

~~IN CONFIDENCE~~**GENERAL BRIEFING MATERIAL CLOSED****Department of Families, Housing, Community Services and Indigenous Affairs**

MaPS.Net PDR Id	BR12-000845	
Due Date	Thursday 12 July 2012	
Critical Date		
Consultation	Media	No
	Group / State Manager	Yes
	Deputy Secretary	Yes
	Other Dept	No

**To the Minister for Families, Community Services and Indigenous Affairs  
and Minister for Disability Reform**

For information

cc: Parliamentary Secretary McLucas

**Subject: Meeting with the South Australian Minister for Disabilities, the Hon Ian Hunter MLC**

**Critical Date:** You are meeting with Minister Hunter on 13 July 2012 to discuss a National Disability Insurance Scheme (NDIS).

**Purpose:** To support your discussion with Minister Hunter on an NDIS and a potential launch site in South Australia.

**Issues:**

Engagement with South Australia on NDIS

The Commonwealth and South Australian governments have been working closely together - including through two bilateral meetings and a meeting between the Secretary of PM&C (Dr Ian Watt) and the Chief Executive of South Australia's Department of the Premier and Cabinet (Mr Jim Hallion).

First stage of an NDIS

The South Australian Government has indicated a strong interest in being involved in the first stage of an NDIS. South Australia announced funding in its budget of \$20 million over three years on 31 May 2012.

*Expression of Interest (EOI)*

On 18 April 2012, you wrote to State Ministers requesting that they indicate their interest on working with the Commonwealth on hosting a first stage site(s) (MN12-001049 refers). Minister Hunter responded on 1 June 2012 indicating that South Australia would be interested in hosting a launch site, reiterating their preference for a cohort model focusing on children.

South Australia provided a draft EOI on 29 June 2012 which proposes a cohort based model that would operate across the state, but only for children aged 0-14. s47B - Commonwealth-State relations  
s47B - Commonwealth-State relations

BR12-000845

**Media Release:** n/a

**Recommendations:**

1. Note the information provided

Noted / Please Discuss

s11C

Name: Philippa Dawson  
 Position: Branch Manager  
 Branch: Commonwealth State Team, NDIS Joint Taskforce  
 Phone/Mobile: s11C

Date: 12 July '12

Contact Officer: Susan Fitzgerald  
 Phone/Mobile: s11C

**Comments (MO use only)**

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Minister noted

23.7.12

Signature: .....

Date: .....

**ADVISER TO ACTION:**

Local Member Advised Yes / No	State Member Advised Yes / No	Rating	Quality	Timeliness
Name of Member	Name of Member	Unsatisfactory		
		Satisfactory		
		Good		

**Attachments**

Attachment A: Talking points  
 Attachment B: Additional information  
 Attachment C: Draft Expression of Interest (EOI) from SA  
 Attachment D: Letter from Jim Hallion, Chief Executive of SA DPC (22/6/12)  
 Attachment E: Letter from Minister Hunter to Minister Macklin (29/5/12)

BR12-000781

## **Attachment B: Additional information**

### **Key points about South Australia's disability system**

- Relevant agency: Department of Communities and Social Inclusion
- Key statistics:
  - SDAC reports approximately 50,700 people in South Australia 0-64 have a disability that profoundly or severely limits their core activities.
  - In 2009-10, South Australia, Tasmania and the ACT had the highest rates of people likely to be eligible for state and territory delivered disability support services who used them (between 34.4% and 36.3%), 2009-10 CRC Report.
- Progression of agreed reform agenda:
  - The SA Government recently launched changes to move to individualised funding. Clients of South Australian disability Services who access six or more hours of disability support will be eligible. The Government intends to implement these changes by late 2012.
- Progress under the National Disability Agreement:
  - In October 2011, the South Australian Government released *Strong Voices* (a policy document)
  - South Australia has committed to a universal individualised funding system and self-managed funding for people who request to handle their own finances completely.
  - The South Australian *Carers Recognition Act 2005* has been reviewed after the fifth anniversary of its commencement. The report of the review has been completed and is to be laid before both houses of parliament.

s47B - Commonwealth-State relations and s47C - deliberative processes

Attachment D: Letter from Jim Hallion, Chief Executive of SA DPC



Government of South Australia

Department of the Premier  
and Cabinet

EC12/513

22 June 2012

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Dr Ian Watt AO  
Secretary  
Department of Prime Minister and Cabinet  
PO Box 6500  
Canberra ACT 2600

Forwarded to Mrs Gress  
25/6/12

Mr Gress

For anyone else

Dear Dr Watt

South Australia welcomes the opportunity to be considered as one of the first launch sites for the National Disability Insurance Scheme (NDIS). To expedite a joint announcement of this State-Commonwealth partnership, I have set out below key points of clarification on pressing matters relevant to the bilateral negotiations between South Australia and the Commonwealth governments.

