it is very helpful. The key point to raise here is that we see a shifting across services 10 and 11 towards service 12, which is what the state pays to the commonwealth for it to run the NDIS. It is also important to bear in mind that the service summary represents total spending. Previously, we were talking about appropriations, which is what the state provides the agency to spend; the service summary refers to what the agency spends as a whole, which is from state appropriations and other sources. In 2018–19 and 2019–20, the state is still spending commonwealth money for disability services, as a result of the transition progressing. Under the current bilateral agreement with the commonwealth government, once we hit 1 July 2020, the NDIS is expected to be rolled out across the state, and so the state will no longer spend any of that commonwealth money; the commonwealth will provide it directly to its own agency. That is the biggest driver of that drop in spending. It is also the change in services 10 and 11, as the state moves its costs out of those services and into service 12.

Mr W.R. MARMION: The drop off in 2020–21 and the forward estimates was mentioned, although there is a bit of an increase in the contribution under service 12. People are suggesting to me that they are having trouble in the transition period with service delivery on the ground, because it is a bit complicated, and they have to get their own services.

[2.20 pm]

Mr R.R. WHITBY: Thanks, member. Certainly it is a big, big change and there is no guarantee it is going to run smoothly. There has been some confusion. The whole system is trying to adapt to a new way of doing things, including clients and service providers, so inevitably there are going to be people who have issues. I think we have probably all experienced that as members. I think things will improve as time progresses, but it may take a number of years to work through. Mr Richardson might like to elaborate on some of the financial aspects of that transition.

Mr M. Richardson: I suppose the finances play a smaller part here. I can advise that Communities has dedicated extra resourcing to assist with that transition. We have funded a National Disability Insurance Scheme transition unit, and its focus throughout 2018–19 has been on assisting people to access the commonwealth scheme. That unit's focus is to shift in future years, to change from people to also the changing of job roles within Communities. It is a bit like the Office of Shared Services; it is meant to help people transition in their jobs. The agency is also committed to spending more money on advocacy in 2019–20, to assist those people who are having difficulties accessing the scheme and to provide an independent voice to talk on their behalf to both the state and federal governments.

Mr R.R. WHITBY: An amount of about \$20 million is also available to service providers to ensure that they are better equipped to respond. The idea is to make sure that no-one is worse off and that everyone benefits from the scheme, whether they transition to the NDIS federally or remain on some other appropriate system within the state system or elsewhere. I will ask Ms Hailes-MacDonald to elaborate on the funding I spoke about earlier.

Ms M. Hailes-MacDonald: The government has made a commitment to provide continuity of support to individuals until such time as they transfer to the National Disability Insurance Scheme. State services will continue to be delivered for those who are currently receiving state services. The other thing is that the state government made a commitment of \$20.4 million in last year's budget to the sector transition fund, as it is called. That is to assist the sector to change its business to operate within the framework of the National Disability Insurance Agency. Of that, just over \$11 million has been allocated this year, over two tranches of funding, and the balance of just over \$8 million will be allocated in 2019–20, which will assist the service providers to adjust their businesses and continue to provide services in line with the National Disability Insurance Scheme. On top of that, \$1.3 million has been provided to advocacy agencies. From what we are hearing, a number of people are experiencing challenges in developing their plans and navigating into the National Disability Insurance Scheme; hence, additional funding has been committed to advocacy organisations to assist people to navigate the system. There are commitments to both organisations and individuals to assist them to navigate into the scheme, and an ongoing commitment of continuity of service.

Mr W.R. MARMION: I am very encouraged by that response. It is good that that funding is being provided. One of the concerns that has been raised with me is probably not as bad for metropolitan people as it is for country people, where service providers might be rationalising the services they provide in smaller towns. For instance, if

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someone has multiple needs, part of their multiple needs might not in future be met, as they currently are, by that service provider. Will this transition period and some of this assistance address that issue?

Mr R.R. WHITBY: That is a good question, member. Western Australia is a particularly unique jurisdiction because of the remoteness of many of our communities and the distances involved. That has an impact on what services are provided and what people with certain specialties exist in remote communities. Also, it is a question of how economic it is for the local market to provide those services in some of the far-flung parts of Western Australia. We have asked the commonwealth government for a review of the special needs of the Western Australian market in order to more accurately set prices for services. Obviously, it is a different proposition for people who are in Sydney, in New South Wales, or Melbourne; those are entirely different markets to operate than Western Australia. An assessment is currently being made of the particular market conditions in Western Australia in order to come up with a fairer price for service, so that we can actually support service providers in Western Australia to become economic and to be there in the field to provide those services.

Mr R.S. LOVE: I do not have any questions because that has covered the areas that I was going to ask. Obviously, regional areas are particularly at risk with this change to the NDIS. I refer to the service summary table on page 447 and to line item 12, “Contribution to the NDIS”. That is the contribution of the Western Australian government. We see that contribution increasing, going forward. How is that actually calculated? Is there any upper cap on that figure, or is it simply a contribution per service provider? What is the basis of that calculation going forward?

