

## National Disability Insurance Scheme (NDIS) Funding Agreement variations

The Funding Agreement between FACS Ageing, Disability and Home Care (ADHC) and service providers was updated in 2015 to support the transition to the NDIS and to comply with the *NSW Disability Inclusion Act 2013*.

The full rollout of the NDIS in NSW will begin on 1 July 2016. From this date funding for supports for people with disability will start to move from ADHC funded support arrangements to the NDIS. Once a person has transitioned to the NDIS, the National Disability Insurance Agency (NDIA) will work with them to develop a support plan that may include NDIS funded supports. The person, as an NDIS participant, will be able to direct the supports and services in their plan. This includes choosing the provider/s who will deliver these supports.

To achieve a successful transition to the NDIS, ADHC and ADHC-funded service providers will need to:

- Ensure that for direct services funding adjustments reflect the scale of people's access to the NDIS, which is based on where people live rather than where the funded service is located.
- Provide data to the NDIA in accordance with privacy provisions to assist the transition process and ensure no-one falls through the gaps.
- Work together to give people the information they need to transition.

Changes to the Funding Agreement Schedule 1 will be made under clauses 3(b) and 10.1 of the Agreement, which govern changes to funding as a result of the NDIS transition. This Policy Statement outlines the principles that inform how variations will be made to funding and service arrangements during the transition period from 1 July 2016 to 30 June 2018.

### Policy principles

1. **Person centred approach:** service providers are required to deliver person centred supports in accordance with relevant ADHC policies and guidelines. Funding variations should not impact on a person's supports unless specifically requested by the person. Each person receiving a funded service should have certainty about their current support arrangements and how their services will transition under the NDIS.
2. **Partnership approach:** the NDIA, NSW Government and service providers are partners in implementing the NDIS across NSW. All parties have a responsibility to work together and to assist people to transition to the NDIS.
3. **Minimising burden on providers:** ADHC will apply red-tape reduction principles to all contractual and financial transactions to minimise the administrative burden on service providers throughout the transition.
4. **ADHC's funding commitment:** ADHC will continue to fund and provide supports through the NSW specialist disability system as people transition to the NDIS. Providers are required to maintain service quality standards during the transition, as agreed under the Funding Agreement.

5. **Funding variations:** ADHC will vary funding according to the expected transition rate for people to enter the NDIS, as specified in the NSW Bilateral Agreement for NDIS Transition. The presentation of funding and the timing of payments outlined in Schedule 1 of the Agreement may change to facilitate the variation process.
6. **Non-output services:** ADHC will continue current funding arrangements for providers delivering supports under non-output service models similar to the Information, Linkages and Capacity Building (ILC) component of the NDIS, until end June 2018.\*
7. **Financial reporting:** ADHC will align the acquittal process with the funding variation process to confirm all funds have been expended (or returned) during the transition.
8. **Termination:** ADHC will terminate Funding Agreements on 30 June 2018 (or earlier), when all people have transitioned, there is no longer any funding to be paid by ADHC and all compliance obligations have been met by the provider.

## Further Information

Further information about the Disability Funding Agreement is available on ADHC's website at: [http://www.adhc.nsw.gov.au/sp/funding\\_and\\_grants](http://www.adhc.nsw.gov.au/sp/funding_and_grants).

General information about the NSW NDIS transition can be found on: [ndis.nsw.gov.au](http://ndis.nsw.gov.au).

The National Disability Service also has resources for service providers: [nds.org.au](http://nds.org.au).

Service providers should refer questions about the funding variation process to their contract manager or email [funding.administration@facs.nsw.gov.au](mailto:funding.administration@facs.nsw.gov.au).

\*This applies to providers funded under the following MDS service models:

- 2.07.01 - Support Networks
- 6.01.01 - Individual Advocacy
- 6.03.01 - Combined Information/Advocacy
- 6.02.01 - Information/Referral
- 6.05.02 - Print Disability/Alternative formats
- 7.02.01 - Training and Development
- 7.04.02 - Other Support Services
- 10.20.01 to 10.20.09 - Community Care Support Program non-output services