1. Model

Consistent with Minister Hunter's letter to Minister Macklin on 25 May 2012, I can confirm South Australia is proposing the trialling of a children's cohort model (0-14 years), rather than a geographic site.

s47B - Commonwealth-State relations

South Australia believes this approach will test an important, yet discrete group within the trial. This position aligns with the Premier's priority focus on children, particularly early intervention and child development.

2. Funding

South Australia's commitment to participating as a launch site can be realised within the state budget commitment of \$20 million over three years. This funding supports a children's model (0-14 years) with a cohort size of approximately 5,000 over the launch.

To give both of our Treasury departments comfort, the opportunity to undertake an annual review is essential to mitigate the shared risk of overspending that may arise from higher than anticipated average funding packages or from a greater take up of new clients. s47C - deliberative processes

The NDIS launch represents major change for South Australian children. We accept that the details of ongoing funding will be an important element of negotiations. However, a commitment from the Commonwealth is required that confirms the Commonwealth will provide its agreed share of ongoing funding for the population covered in a launch, at the assessed NDIS trial levels, indexed, until such time as either the full NDIS is established or the clients are grandfathered back onto the existing disability service levels (likely to be around 18 years of age).

s47C - deliberative processes

Finally, it is important that there is no comparative disadvantage to South Australia in being an early signatory to a launch.

### **3. Sector Capability**

For the NDIS to be a success, sector capability will be critical. There are challenges in being an early launch site, which the South Australian government recognises and is committed to addressing.

s47C - deliberative processes

### **4. Future negotiations**

South Australia is committed to delivering a new approach to disability services for children through a launch cohort. I am confident that ongoing, constructive negotiations between our senior officials will enable us to quickly settle the model, governance and funding issues required for a bilateral agreement announcement in early July.

In relation to agreements between the parties on issues related to a launch, I can confirm that these will not necessarily reflect South Australia's position in negotiations on a full National Disability Insurance Scheme.

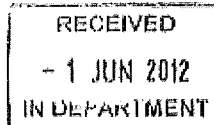
Yours sincerely

s11C

**JOHN HAMILTON  
CHIEF EXECUTIVE**

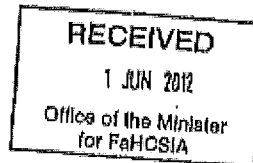
**Attachment E: Letter from Minister Hunter to Minister Macklin**

The Hon Ian Hunter MLC



12MDIS/0260

Hon. Jenny Macklin MP  
Minister for Disability Reform  
Parliament House  
CANBERRA ACT 5001



**Government  
of South Australia**

Minister for Communities  
and Social Inclusion

Minister for Social Housing  
Minister for Disabilities  
Minister for Youth  
Minister for Volunteers

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Dear Minister Macklin

Thank you for your letter concerning the first stage of the National Disability Insurance Scheme (NDIS).

South Australia welcomes the Federal Government's commitment to this significant reform of disability services.

We recognise that there are many important and necessary matters yet to be agreed by all Governments regarding the NDIS. Nevertheless, South Australia considers that, at the same time, it is possible to move forward with progressing a full scale NDIS by testing it in a number of locations.

The Premier and I are also of the view that a South Australian launch based on a children's model presents an excellent opportunity to test the key elements on a NDIS. Investing in children and early childhood is a strategic priority for the state.

South Australia would be interested in hosting a launch site, subject of course to satisfactory agreement as to how this would work for the period of the launch and beyond. The State Government has set aside \$20 million in funding in the 2012-13 State Budget, which can be applied to a NDIS launch. The Premier and I look forward to further discussions with you about this matter.

s11C

**IAN HUNTER MLC**  
Minister for Disabilities

29/5/2012