Mr R.R. WHITBY: I might ask Mr Richardson to respond to that one.

Mr M. Richardson: The member has actually almost nailed it exactly. The way that the funding is determined—this is an estimate based on the number of people we think will roll into the scheme—is that the state pays the commonwealth in arrears, based on the number of people who have transitioned in. We get an invoice from the commonwealth that says that so many thousand people have transitioned in, there is an average cost depending on the types of support they need, and we pay that within the following month. The forward estimates costs are based on how many people we expect to roll into the scheme, and by the time we hit full scheme, it is the general population growth, year on year, rather than new entrants as the scheme rolls out. On top of that, for the state government there is an upper cap. We pay based only on the estimated number of people who are to join the scheme and we assume that by the end of 2019–20, there will be 39 000 people. If there are more than that, the commonwealth government will pay 100 per cent of those costs. If there are fewer than that, we will pay only for how many there are in a 60–40 split.

Mr R.S. LOVE: What percentage of the cost is picked up by the state at the moment, per assessment?

Mr R.R. WHITBY: Mr Richardson?

Mr M. Richardson: It is currently a 60–40 split. If a person joins the NDIS and they have a supported accommodation package, which is an average of \$120 000, we pay 60 per cent of that cost.

Mr R.S. LOVE: Given that the Western Australian government has asked for a review of the scheme as it relates to country areas, would there be an appetite in government to make a greater contribution, if it were required, to ensure that the coverage is extended throughout the state?

Mr R.R. WHITBY: Good question, member. I will pass over to Ms Hailes-MacDonald.

Mr R.S. LOVE: I think it is actually a question for government rather than a question of a bureaucrat, whether or not the government is willing to —

The CHAIR: I think the parliamentary secretary will determine that.

Mr R.R. WHITBY: I am happy to add, after I hear from Ms Hailes-MacDonald.

Ms M. Hailes-MacDonald: Could the member repeat his question, please?

Mr R.S. LOVE: The government has asked the federal authority to undertake a review of the particular situation of Western Australia, given the thin markets and the isolation of some of the people who are suffering and, I would suspect, a fair bit of unmet and unknown need that might come out of the development of the NDIS. My question was: would the Western Australian state government give consideration to increasing the level of contribution it makes towards the NDIS, if that were required, to ensure that the federal government actually provides a service to all Western Australians?

[2.30 pm]

Ms M. Hailes-MacDonald: With reference to regional pricing, as the parliamentary secretary indicated, a review of WA’s pricing has been initiated by the National Disability Insurance Agency. The review is due to report at the end of June, with implementation in July. The current pricing framework for the National Disability Insurance Scheme has regional loadings on it, relative to how distant it is, and that is based on the Monash model, which is used

in health services. The current review is looking at whether that is the appropriate model to use in this circumstance, and the pricing framework will therefore come forward. The consultant will make the recommendation to the National Disability Insurance Agency board to make whatever adjustments it sees relative to regional, rural and very remote costings, which have different loadings added to the particular price. There is an indication that potentially for Western Australia, the Northern Territory and Queensland, and possibly elements of South Australia, the remote and very remote areas need to be looked at as a particular circumstance and make adjustments to prices.

Mr R.R. WHITBY: I will add to that. I understand the member's concern about any potential extra exposure to the state because of our natural geography and circumstances. But as the member has just heard explained, loading is already built in across Australia for all parts of the country in terms of remoteness in regions. Given that this is a national policy, I could not see a national government saying that because Western Australia has certain issues, it will not recognise that. It is a national government, a national policy and a national initiative being delivered for all Australians. Our starting point as a state would be to say to Canberra, in every case, that it needs to treat Western Australians in the same way as other Australians are treated and provide the same level of service; and, if we have a bigger state, that is an issue the federal government should address. As the member has heard, we already have those regional differences in loadings across Australia. We are looking to see whether there is extra need to address those concerns in Western Australia, given that we are the bigger state of the commonwealth.

Mr R.S. LOVE: I have a further question on line item 12. The estimated actual budget figure for 2018–19 was \$379.322 million, and that increases to \$763.233 million for the current year. How many people are actually on the NDIS at the moment, and how would one actually reach a figure at which one could make that contribution? Presumably, a lot of these people will come on throughout this year, so I would have thought it might be a bit premature to allocate the full amount of another \$400 million, basically as a contribution to the commonwealth. Those people are not going to come on tomorrow. What is the current number? What is the target throughout this year, and how does that equate to that figure of \$763.233 million?

Mr R.R. WHITBY: I will ask Marion Hailes-MacDonald for the detail. My understanding is that currently, over 6 000 people have transitioned, but all through this process, the department has had an expectation about the rate of the transition, so that is the forecast for this coming financial year. An amount has to be allocated whether people transit the scheme on the first date of the financial year or the last, and that has an impact on the total appropriation.

