

National Disability Services ACT

Pre-budget Submission 2025-26

This submission identifies five priority areas for the 2025-26 ACT Budget and actions that government can take now to improve the operating environment for disability providers and quality, sustainable services for people with disability.

About National Disability Services

National Disability Services (NDS) is the peak body in ACT and Australia for non-government disability service providers. NDS provides information, training and networking opportunities to its members and policy advice to State, Territory and Commonwealth governments. We have a diverse and vibrant membership, comprised of small, medium, and large service providers. Our members employ around 100,000 people and provide a full range of disability services to some 500,000 people with disability.

Our vision is for an inclusive Australia where all people with disability live safely and equitably. To achieve this, people with disability need to access the right supports, at the right time, from the right people, services, and systems.

NDS has a deep commitment to supporting the implementation of a successful NDIS and is supporting service providers across the ACT as they work to thrive within the contemporary landscape.

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Summary of recommendations

This pre-budget submission includes the following recommendations under five priority areas.

Priority 1 – Sector support and leadership for reform

- Release a Reform Roadmap including a Stakeholder Engagement Plan
- Funding for NDS to employ a sector development and support officer
- Consider viability of the disability sector during reform design and implementation

Priority 2 – Investing in a skilled workforce

- Establish an ACT Disability Workforce Plan
- Offer fee-free training for disability support workers
- Fund NDS to develop a continuing professional development framework for Behaviour Support Practitioners

Priority 3 – Strengthening housing options

- Develop an ACT Disability Housing Strategy and Action Plan with adequate resource allocation

Priority 4 – Focus on employment options

- Work with NDS to highlight social impact of Supported Employment Services and social enterprises
- Support increased government and non-government social enterprise procurement

Priority 5 – Ensure a thriving eco-system of supports

- Leverage influence to advocate for Scheme settings that guarantee sustainable, high-quality services for people with disability
- Fund an NDS sector development officer to support services and workers to respond to regulatory change and deliver best practice supports

Executive Summary

These are complex and challenging times for government, people with disability, carers and the service provider sector. NDS and our members are deeply committed to the success of the NDIS, however, in order for the Scheme to be sustainable in the long-term, we need thriving, quality providers.

NDS looks forward to continuing our partnership with the ACT Government as we navigate the most significant reforms since the introduction of the NDIS a decade ago. We acknowledge the ACT Government's commitment to people with disability, their families, sector workers, and organisations as the Scheme has evolved through initiatives such as the ACT Disability Strategy, Disability Health Strategy, Disability Justice Strategy and Inclusive Education Strategy, along with support for NDIS reforms.

While the NDIS Review and Disability Royal Commission offer opportunities to improve service quality, we must consider the complexity and timing of these reforms and the sector's ability to respond. ACT disability services are facing significant changes, including amendments to the NDIS Act, responses to the Disability Royal Commission, and evolving compliance requirements, all of which will impact the nature and delivery of disability services in Canberra.

To navigate this reform agenda, Canberra needs a well-resourced disability sector capable of adapting to new service delivery models while continuing to provide essential daily supports. Strategic investment in government services and capacity building across the sector is crucial to address entrenched challenges amid complex and concurrent reforms.

For disability service providers, NDIS settings and deteriorating economic conditions are significantly impacting the sector's ability to provide consistent, high-quality supports.

The [2024 State of the Disability Sector Report](#), released in December, found a disability sector in a precarious state. Providers are operating in a tough economic environment. With reserves depleted from years of operating on thin or negative margins, many providers see an uncertain future.

The report found that:

- 21% of respondents nationally are considering getting out of disability services entirely. In the ACT, this number rises to 27%
- 80% of respondents nationally, and 87% in the ACT, say that they may not be able to continue providing NDIS services at current prices. This confirms NDS's view that the government needs to find a way to account for quality and complexity of services in pricing
- 88% report that operating conditions had worsened over the past year

- 81% confirm that, over the past year, they have turned down opportunities to provide new services. However, the constraints of pricing, rising costs and other sector conditions make growth difficult

The report also showed a sector working hard to raise productivity and 51% of providers plan to expand their operations.

