



NDIS Quality
and Safeguards
Commission



Annual Report 2020–2021

NDIS Quality and Safeguards Commission

The NDIS Quality and Safeguards Commission is an independent agency established to improve the quality and safety of NDIS supports and services.



Acknowledgement

This Annual Report features the talent from our Commission Collateral project, designed to help providers, participants and other stakeholders understand what the NDIS Commission does.

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YEAR IN REVIEW



It is a great privilege to deliver this Year in Review as Acting Commissioner and to lead the NDIS Quality and Safeguards Commission through a period of change following the completion of the inaugural Commissioner's term on 30 June 2021.

Mr Graeme Head AO led the establishment phase for the NDIS Commission from 1 July 2018. He established all the Commissioner's functions in each state and territory and made significant progress in moving the organisation from a focus on transition, to full utilisation of the functions and powers of the Commissioner. Through Graeme's leadership we now deliver a nationwide approach to consistently protect and improve the rights, health and wellbeing of every NDIS participant.

We are well positioned for the future, and the foundation for regulation in the NDIS has been established.

This Annual Report marks a turning point. It is the last report that will reflect our transitional period. The next Annual Report will be our first as a fully functioning and completely national organisation, with the transition to Western Australia in December 2020 and the commencement of national NDIS Worker Screening in February 2021 completing our national rollout.

The completion of this phase is testament to the commitment and hard work of the many stakeholders who have contributed to our evolution – paramount being the people with disability whom we serve, and their supporters. We listened to and valued their feedback. We have adjusted how we do our work to accommodate their insights, to be more effective in the way we work, and to have the best possible impact.

We have taken a firm but fair hand to compliance, reflecting the transition phase that the Commission was in during its first years of operation. There has been a significant uplift in this activity, with the level of compliance and enforcement over the past year far exceeding action taken over many years under the previous state and territory systems that the Commission replaced. We have a number of major investigations on foot, with further regulatory action and broader use of our regulatory powers expected in 2021–22.

To guide our future work, and focus on system-level improvements to enhance the quality of supports and services across the NDIS, the Commission has delivered a strong research base in critical areas. We have applied that research to guide provider practice, and had a considerable focus on reducing risks to participants for whom a system approach to quality improvement may not be as effective, because they cannot always raise concerns themselves, and do not have always have strong natural supports.

During this past year we have achieved significant progress in activities which are or will have a positive impact on strengthening safeguards for people with disability in the NDIS. We worked closely with our colleagues in the National Disability Insurance Agency and the Department of Social Services to together deliver the Scheme. In 2020–21, we worked together on responses to the COVID-19 pandemic and on a range of other ventures that strengthen the quality and safety of NDIS supports and services.

This year we focused on:

- ♦ completing transition and continuing to build awareness of our role with NDIS participants and the stakeholders who represent them
- ♦ accelerating our compliance activities, focussing on areas presenting risk to people with disability such as the use of restrictive practices against them, and for people receiving supports in their homes where they live alone

- ♦ expanding our workforce and systems and processes to meet the challenges of greater than anticipated demand across all our functions, including addressing the backlogs that this rise in demand has brought about
- ♦ reflecting on and improving the way that we deliver key functions of complaints and incident oversight.

The COVID-19 pandemic continues to shape all our lives, and continues to have a particularly profound impact on the people with disability across Australia. We have continued to support NDIS providers to fulfil their obligations to NDIS participants by taking necessary precautions to reduce the risk of infection, and as the pandemic has evolved, to support people in accessing vaccinations. Like many organisations, the COVID-19 emergency impacted the way we undertook our work, and how we focussed our resources.

In this reporting period, the NDIS Commission received notification of 1,044,851 reportable incidents. 98.7% of these reports related to the use of an unauthorised restrictive practice (URP) on a person with disability, with 93% of the URPs relating to chemical or environmental restraints.

The sheer volume of these reports highlights the nature of these practices across Australia and the scale of their use. Despite extensive compliance action undertaken by the NDIS Commission during 2020–21, the rate of the use of restrictive practices that are unauthorised has continued

to rise. Only some of the increase is explained by the transition of Western Australia and the NDIS Commission's oversight of residential aged care providers supporting NDIS participants since 1 December 2020. Addressing the use of unauthorised restrictive practices by NDIS providers will be a key focus for the Commission in 2021–22.