Mr R.S. LOVE: Could the minister explain to me why the figure actually goes down, even by a small amount, in 2020–21?

Mr R.R. WHITBY: Again, I am sure we can get those details. The expectation is that we would reach a full number of around 39 000 Western Australians. Once everyone transitions, that rate of increase would slow down dramatically, and it would be a case of natural population increase or people becoming disabled at a regular rate.

Mr R.S. LOVE: That figure represents an absolute amount rather than the growth amount, so it seems a little bit contrary to commonsense to imagine it would go down.

Ms M. Hailes-MacDonald: In relation to current numbers, as the parliamentary secretary said, we are anticipating that at the end of June 2020, according to the bilateral, we will have just over 39 000 people in the scheme. I am going to break this down. I will give a total figure and then show how it is constructed. We currently have just over 14 500 people in the scheme, which is about 37 per cent of expected people.

Mr R.S. LOVE: How many at what per cent, sorry?

The CHAIR: Sorry, can we do this through the Chair.

Mr R.S. LOVE: I was just asking for clarity, to repeat how much per cent.

The CHAIR: Yes, but we do not do it directly through the staff, so the member can just hold his thoughts.

Mr R.R. WHITBY: Thank you, member. We can clarify that percentage.

Ms M. Hailes-MacDonald: It is approximately 37 per cent of people. Before we joined the national scheme, we had a Western Australian National Disability Insurance Scheme, we had people who were outside of any national scheme, and we had people who were in the national trial site, which was across the hills. When one combines all three of those, that is how many people are in the national NDIS now.

Mr R.S. LOVE: That would then explain the fall, because the Western Australian system may have been more of an expense to the Western Australian government.

Mr R.R. WHITBY: Miss Hailes-MacDonald can respond to that.

Ms M. Hailes-MacDonald: Sorry, I have just forgotten the question.

The CHAIR: Could the member repeat the question?

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Mr R.S. LOVE: Through the parliamentary secretary, as instructed by the Chair, why was there a slight fall between 2019–20 and 2020–21? I am suggesting that it is because those people are transitioning from the Western Australian scheme into the commonwealth scheme and that that is somehow cheaper than the current state government scheme they are under.

Mr R.R. WHITBY: Thank you, member. I think Mr Richardson can address that issue.

Mr M. Richardson: Thank you, member, and thank you, parliamentary secretary. I want to make very clear that the “Contribution to the NDIS” line is only payments made to the commonwealth for its scheme. Any of the previous WA NDIS participants would have been costed to either item line 10 or 11, depending on the level of services they received. There is no change in item line 12 from one scheme to another. It is purely for payments we made to the national agency. As to why the costs change between 2019–20 and 2020–21, the transition agreement that Western Australia has with the commonwealth government has two distinct phases. The end of 2019–20 is the end of the first phase, which, as I was explaining before, we pay in arrears based on actuals. The second phase of transition happens in 2020–21, which is an extra period that this government negotiated with the federal government to resolve some disagreement about the number of people who would be eligible to join the scheme. We have three extra years to work out how many people would get there before we go away from actuals and into just estimates and rolling those forwards. What mainly drives that change from 2019–20 to 2020–21 is that in 2019–20, the cost split between the state and federal governments is 60 per cent–40 per cent, but when we hit 2020–21, it goes to 50–50.

[2.40 pm]

Mr R.S. LOVE: I do not think the question I asked originally was fully answered. The growth in the figure from \$379 million to \$763 million was because people were coming into the scheme. We are told that there are 14 500 people in the scheme at the moment, moving towards a higher figure at the end of the year. Why does the government have the full amount—basically, the value of the contributions to people’s packages—reflected in the budget? Presumably, those people will come on throughout the year. Is it a pro rata payment or is the payment made for the full year, even if the person is in the scheme for only a month of the financial year?

Mr M. Richardson: Once again, the member has it correct. The actual costs through the first three-year phase of transition is derived on a pro rata basis and notional headcount. For example, if somebody joins halfway through the financial year, the cost that we provide to the commonwealth is only 50 per cent of the annual cost of their package. The total contribution in 2019–20 will be that pro rata cost based on the agreed phasing intake of people and the kinds of packages they get. Some people get quite expensive packages—over \$250 000—and some get only a little bit of money right at the edges. We take an average of when those people join each month through the year and we pay based on that average. The period 2019–20 therefore does not represent the full cost of 39 000 people; it represents the cost of a proportional number of people in that year. That is 60 per cent of that proportional amount. When we hit 2020–21, that is budgeted at the full cost of 39 000 people, but at 50 per cent of those people’s packages, plus some growth for new people joining the scheme as they become eligible and emerge. There will be no more transitioning from state to commonwealth at that point.

Mr R.S. LOVE: Is the \$763 million contribution for 2019–20 the figure that the department expects to make? That is not overstated?

Mr M. Richardson: Yes, that is what we have budgeted for. That is what we expect. It is derived from the agreement struck with the commonwealth government.