The adaptability and resilience of disability providers has been demonstrated year on year, however, many cannot keep going without support. The threat of closure for local, high-quality services is most concerning. Closure of these services will leave people with disability with fewer, and potentially lower quality, options and there is a risk that some people with high complex needs will have no options. The compounding impact of operating for many years in an inefficient, administratively burdensome system is now reaching a crisis point.

It is no coincidence that the providers who are struggling the most are those who have been operating in the Scheme for the longest.

The reforms will be implemented over several years and may still not adequately address entrenched challenges with workforce, pricing, or thin markets. Given the prevailing circumstances, there is widespread concern about the capacity of service providers to adapt quickly enough to changes without impacting service quality and safety.

Changes to the NDIS could further exacerbate the financial crisis many providers are experiencing. Ongoing workforce shortages, causing significant undersupply of skilled workers and high turnover, continue to be major challenges for disability service providers.

Reforms will continue for at least the next three to five years, requiring significant transformation across most aspects of service delivery. The ACT Government must support people with disability, their families and carers through these changes and assist the disability sector to adapt. Co-designing the roadmap for Foundational Supports is crucial, along with continued investment to improve access and inclusion across the city.

The 2025-26 budget presents an opportunity for the ACT Government to support the sustainability, viability, quality, and safety of disability services to drive positive outcomes for people with disabilities.

To support the ACT Government to deliver its budget outcomes, NDS makes the following recommendations across five priority areas.

Priority 1 – Sector support and leadership for reform

Changes to disability services from the NDIS Review and Royal Commission present a unique reform opportunity, however, the sector's capacity to respond is currently limited. The reforms will require transformation across service delivery. Co-designing the reform roadmap and developing a robust change management strategy in conjunction with the sector is essential. Many providers are concerned about their viability amid rapid transformation and sector support is essential to enable a smooth transition.

NDS seeks a commitment from the ACT Government to develop a formal stakeholder engagement plan which includes people with disability, carers and disability service providers in the development of policy and systems in response to NDIS legislation, the Disability Royal Commission, and related ACT initiatives.

Collaboration and representation are crucial for success and sector voices must be central to service development and improvement, with providers involved in designing and implementing reforms.

Providers need a seat at the table to ensure changes are safely and practically implemented. All stakeholders must work together to deliver high-quality, equitable, and sustainable supports that offer choice, control, and independence to people with disability. The Office for Disability is key for ensuring authentic engagement across the entire sector.

As the peak body, NDS is uniquely placed to provide sector stewardship and support for the ACT Government's design and implementation of the reform agenda. NDS has the knowledge and relationships to bring significant expertise to the table in designing and implementing reform including Foundational Supports.

Recommendations

- 1.1. The Disability Reform Taskforce should release a Reform Roadmap and provide regular updates on the reform agenda. It should develop a Stakeholder Engagement Plan to formalise a sector-led approach, including people with disability, carers, advocacy groups and providers.
- 1.2. Funding for NDS to employ a dedicated sector development and support officer to focus on reform implementation, and specifically the design of foundational supports in the ACT. This investment will provide ongoing intelligence and information to inform the work of government (\$120,000 per annum for 5 years).
- 1.3. Consideration of the viability of the disability sector during the reform design and implementation phases to ensure there is sustainable disability service provision. The sector is investing significant resources to providing advice into consultations and co-design in the ACT and this work is anticipated to continue over the next few years.

Priority 2 – Investing in a skilled workforce

There must be purposeful investment in a strong disability workforce to deliver the benefits of both the NDIS and future Foundational Supports in the ACT. Action is needed to attract new workers, retain the current workforce pool and secure a skilled workforce to provide quality supports.

Workforce shortages persistently plague the sector making it difficult to find staff with the requisite skills, values, and attitudes that align with the demands of the job.

Canberrans with disabilities are missing out on services they need, with over 80% of respondents in our State of the Disability Sector Report indicating that they had received requests for services that they were unable to provide, in most cases as a result of a lack of workforce supply.