In 2020–21, we also:

- ♦ made substantial progress in implementing the recommendations of the Robertson Review that are within the purview of the Commissioner to deliver
- ♦ continued to contribute to and support the Royal Commission into Violence, Neglect and Exploitation of People with Disability through witness statements, oral evidence and the broad provision of information
- ♦ contributed to and supported the Joint Standing Committee on the NDIS with their Inquiry into our operations, in addition to other inquiries that they undertook throughout the year
- ♦ delivered extensive leadership and practice guidance in the field of behaviour support and commenced a large scale project to evaluate the quality of behaviour support plans lodged with us by practitioners
- ♦ implemented a suite of activities informed by the *Scoping Review* we commissioned last year to address provider practice, to reduce risk of harm and avoidable deaths of people with disability

- ♦ launched the national implementation program for the Positive Behaviour Support Capability Framework
- ♦ developed the NDIS Workforce Capability Framework that will be implemented across the NDIS market throughout 2021–22
- ♦ delivering a extensive program of corporate improvements to mature the efficiency of the organisation in our finance, internal audit, people, data and information technology functions

Our people met all challenges, and made the most of the opportunities, that the year presented. They have an exceptional commitment to upholding the rights of people with disability and have the people we serve at the forefront of everything they do, every day.



Samantha Taylor PSM

Acting NDIS Quality and Safeguards Commissioner

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LETTER OF TRANSMITTAL



**NDIS Quality
and Safeguards
Commission**

Senator the Hon Linda Reynolds CSC
Minister for the National Disability Insurance Scheme
Parliament House
Canberra ACT 2600

Dear Minister,

I present the Annual Report of the NDIS Quality and Safeguards Commission (NDIS Commission) for the year ended 30 June 2021. This report has been prepared for the purposes of section 46 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

The report has been prepared in accordance with all applicable obligations under the PGPA Act. It includes our annual performance statements as required by section 39 of the PGPA Act, and our audited financial statements as required by section 43(4) of the PGPA Act.

I certify that the NDIS Commission has prepared fraud risk assessments, a fraud control plan, and appropriate fraud prevention, detection, investigation, recording and reporting mechanisms that meet our specific needs, commensurate with our maturity and the agency has taken all reasonable measures to appropriately deal with fraud relating to the NDIS Commission.

Samantha Taylor PSM
NDIS Quality and Safeguards Commissioner (Acting)

7 October 2021

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Part 1. About the NDIS Commission

PART 1. ABOUT THE NDIS COMMISSION

NDIS Commission overview

NDIS Commission's role and responsibilities

Our role is to promote the provision of safe and quality supports and services to people with disability under the National Disability Insurance Scheme (NDIS). We are responsible for delivering nationally consistent and responsive regulation of all NDIS supports and services.

Responsible Minister

From 30 March 2021 to 30 June 2021, Senator the Hon Linda Reynolds CSC was Minister for the NDIS and had ministerial responsibility for the NDIS Commission, including the exercise of specific powers under the *National Disability Insurance Scheme Act 2013* (the NDIS Act). Prior to this, from 1 July 2020 to 30 March 2021, the Hon Stuart Robert MP was the responsible Minister.

The Accountable Authority

The Accountable Authority was Mr Graeme Head AO, the NDIS Quality and Safeguards Commissioner, for the entire reporting period except for 21 November 2020 to 29 November 2020 inclusive, during which time Mr Robert Griew was Acting Commissioner. Mr Head's term as Commissioner ended on 30 June 2021, and Ms Samantha Taylor PSM became the Acting Commissioner on 1 July and remained so during the creation of this report. As such, Ms Taylor is the Accountable Authority for the purposes of giving approval for the NDIS Commission's 2021 Annual Report.

Commencement of NDIS Commission operations

The NDIS Commission was established through an amendment to the NDIS Act to improve the quality and safety of NDIS supports and services, investigate and resolve issues related to quality and safety, strengthen the skills and knowledge of NDIS providers and workers, and support NDIS participants across Australia to have a stronger voice. This fulfilled the Australian Government's major responsibility under the NDIS Quality and Safeguarding Framework agreed by the Council of Australian Governments (COAG) in early 2017.

The Commission commenced operations in New South Wales and South Australia on 1 July 2018, in Victoria, Queensland, Tasmania, the Australian Capital Territory and the Northern Territory on 1 July 2019, and in Western Australia from 1 December 2020.

NDIS Commission Accountabilities

As a non-corporate Commonwealth entity within the Social Services portfolio, we are accountable under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and the *Public Service Act 1999* (Public Service Act).