Ms E. HAMILTON: I refer to paragraph 4 at the top of page 445. We have talked a little about this already with the transition to the National Disability Insurance Scheme. Is the parliamentary secretary able to explain what safeguards are in place for people with disability as they make this transition?

Mr R.R. WHITBY: I thank the member for the question. We touched on this matter earlier in proceedings. The government is keen to ensure that services are maintained to all Western Australians, whether they have transitioned or are about to transition, or will remain in the state system. Part of that involves \$4.5 million in advocacy funding in 2019–20 for communities and clients themselves to ensure that their concerns are represented. An amount of \$2 million of this will go towards addressing the immediate pressure points; namely, an increase in demand for individual advocacy on behalf of clients. This funding will provide for direct support to individuals navigating the NDIS system. As I said before, it is a big new system. Sometimes people get used to a way of doing things. A lot of the ways the connections are made through local advocates are similar. However, there is change, and although it is a positive change, it can sometimes be daunting for some people, so it is important that they have that support. The \$4 million I have spoken about has been spread across a number of Western Australian advocacy organisations. I can identify those as being People with Disabilities WA, the Carers Association of WA, Consumers of Mental Health Western Australia, Developmental Disability WA, the Ethnic Disability Advocacy Centre and the Autism Association of Western Australia. It is often the case that those groups play a crucial role

in advocating for quite vulnerable members of the community. We think it is important that their voice is heard and that their advocates have the wherewithal and the support to voice concerns about any issues that arise in their groups during the transition. It is about ensuring that this process is as smooth as possible. There will always be a bump along the road, but it is important to have the support in place to ensure that people's concerns or issues are heard and responded to. The Western Australian government is keen for this to happen. We have an important ongoing working relationship with the commonwealth, through various forums, to ensure that any particular needs of Western Australians are addressed. That goes for the unique circumstances of Western Australia, often in terms of our remoteness and our vast, spread out communities, which present special problems. I hope that answers the member's question.

Mr W.R. MARMION: That is a good question by the member for Joondalup. A person could have a lack of capacity for decision-making, they do not have the mental capacity, or they might be in a situation in which it is physically hard to get around and they do not have the support mechanisms within their own family, so they rely on other people to advocate for them and look after them. If they are in that situation in which the family is dropping out, what support mechanisms are in place for a vulnerable person? It does not capture only their physical or mental disability; if they are older, it moves to the elder abuse issue. I am opening up that territory as well. Can the parliamentary secretary comment on that?

Mr R.R. WHITBY: Obviously, these issues have always existed, whether under the NDIS or previously. There are certain safeguards and processes and carers and advocates who look out for people in those vulnerable situations. With the transition to the NDIS, certainly those who play that important role will be part of that. It is an interesting issue and one that we do not want to overlook as part of the transition. We want to ensure that the protection that is there at the moment is maintained. I will ask the assistant director general to elaborate on how the NDIS is looking after those concerns.

Ms M. Hailes-MacDonald: We are in close collaboration with the National Disability Insurance Agency and the commonwealth government, having recognised that there are people with complex needs, either because of cognitive impairment, intellectual disability or physical disability. With that, the design by the NDIA is looking at what it calls the pathway from eligibility. It recognises that when a plan is done, some people need support to connect to various services. I do not know the specifics, but it is introducing a range of specialist support coordinators to assist people with finding and linking into various service providers. Obviously, there is also the advocacy funding, which will go to advocacy organisations to provide a route for people who are able to approach those agencies. Certainly it is something that we are very allied to, and we are negotiating to smooth the pathway into the NDIS and working with our colleagues in NDIA.

[2.50 pm]

Mrs A.K. HAYDEN: I refer to the table on page 444, specifically the last line item, "Voluntary Targeted Separation Scheme". Do any redundancies through this scheme pertain to services 10 and 11?

Mr R.R. WHITBY: I will refer the member to Mr Richardson who will respond.

Mr M. Richardson: Was the question: did any of the voluntary severances affect services 10 and 11?

Mrs A.K. HAYDEN: Yes, did they pertain to services 10 and 11?

Mr M. Richardson: I can advise that the answer is yes—about one-third of the savings identified there affected services 10 and 11.

Mrs A.K. HAYDEN: Sorry, the sound is bad and I cannot hear.

Mr R.R. WHITBY: Can the member repeat her question as put initially?

Mrs A.K. HAYDEN: I asked about the voluntary targeted separation scheme. Have there been any redundancies through this scheme that pertain to services 10 and 11?

Mr M. Richardson: I will try to speak more clearly and more loudly. All the severances identified under the voluntary severance scheme are voluntary. In all cases, the positions identified with that scheme have been removed or substituted with another position elsewhere with the agency. That line item represents the sum of the three former reporting entities that make up the Department of Communities—the Housing Authority, the Disability Services Commission and the former Department for Child Protection and Family Services. Some of those severances impacted services 10 and 11, but it is worthwhile noting that almost entirely the severances were back-office support and corporate functions and they are spread throughout the entirety of the services from 1 to 13.