For providers, this may lead to increased overtime or labour hire costs, and the need to provide unfunded on-the-job training for unqualified and inexperienced workers. Workers face high churn among colleagues and reduced mentoring as supervisors focus on filling rosters.

For participants, this can mean cancelled shifts, unfamiliar workers providing intimate support, and unmet demand due to staffing uncertainty. There are particularly acute challenges in the areas of allied health, behaviour support and support for people with complex needs.

Attracting and retaining workers

In a highly competitive employment market, the ACT needs more direct investment to attract and retain skilled workers and ensure adequate service delivery.

The sector remains over-reliant on casual disability support workers, with a high turnover rate. The [2024 NDS Workforce Census](#) showed staff turnover rose to 24% among casual staff and 16% for permanent staff, up 31% from the prior year and double 2021 rates. 89% of providers had difficulty recruiting disability support workers, while 100% reported moderate to extreme challenges in recruiting occupational therapists, speech pathologists and psychologists.

Workforce shortages are compounded by the inefficiencies in NDIS processes, making it difficult to recruit and retain skilled staff. Providers are often bogged down by administrative tasks, which takes time away from direct service provision. This, coupled with the constant pressure to meet compliance requirements, detracts from the quality of care and support that providers can offer.

Workers express frustration with the existing system, citing inadequate training, limited career advancement opportunities, and insufficient supervision, especially affecting allied health professionals.

Further investment in attracting and retaining disability workers in the sector is required. The low unemployment and skilled migration rates have altered the typical

jobseeker profile in the disability sector, with organisations seeing larger numbers of applicants from culturally and linguistically diverse, low socio-economic or long-term unemployed backgrounds. Funding will be essential to assisting many applicants from these cohorts to overcome particular barriers to entry to the sector.

Developing suitable skilled workers

There is a concerning shortage of quality Behaviour Support Practitioners (BSPs), which significantly impacts the value and availability of support for individuals with complex needs. According to 2023-24 NDIS market data, the average utilisation of committed behaviour support was less than 56%. The insufficient number of practitioners is also causing delays in the development of behaviour support plans. Currently, over 50% of BSPs are registered only at the core skills level, the lowest of the four expertise levels required to effectively support these individuals. Limitations of access to skilled Practitioners was noted in the Disability Royal Commission Volume 10 Report

To address this issue, it is essential to provide the necessary structures and pathways to enhance the skill sets of practitioners and improve the quality of behaviour support for people with disability. Investment is crucial to establish these structures and incentives, enabling practitioners to progress along the skills pathway more efficiently, thereby enhancing their expertise and further improving the quality of behaviour support.

NDS commissioned research into the skills, training, and qualifications of disability support workers in Australia. This research shows that workers with accredited qualifications tend to remain in the sector longer, and providing training reduces turnover. However, time and cost are significant barriers for both workers and employers. Workers reported that the inability to forgo paid work to undertake unpaid training is a major obstacle. For employers, the cost of backfilling shifts while paying wages for both the trainee and the replacement worker is a disincentive.

For providers, the costs for training and onboarding are high and there's no realistic accounting for it in NDIS pricing. The cost of onboarding each new staff person is estimated at between \$2,130 and \$3,320. A recent disability workforce poll by NDS indicated that employers were keen to invest in worker training and personal development, however, the cost of workforce churn limited their capacity to do so. It confirmed that ongoing skills development, training and onboarding costs for new staff and finding and funding backfill to free up staff to attend training are critical priorities.

For workers, a key barrier to training is their need to earn a liveable wage while doing so, particularly given the current cost of living.

Recommendations

- 2.1. Establish an ACT Disability Workforce Plan in partnership with NDS and led by the sector, to address the areas of critical need for the disability workforce. The Disability Workforce Plan should include funding to develop disability sector planning and promotion of career pathways in the disability sector. It should specifically include employment opportunities for people with disability.
- 2.2. Offer a range of fee-free training and include courses that are currently offered at a reduced fee
- 2.3. Allocate \$200,000 to NDS to develop a continued professional development (CPD) framework for skills development and progression of Behaviour Support Practitioners, ensuring people with disability more readily access appropriately skilled and high-quality behaviour support. Unlike allied health practitioners, PBS is not a profession and there is no regulatory body, hence no practitioner learning standards or CPD programs.