Jurisdiction of the NDIS Commission

We regulate quality and safeguarding in the delivery of all NDIS-funded supports and services to NDIS participants.

The NDIS Commission Corporate Plan

This Annual Report, including the Annual Performance Statements, was prepared in the context of the NDIS Quality and Safeguards Commission Corporate Plan 2020–2021.

The purpose of the NDIS Commission, as stated in the Corporate Plan, is:

“...to work with people with disability, providers and the community to deliver nationally consistent, responsive and effective regulation of providers. We promote the provision of safe and quality supports and services to people with disability under the NDIS. We will approach our responsibilities in a consultative and inclusive way. We are guided by the underpinning principles in the NDIS Act.”

Entity purpose and outcomes

Our purpose and outcomes, as listed in the *Portfolio Budget Statements 2020–21 Budget Related Paper No. 1.12* (the PBS), are outlined below:

Purpose and outcomes

Outcome 1: To promote the delivery of quality supports and services to people with disability under the National Disability Insurance Scheme and other prescribed supports and services, including through nationally consistent and responsive regulation, policy development, advice and education.

Program 1.1 – Support for National Disability Scheme providers in relation to registration – Support for NDIS providers in relation to registration to support service providers with the costs of obtaining NDIS registration and to support the provision of education and training for providers, workers and auditors.

Program 1.2 – Program Support for the NDIS Quality and Safeguards Commission – To provide departmental funding for the annual operating costs of the NDIS Commission to enable the NDIS Commission to achieve its outcomes.

- ♦ securing compliance with the NDIS Act through effective compliance and enforcement arrangements, including through monitoring and investigation functions
- ♦ promoting continuous improvement among NDIS providers and the delivery of progressively higher standards of supports and services to people with disability
- ♦ developing and overseeing the broad policy design for a nationally consistent framework relating to the screening of workers involved in the provision of supports and services to people with disability
- ♦ providing advice or recommendations to the NDIA or the NDIA Board in relation to the performance of the NDIA's functions
- ♦ engaging in, promoting, and coordinating the sharing of information to achieve the objectives of the NDIS Act
- ♦ providing NDIS market oversight, including by:
 - monitoring changes in the NDIS market that may indicate emerging risk
 - monitoring and mitigating the risks of unplanned service withdrawal.

NDIS Commission functions and powers

Functions of the NDIS Commissioner

The NDIS Commission's function is to assist the Commissioner to exercise the functions and powers that are vested in the Commissioner. NDIS Commission staff routinely exercise powers delegated from the Commissioner.

The NDIS Commissioner has core functions set out in section 181E of the NDIS Act:

- ♦ upholding the rights, and promoting the health, safety, and wellbeing, of people with disability receiving supports or services, including those received under the NDIS
- ♦ developing a nationally consistent approach to managing quality and safeguards for people with disability receiving supports or services, including those received under the NDIS
- ♦ promoting the provision of advice, information, education, and training to NDIS providers and people with disability

The NDIS Commissioner also has functions set out in the NDIS Act related to:

- ♦ registration and reportable incidents
- ♦ complaints
- ♦ behaviour support.

In addition to powers set out in the NDIS Act, the NDIS Commission's activities are prescribed through a series of Rules.

Powers of the NDIS Commissioner

The NDIS Act provides the NDIS Commissioner with compliance and enforcement powers so that the NDIS Commission can promote best practice among NDIS providers and respond to risk to NDIS participants. In addition, we work with NDIS providers through engagement and education activities to promote and assist them in their compliance with their legislative requirements.

We have the power to investigate alleged breaches of the NDIS Act and Rules by NDIS providers and their workers. We can impose sanctions including, in the most serious cases, banning workers and providers, deregistering providers, seeking civil penalties, and, in the case of criminal offences, referring cases to the Commonwealth Director of Public Prosecutions for consideration. These powers allow us to investigate complaints and reports of non-compliance with the NDIS Practice Standards, the NDIS Code of Conduct and other quality and safeguards requirements.

In exercising our compliance, investigation and enforcement powers, we adhere to the requirements of procedural fairness, which means the NDIS Commissioner and staff of the NDIS Commission:

- ♦ avoid actual and perceived conflicts of interest and act in an impartial and objective manner
- ♦ afford a person an opportunity to be heard before making a decision affecting their interests.