Mrs A.K. HAYDEN: Are we able to find out—even as supplementary information—the number of people who were made redundant and their roles, the up-front costs of redundancy and the anticipated savings?

Mr R.R. WHITBY: I am happy for Mr Richardson to further elaborate now.

Mr M. Richardson: I do not have with me the list of staff who left, but it is probably worth noting that about 330 staff left the agency. I believe we can provide a list of positions as supplementary information if required.

Mrs A.K. HAYDEN: Can I have that as supplementary information?

Mr R.R. WHITBY: Yes, member; what is the question? The member has asked a question and there has been an answer.

Mrs A.K. HAYDEN: The parliamentary secretary's adviser said that he was happy to provide a list. Is he able to provide that as supplementary information, please?

Mr R.R. WHITBY: What is it that the member is seeking?

Mrs A.K. HAYDEN: Can the parliamentary secretary please provide as supplementary information a list of the people who were made redundant, their role or position, the up-front cost of the redundancy and the anticipated savings, as asked for in my first question?

Mr M. Richardson: We can definitely provide the information that the member is after—both the payout costs and then the savings. The member will note that the annual savings are located in the table under the heading “Spending Changes”. In terms of people, I am not sure that we can identify names —

Mrs A.K. HAYDEN: I would like the number and their roles.

Mr M. Richardson: We can advise on the number. My list says that about 329 people left the agency. It is probably worth noting, as I flagged earlier, that there are some substitute severances—that is, some people left and then another position went—so it will not be a one-for-one figure, but we do have some information on that. I am not clear on whether the member wants just the former Disability Services Commission employees included or all the Department of Communities' employees?

Mrs A.K. HAYDEN: If I can have all of Communities' numbers but also have the disability figures separate, that would be appreciated—or just marked that that is where they have come from.

Mr R.R. WHITBY: I will just get this right: is the member seeking as supplementary information the number and roles of all staff who took the VTSS as a total of the department, and a further breakdown figure for those formerly employed in the disability services sector?

Mrs A.K. HAYDEN: That is correct, with also the rough cost of redundancies, and the anticipated savings, which the adviser did say he could provide.

Mr M. Richardson: I can provide the savings figure now if that will assist.

The CHAIR: Thank you, Mr Richardson.

Mr M. Richardson: So far, 334 Communities staff have taken a voluntary severance—my apologies; I got the number wrong before. That resulted in a saving for Communities of \$8.4 million in 2017–18, \$27 million in 2018–19, \$27.3 million in 2019–20, \$27.6 million in 2020–21, \$28 million in 2021–22 and \$28 million in 2022–23.

Mr R.R. WHITBY: That satisfies part of the member's request. We are just left with providing the number, the roles and the breakdown between communities and disabilities.

Mrs A.K. HAYDEN: We will just have to pull those figures off *Hansard*.

[*Supplementary Information No B27.*]

Mrs A.K. HAYDEN: I refer to the table on page 444, specifically the line item “Indexation for Non-Salary Expenses”. The figure is “nil” all the way up to 2022–23, which is \$2 364 000. Can the parliamentary secretary explain what that funding covers?

Mr R.R. WHITBY: Again, I will defer to Mr Richardson for an explanation.

Mrs A.K. HAYDEN: Mr Richardson is earning his money today.

Mr M. Richardson: Hopefully they will spell my name right on the cheque! The indexation for non-salary expenses is a rolling allocation of new money that the Department of Treasury provides for all agencies through the budget process. As we enter the new budget year, in this case 2019–20, the final year of the forward estimates appears in the budget papers and there is more or less a flat increase for all the non-salary expenses provided in that year to assist with the forecast increasing costs. Nothing is listed for any of the prior years because those years were addressed as they became the new out year in previous budgets.

Mrs A.K. HAYDEN: Can the parliamentary secretary please advise the difference between that figure in 2022–23 as opposed to the figures for past years that have “nil” written on the page?

Mr R.R. WHITBY: I can see whether Mr Richardson has a response to that.

Mr M. Richardson: I can advise that in every year for the past few years it has been one per cent; it is one per cent on the previous year.

Mr R.S. LOVE: I have a few questions. My first question refers to the small list of spending changes on page 443. I see that the minister has put out a press release saying that there is a \$4.5 million boost for disability sector advocacy. Is that found in those spending changes; and, if so, where is that?

Mr R.R. WHITBY: Certainly it is part of this budget because I have just spoken about that advocacy funding. I will defer to Mr Richardson again to identify in which line item that can be found. We are talking about the bottom table on page 443 of volume 2 of the *Budget Statements*.

[3.00 pm]

Mr R.S. LOVE: I assume these are spending changes, so first there would have to be an outline in there. If it is not, is it something that is not even in the budget?