Priority 3 – Strengthening housing options

The Disability Royal Commission confirmed people with disability continue to face multiple barriers to securing accessible, secure, appropriate, and safe housing. Rising living costs and chronic lack of affordable, accessible social housing severely impact people with disability. More accessible community and private housing stock will support both people with disability and our ageing population.

The number of people with mobility issues is set to almost double in the next forty years. A lack of appropriate housing continues to see people with disability being placed into aged care prematurely and inappropriately. Aged care settings often lack the social, environmental and individualised support needed, leading to social isolation, depression, frustration, and reduced quality of life for younger residents.

Many people with disability need social housing, whilst others require Specialist Disability Accommodation tailored to their needs. The ACT Government needs to continue its investment in community disability housing through a Disability Housing Strategy that identifies need, gaps and opportunities that include better use of current and development of new housing options.

Recommendations

- 3.1. Develop an ACT Disability Housing Strategy and Action Plan with adequate resource allocation, which includes a strategy to manage and redevelop aging stock as well as investment in new housing for people with disability. This Strategy should include initiatives to:
 - Urgently review the status of legacy Community Disability Housing stock including gaps, needs, opportunities and improved access pathways to available vacancies
 - Move younger people with disability out of aged care and into appropriate housing
 - Ensure the NDIA implements adequate funding mechanisms to create and expand Specialist Disability Accommodation options for eligible participants that are responsive and flexible to need and choice
 - Promote the development of accessible and affordable social housing and small-scale specialist disability housing options

Priority 4 – Focus on employment opportunities

More effort is needed to improve employment options for people with disability across the public sector, in non-government roles and in business. The workforce shortages being experienced in the ACT represent an opportunity for more people with disability to enter the workforce. With improved collaboration and strategies to address gaps and barriers, more people with disability will be able to work.

NDS commends the commitment in the ACT Disability Strategy to introduce employment targets of 9% for the ACT public service. However, there is still a lot of work to be done both in the public sector and also the broader business community.

Supported Employment Services help people with disability, who face significant employment barriers, find jobs. In Australia, around 160 NDIS providers offer employment to nearly 16,000 people. These commercial operations are involved in the production of high-quality products and services, which include some of Australia's best-known brands. Their employees with disability are increasingly involved in many complex supply chains nationally, distributing thousands of commonly used household products. As well as these commercial and industrial activities, others provide work and training in the community or at the work sites of mainstream employers.

In 2024, NDIS released the [Taylor Fry Supported Employment Modelling Project](#) which demonstrated the considerable value supported employment delivers to employees, government, and families/carers including:

- \$7,000 per annum per individual / \$119 million aggregate
- \$6,600 per annum for carers/ \$112.2 million aggregate, and
- \$13,200 per annum to government / \$224.4 million aggregate

These figures exclude other benefits such as health and wellbeing benefits, human capital development, and respite for some carers. Government gains include reduced welfare payments, increased income tax and GST revenue, and reduced NDIS and housing costs.

There are large numbers of NDIS participants of workforce age who want to work but cannot find a job. They represent a pool of underutilised labour which can bring a wide range of skills, talents, and abilities to workplaces, especially during this time of skills and labour shortages nationally. Supported employment services also provide opportunities for people with disability to access career pathways to mainstream jobs.

Three key goals of NDS's vision for the supported employment sector are to:

- Lift the employment rate among people with significant disability
- Expand the provision of training and career pathways to supported employees
- Promote innovation that enhances employment opportunities and business sustainability

BuyAbility, an NDS initiative, is a website that allows purchasers to utilise a directory to find and engage services of supported employment service providers by name, location or business type. The website aims to grow the relationships of supported employment providers and highlight, and celebrate, the economic and social contribution of supported employment providers to their local communities and wider Australian economy.