The NDIS Commissioner is required to conduct compliance and enforcement activities in a risk responsive and proportionate manner. The NDIS Commissioner's monitoring, compliance, investigation and enforcement powers are proportionate and comparable to other Commonwealth regulators.

The NDIS Commissioner is required to maintain an NDIS Provider Register, which includes information about the registration arrangements for providers. The NDIS Act requires that this must include information such as the period for which the registration of the person is in force, and the classes of supports or services the NDIS provider is registered to provide. If a compliance notice is in force in relation to the NDIS provider, information about the compliance notice is also required to be placed on the register. The register must also include information about banning orders made against persons (whether NDIS providers or workers), whether or not that banning order is currently in force.

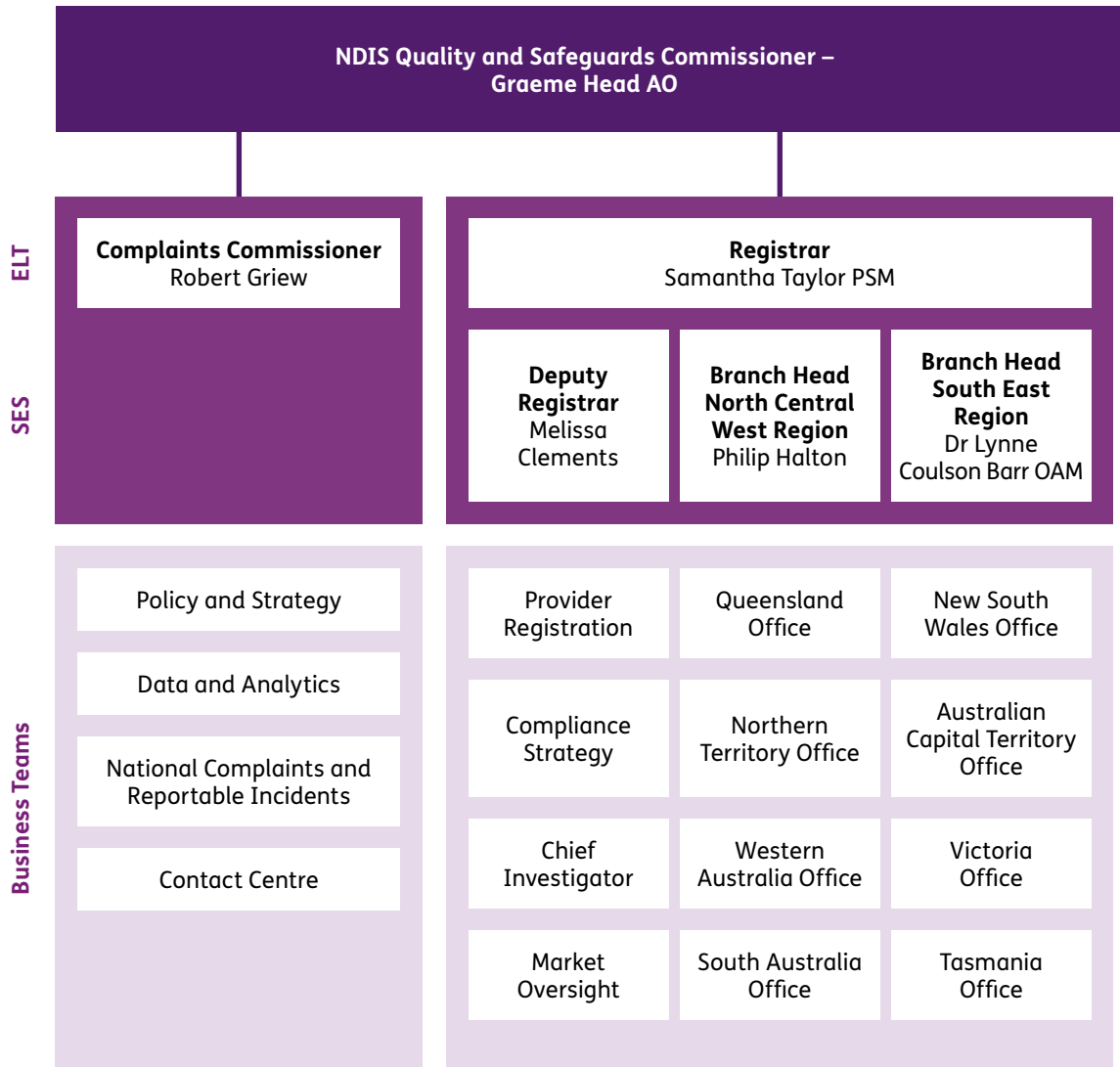
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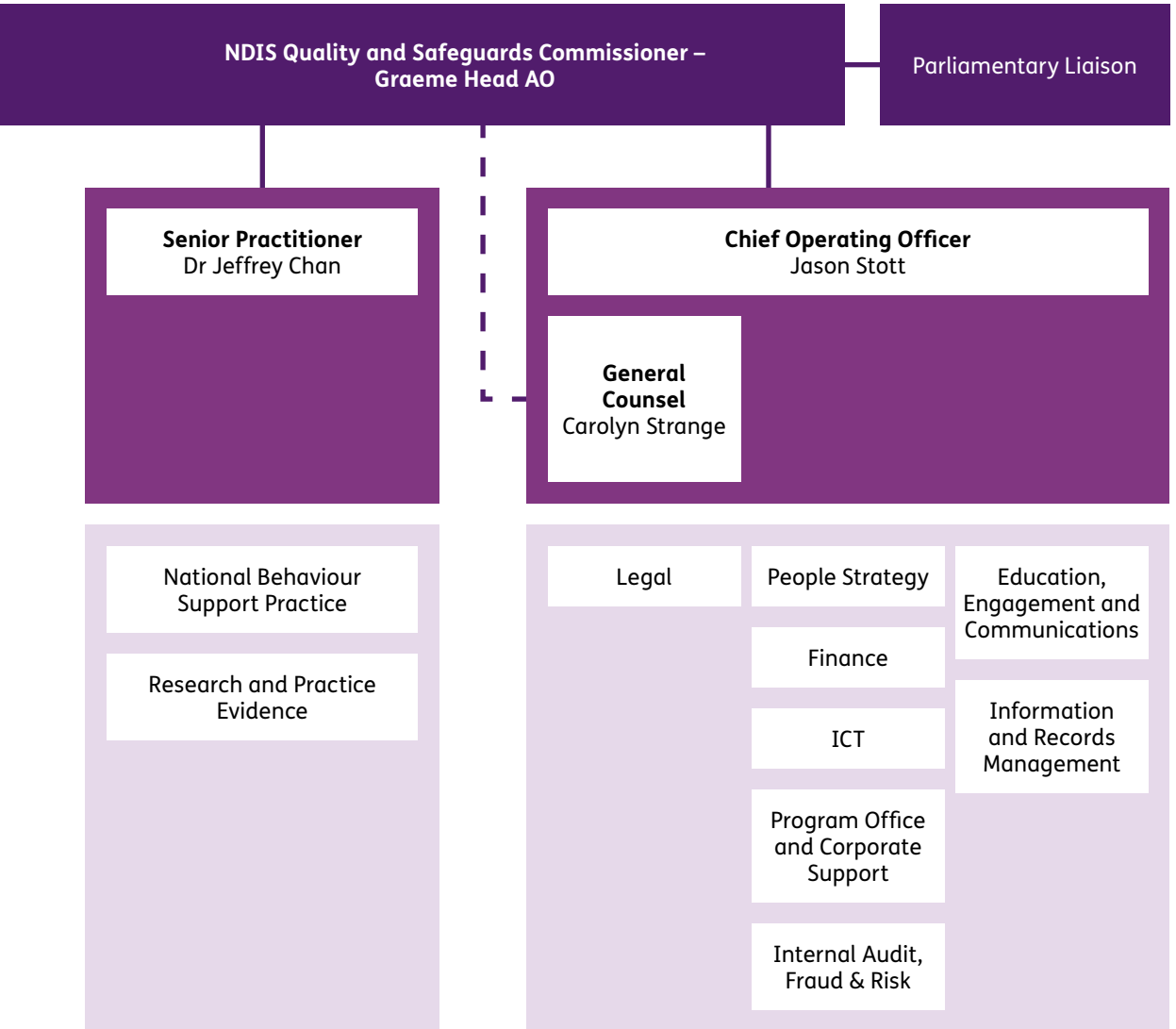
Our organisational structure

As at 30 June 2021



NDIS Quality and Safeguards Commission





NDIS Commission activities

Overview

Our principal activities include:

- ◆ registration of NDIS providers
- ◆ regulation of NDIS providers both registered and unregistered
- ◆ behaviour support
- ◆ complaints
- ◆ reportable incidents
- ◆ compliance and enforcement
- ◆ market oversight
- ◆ partnering with external entities
- ◆ communications and engagement.