Mr R.R. WHITBY: Does the member want to know where that \$4.5 million came from and where it sits in this budget?

Mr R.S. LOVE: Yes.

Mr M. Richardson: It is a nice easy one for a change. If the member turns to page 444, he will see the line “Increased Investment in Systemic and Individual Advocacy”.

Mr R.S. LOVE: Is that it?

Mr M. Richardson: That is it.

Mr R.S. LOVE: So it is ongoing money, not new money. It is not a boost; it is an ongoing amount of money that was in the budget already.

Mr R.R. WHITBY: It is “Ongoing Initiatives” under the heading “Spending Changes”.

Mr R.S. LOVE: I will continue with spending changes for a moment. I wanted to ask about the development of the state disability plan, forecast to cost \$500 000 this year. It seems to have come out of the blue. There is a footnote that says it is an initiative that has been funded through reprioritisation. I assume it is a bit of a thought bubble in the department in the last wee while, since the last budget. Why, at the last minute, after already signing over to the commonwealth National Disability Insurance Scheme, did the government decide it needed a plan? When will the plan be delivered? What will it seek to deliver? Will it also account for differences in Western Australia in terms of regional people’s needs, including very remote people?

The CHAIR: Minister.

Mr R.R. WHITBY: Thank you, Chair.

The CHAIR: I promoted you.

Mr R.R. WHITBY: You can promote me any time, Chair!

The CHAIR: No problem.

Mr R.R. WHITBY: Thank you, member.

Mr R.S. LOVE: We agree that quite a few should be demoted, so you can be promoted.

Mr R.R. WHITBY: I think we are spoilt for choice on our side, member.

Mr R.S. LOVE: Yes, we are spoilt for choice.

Mr R.R. WHITBY: The state disability plan is about Western Australia’s view of the entire system. It is not about just the NDIS. Western Australia as a government and a community will not stop being concerned about issues to do with people with a disability. The NDIS is about setting up a funding arrangement that is secure and a new way of delivering services and providing individual choice. However, the state as an entity has to continue with disability services in a broader community sense. It therefore makes good sense that we have a disability plan. We are currently consulting with the sector. Not everyone with a disability will be part of the NDIS, so it is a much broader situation in Western Australia and, indeed, in every other state in light of what disability issues there are and how we address them as a community, whether we need to change access to buses and other public transport or community facilities and buildings, or how we can have greater access to sport. It is a big issue; it is a big broad community picture of issues that face people with a disability every day. Employment is another very important aspect.

The idea of having a state disability plan is certainly not unusual. The advent of the NDIS does not remove the need for us as a state to look at this issue. It will be completed at the end of this year. I think it is important that, as a state, we have a road map to look at the issues that affect people with a disability and how we can better

respond to those challenges. I would like to hear from Helen Nys, who can give you a bit more of a broader picture of the state disability plan.

Ms H. Nys: The state disability plan has come out of very broad consultation with people with disability in particular. As the parliamentary secretary indicated, we know that many people in Western Australia who have a disability will not be eligible for the NDIS. That may be because they are over 65 years old or because the nature of their disability is not covered by the national scheme. There could be a whole range of reasons that they are not eligible. There is also recognition that the state continues to have responsibility for and a desire to support people with a disability through service delivery; for example, other departments, such as the Department of Education and the Department of Health, provide services to people with disability.

The intent of the state disability plan is to set the strategic direction and a means by which the state can consult with people with disability around how they want to receive services and be supported to access services delivered by the state, by local government and the private sector. It is about ensuring that they participate and are given the opportunity to contribute to Western Australia. It is much broader than the NDIS.

Mr R.S. LOVE: That answer threw up another inquiry, I guess. Parliamentary secretary, it appears that there are some classifications of disability that have been receiving some level of state support in the past that will not be supported by the NDIS. Is there a list of the types of persons who will not be eligible that the parliamentary secretary can run through? Is there a projection outside the state disability plan that the government is in the process of building that might point to what level of ongoing support will be needed by the state for people with disability who fall outside the NDIS support.

Mr R.R. WHITBY: I am not sure what line item this refers to.

Mr R.S. LOVE: This refers to the answer I just got on the state disability plan, which the parliamentary secretary has provided to me. In the nature of further questions, I am interrogating that answer.

Mr R.R. WHITBY: It is a good question, member. It is correct that the NDIS does not cover everyone. There is an age limit. It is the type of disability and functionality that people have that determines whether they qualify for NDIS support. As a government, we have always said that no matter what people's situation, they will continue to receive support whether under the NDIS or under the state. As for a distinct list of categories of people with disability, I refer the member to Helen Nys again to elaborate on the ongoing support that they would receive.