Recommendations

- 4.1 Government should continue to work with NDS to highlight the social impact value of Supported Employment Services and social enterprises, as well as actively promote BuyAbility (<https://buyability.org.au>) to support increased government and non-government procurement.

Priority 5 – Ensure a thriving eco-system of supports

To ensure the future sustainability of the NDIS, it is critical to ensure that we have a thriving eco-system of providers delivering high quality supports.

The disability sector is experiencing fragility due to several challenging years impacting financial viability. Workforce shortages, which have persisted since COVID, exacerbate the situation. It is important for the ACT Government to support the sector through the upcoming reforms, ensuring a strong sector that can provide best practice support to Canberrans with a disability.

Regulatory environment

The regulatory environment has posed significant challenges for registered support providers in Canberra. The dual reporting requirements, in addition to the increased compliance actions and the punitive approach of the still-evolving regulatory body have created an environment of fear and anxiety.

Regulatory requirements imposed by the ACT Government are not recognised in the NDIS pricing model. Operating in a price-set market means that registered providers in the ACT are unable to re-coup these costs and unfunded administrative and regulatory burden is one of the key financial pressures cited by NDS members in the Territory. While registered providers are committed to oversight and regulation, duplication of regulatory requirements mean that any efficiencies that can be found in other parts of the business are overtaken by the cost of compliance.

Any new regulatory requirements must be carefully considered and include sector consultation prior to implementation. Increasing the regulatory burden further on providers will undoubtedly result in service closures and a reduction in choice for participants with high and complex needs.

In addition, NDS calls on the National Quality and Safeguards Commission and the ACT Government to urgently implement data sharing arrangements that would significantly reduce the administrative burden currently experienced by providers.

Development of Foundational Supports

Foundational Supports must be designed to protect the rights of people with disability and maximise their choice and control over their lives, including the services they use. Foundational Supports should address the service gaps arising from the withdrawal of NDIS, following a mapping of available services, identification of options, and strengthening of existing services.

We acknowledge the ACT Government's commitment to ensuring diverse Foundational Supports that address varying cohorts and circumstances, and a phased approach that leverages existing successful methodologies.

As the full suite of Foundational Supports is developed, there must also be consideration of the pathways to support and ensure system navigators with the right skill sets and knowledge. This includes local knowledge of existing successful services and ensuring place-based support with culturally appropriate models.

NDS is aware that the current uncertainty about the future of support coordinators and that the timing and settings for the new navigator roles is already leading to skilled workers leaving the sector. Timely government decisions are needed about whether the Review's recommendations relating to navigators will be adopted and how. If adopted, then a sound transitional plan to phase out support coordinators and to train/recruit navigators will be needed. As it is a critical component of the Foundational reforms, the sequencing is essential to success.