Ms H. Nys: Thank you, parliamentary secretary. I understood the question was partly around people who are currently receiving services from the state who may not be eligible for the NDIS and what arrangements will be in place for those people. There is formal agreement with both the state and commonwealth governments and a commitment to provide continuity of support to people who were previously in receipt of specialist disability services. The Western Australian government is responsible for providing continued support to people aged under 65 years, or under 50 years if they are Aboriginal and Torres Strait Islander people, who are currently receiving specialist disability services that were funded by the WA government, but may be ineligible for the NDIS—for example, due to their residency status or because they are in receipt of existing state disability services that do not come under the criteria of the National Disability Insurance Scheme Act. The commonwealth continuity support commitment is for aged care and it has made a commitment to continue to support people aged over 65 years who currently receive support from the state disability services system. It will meet its obligations through its continuity support program. There is quite a clear agreement about who is responsible for a person, depending on their age and circumstances.

Mr R.S. LOVE: This is where people are falling through the cracks, so to speak, I think. I refer to the coordination within the Western Australian government for that responsibility. If, for instance, a person in a country area has been receiving support through some sort of disability service, presumably as the numbers drop away in the totality of people in an area being addressed, there might be difficulty providing any sort of service to those individuals. Is there a provider of last resort whether that be the WA Country Health Service, for instance, and will it be provided with funding through the state government, through the Department of Communities, or some other source to actually pick up that burden?

[3.10 pm]

Mr R.R. WHITBY: Certainly, the commitment is to ensure that no-one is worse off and no-one falls between the cracks. If someone is found to be ineligible for the National Disability Insurance Scheme, they will continue to receive the support they would have received through the state or through a commonwealth program, because there is still commonwealth support for people who are not on the NDIS. The member's question was about whether the quantum of people moving to the NDIS was making service provision more difficult or more expensive for those who have remained behind. I think that was the thrust of his question—whether there is extra support there. As a government, we will always want to support people and maintain the quality of service. Ms Hailes-MacDonald might want to elaborate on whether we can foresee that scenario playing out and whether we have a response to it.

Chair; Mrs Alyssa Hayden; Mr Reece Whitby; Mr Bill Marmion; Mr Shane Love; Ms Emily Hamilton; Mr Chris Tallentire

Ms M. Hailes-MacDonald: As I mentioned previously, we are working closely with the National Disability Insurance Agency to streamline things. There are two aspects to it. One is looking at developing a number of service providers in terms of both service types and service locations. We are working with the NDIA on developing that. The other aspect is what is referred to as critical and immediate support and working on pathways to ensure that there are mechanisms to support people who fall into situations that require critical and/or immediate support. Those pathways are currently being developed and, at this time, there are pathways that, although not systemic at this point, are in progress, so we have, if you like, workarounds so that people do not fall into worse situations than critical situations.

Mr R.R. WHITBY: I also add the idea that the NDIS is boosting an industry of service providers. We have had mention of the figure of 100-odd service providers doubling to over 300 in Western Australia because of the NDIS. That means that there are extra services. Correct me if I am wrong, but I do not believe the NDIS would necessarily negate a service provider from assisting people who might not be under the NDIS but still require a service and get funding from other sources. We are building up capacity, and this is happening across Australia. It is creating an industry of support, and that might have the reverse impact of providing more support in the community. Does the member not believe the story?

Mr R.S. LOVE: Does the parliamentary secretary want me to respond to that? If people fall outside the NDIS funding mechanism, they will have no money to access those services. That is rather the problem.

Mr R.R. WHITBY: But they already have the support they are receiving now; they will continue to have that support, but there will be a private capacity of service providers that they will be able to access that were not there before.

Mr W.R. MARMION: Paragraph 3 at the bottom of page 444 under the heading “Significant Issues Impacting the Agency” refers to the commonwealth government’s announcement of the establishment of the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability and the state government’s support for the royal commission. Will that support include funding; if so, how much; and, if it does not include funding, what sort of support will the state government provide for the royal commission?

Mr R.R. WHITBY: Obviously, we are very supportive of this royal commission. We think it is an opportunity for people with disability to share their experiences. The member’s question relates to whether the state would take part in funding the commission. I can get some further advice, but I would not have thought that we would fund a federal —

Mr W.R. MARMION: No—funding support for people who want to participate.

Mr R.R. WHITBY: I might seek some advice from Helen Nys about that.

Ms H. Nys: The government is fully committed to supporting the royal commission into the abuse of people with disability and will assist in every way it can. The mechanisms for funding and supporting the royal commission have been agreed through the Disability Reform Council, which is a sub-council of the Council of Australian Governments. The agreement is that the costs of running the commission will be borne by the commonwealth government, and that includes costs and funding to support people to participate in and provide their evidence to the royal commission. There was quite a lot of discussion around that and there is a clear recognition that people may well require additional advocacy support. There have been conversations around information being put into plain English for the people who have print disability issues and need material put into different formats. There is very clear recognition by all jurisdictions that that support will be provided.

Mr W.R. MARMION: What about transport costs? If there is to be an inquiry, will transport be provided for the people who want to front up?