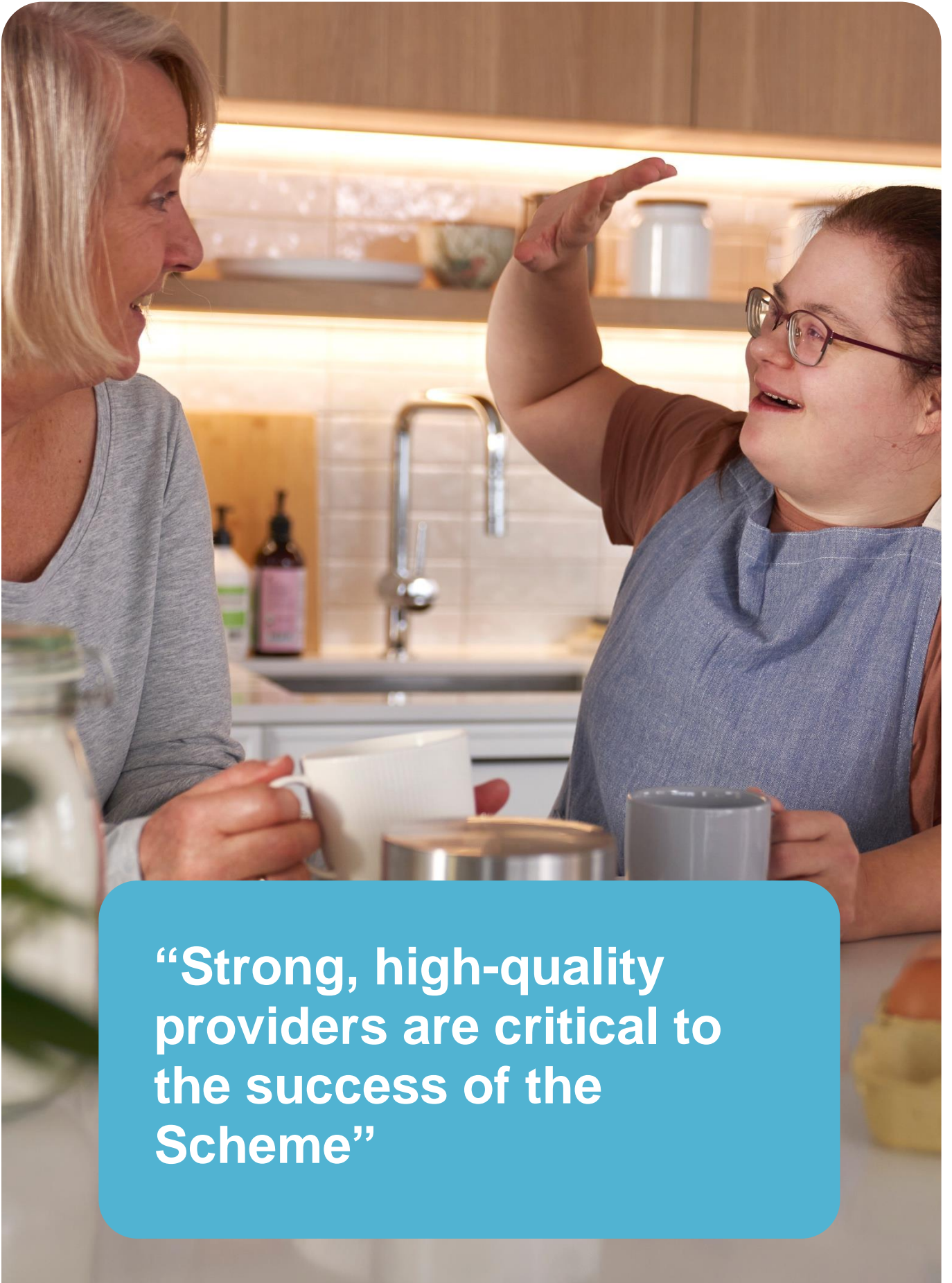
The systems within Foundational Supports should provide an integrated approach centred around the individual and provide a smooth interface with mainstream services including health, mental health, education, and justice. For this to work, there must be a proactive and contemporary approach to inclusion, with inclusion built into every system, rather than be an afterthought or optional addition. We must strengthen accountability and transparency by measuring progress and outcomes to help transform communities, so they are accessible and inclusive for everyone. Mainstream services and community supports must also be better connected with the NDIS and easier to navigate.

We recommend that the ACT Government continue to drive mainstream services to be more accessible and inclusive, while undertaking major investment to build foundational supports. Canberra has an existing social services infrastructure which could underpin foundational supports and ensure good integration with mainstream services; however, the current disability ecosystem needs to be mapped, opportunities for extending or improving current services identified and weaknesses highlighted in anticipation of the changes which will eventuate from the negotiations.

Foundational Supports must be co-designed with people with disability and their service providers to ensure easy-to-use, accessible processes and systems. NDS is keen to contribute and work closely with the Government on the design and implementation of Foundational Supports in the ACT.

Recommendations

- 5.1 The ACT Government should leverage its influence to advocate for Scheme settings that guarantee sustainable, high-quality services and continuous support for people with disability. This should be achieved through a data-driven approach, including the establishment of an independent pricing authority.
- 5.2 Fund an NDS sector development officer over two years to support disability services and workers to respond to regulatory change and deliver best practice, quality supports to NDIS participants and recipients of foundational supports.



“Strong, high-quality providers are critical to the success of the Scheme”

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