Mr R.R. WHITBY: I think Ms Nys’s response included provision for the cost of transport. Obviously, there might be hire costs for someone with a disability on some occasions. I also presume—I do not have the details yet—that the royal commission would hold public hearings around Australia, which might make it easier for people to present. But Ms Nys might have more information on that.

Ms H. Nys: The parliamentary secretary is quite right. We have not had any detail yet from the royal commission on how it intends to conduct its hearings or where it intends to sit, so we will wait to see that level of detail. I am confident that it will do its utmost to ensure that people are able to participate. I am sure that things such as video link and assistance with transport will be considered.

Mr C.J. TALLENTIRE: I return to the state disability plan, which is referred to in paragraph 4.1 on page 445 of the *Budget Statements*. I noted the scepticism from the member for Moore about the state disability plan, but I would like a little more information from the parliamentary secretary about the consultation that has gone on there. I am certainly aware of constituents in my electorate who have been very involved in that consultation and have attended workshops. Perhaps the parliamentary secretary could elaborate a little more on the extent of that workshop consultation process and how valuable people have found the development of the state disability plan?

Mr R.R. WHITBY: Thank you, member. As we heard before, this is important for a global view of disability in Western Australia and as a strategic way of planning for the future and responding to the community needs of people with disability. We estimate that there are 360 000 Western Australians with a moderate to severe disability. This plan is important to a significant portion of the Western Australian population. It is important that we have a policy framework that allows the state to plan how it serves this community in Western Australia. The first phase of the consultation—I think the member mentioned the workshops—has been held across the state to seek views from the community. I think we are now at the stage of analysing what has come out of that workshop engagement. I can tell the member some of the statistics around that. More than 115 000 people have been reached via social media. It is an important media to use to get in contact with people these days, and the workshops on the state disability plan have done that. More than 500 people attended the workshops that the member spoke about, with more than 1 600 ideas captured from that community consultation. It is important that we have a forward-looking plan that considers the requirements of people with a disability. Perhaps I will ask the director general to elaborate on the plan.

[3.20 pm]

Ms M.J. Andrews: The campaign is based on real-life feedback from the Western Australian community. It addresses public attitudes and behaviours towards people with disability and identifies what needs to change and what needs to be reinforced. Going forward, the aim is to progress the analysis of the feedback over the coming months with the expectation that a long-term plan will be produced later in the year. Helen Nys can provide more specific details about the next phase.

Ms H. Nys: In the next phase we are working in partnership with people with disability and their representative organisations, with People with Disability being one of those agencies but not the only one. They are working with other departments in a co-designed process, and based on the feedback from the workshops that were held across the state, they will consider what people with disability want changed and delivered and how they can better access supports and services. That is the current phase of the plan. We are working with other agencies and co-designing the plan.

Mr W.R. MARMION: My last question flows on nicely from that answer. A group of people with disability at the Quadriplegic Centre in Shenton Park, which is in my electorate—I note this question may cut across into the Department of Health—are in regular contact with me and they are keen to stay at either that facility or a similar facility. I know that there is a move to put everyone back into the community in supported own accommodation. I am heavily lobbied by people from the quad centre because they are concerned that it will be demolished. They like the camaraderie they get from the quad centre. The Minister for Health provided support with his suggestion that if they are moved from the quad centre, another facility will be built. What feedback has the department received in support of the very special people at the Shenton quad centre?

Mr R.R. WHITBY: The member is right; there is a very special community in Shenton Park. As I said before, people get used to things being a certain way, and change, even positive change, can be a little scary. We are very aware of the special needs of the community based at the Quadriplegic Centre. The government has allocated \$6.8 million to provide alternative housing and support arrangements for the residents of that centre and people with newly acquired spinal injuries. The funding will result in the construction of 12 specialised homes for individuals who want to live in the broader community, which is what some quad centre residents may want to do if they are unable to be accommodated in their family home. Currently, 25 residents are at the Quadriplegic Centre; 10 have successfully moved out into the community. The department is liaising closely with the residents to plan and support their future moves. It is an important issue that is deserving of a bit more detail.

Ms M. Hailes-MacDonald: In relation to the 25 people currently resident at the Quadriplegic Centre, a number are over 65 years of age and a number are under 65 years of age, which consequently affects the support packages that they will ultimately receive. As I am sure the member is aware, the North Metropolitan Health Service is the primary lead in this particular project and we are working closely with it to work out options, particularly for those under 65 years of age who will ultimately transfer into the National Disability Insurance Scheme. An organisation colloquially known as WAI S—Western Australia's Individual Services—is discussing with each individual what future accommodation they would like, and, depending on those plans or aspirations, it will be about how the services are designed around them. In terms of the particular, if you like, bricks and mortar build, what that will look like has not yet been fully determined. It is still under discussion and will take into account what the residents have contributed in terms of their goals, ideals and plans and, equally, how the capital expense translates and how the North Metropolitan Health Service sees service provision into the future.

The appropriation was recommended.

Meeting suspended from 3.26 to 3.35 pm