Registration

We register NDIS providers to deliver safe, quality supports and services to NDIS participants. NDIS providers must be registered if they wish to deliver supports and services to participants whose plans are managed by the NDIA. NDIS providers must also be registered to deliver certain support types to any participant, including specialist disability accommodation, specialist behaviour support services, and implementing regulated restrictive practices. Our registration process is proportionate to the risk and complexity of supports being delivered to participants, and the size and scope of the provider.

The registration process has a number of steps:

1. An application is lodged with the NDIS Commission through the online Applications Portal, which includes a self-assessment by the applicant.
2. The applicant engages an approved quality auditor and undergoes an audit against the NDIS Practice Standards.
3. We undertake an assessment of the applicant and their key personnel to establish their suitability to provide services and supports.
4. We assess the application including the outcome of the audit, the suitability assessment, and any other relevant information, and advise the applicant of the outcome.

5. Where the decision is to register the applicant, we issue a certificate of registration that specifies the period of registration and conditions that apply to the registration. The details of the registered NDIS provider are published on the NDIS Provider Register.

Our NDIS Approved Quality Auditor Scheme establishes third-party audit arrangements that providers must use to undertake a review of their practice against relevant NDIS Practice Standards. Auditing firms approved by the NDIS Commission under the scheme are accredited with JAS-ANZ, an internationally recognised accreditor of auditing firms. Individual auditors complete training provided by the NDIS Commission.

NDIS providers registered with the NDIS Commission must:

- ◆ comply with the conditions of registration prescribed through various Rules and those stated on their certificate of registration
- ◆ comply with the NDIS Practice Standards applicable to the types of services and supports they are registered to deliver
- ◆ comply with the NDIS Code of Conduct
- ◆ have a complaints management and resolution system
- ◆ have an incident management system
- ◆ report certain incidents (including allegations) to the NDIS Commission
- ◆ fulfil national worker screening requirements
- ◆ meet behaviour support requirements, including reporting the use of restrictive practices to the NDIS Commission if applicable.

We monitor registered NDIS providers' compliance with these obligations.

This activity helps provide assurance to the NDIS Commission that the NDIS providers we register are suitable and competent to provide safe, quality supports and services to NDIS participants, and supports us in undertaking our NDIS market oversight responsibilities.

Regulating unregistered providers

In addition to overseeing registered NDIS providers, we also regulate providers that deliver NDIS supports and services and are not required to be registered. NDIS participants may use any

provider, whether registered or not, if their plan is not managed by the NDIA (for example, if they self-manage or have a plan manager to assist them). There are exceptions – namely, where the services consist of providing specialist disability accommodation, using regulated restrictive practices, undertaking a behaviour support assessment or developing behaviour support plans for participants. Providers must be registered to deliver those supports and services.

While unregistered providers do not have to comply with conditions of registration, we still regulate them through:

- ♦ the requirement that all NDIS providers comply with the NDIS Code of Conduct

- ♦ supporting participants who wish to complain directly to an unregistered provider
- ♦ receiving and acting on complaints made about an unregistered provider, or a person employed or otherwise engaged by the provider, including taking further action where a complaint raises a compliance issue.

This activity plays an important role in giving all NDIS participants the ability to make complaints about the NDIS supports and services they receive, and allows for action to be taken if those supports and services do not meet the expectations of quality and safety set out in the NDIS Code of Conduct.

FOCUS ON: Registration and transition

On 1 December 2020, residential aged care (RAC) providers supporting NDIS participants in their residences were required to be registered with the NDIS Commission.

NDIS participants living in residential aged care are dual participants of the NDIS and aged care systems. The new regulatory approach affords NDIS participants coverage across all NDIS Commission functions, including reportable incidents and behaviour support. The approach taken by the NDIS Commission to regulation of these providers is proportionate, recognising the existing regulation that RAC providers continue to be subject to under the *Aged Care Act 1997*.

RAC providers, like all NDIS providers, are required to comply with the NDIS Code of Conduct in supporting NDIS participants. From 1 December 2020, RAC providers who are registered with the NDIS Commission are also required to comply with relevant NDIS Practice Standards.

The transition meant that all NDIS participants across Australia were now covered by the same quality and safeguarding arrangements for their NDIS funded supports and services, regardless of their place of residence.

To assist in making transition as straightforward as possible for providers, a number of transitional arrangements were put into place, including automatic registration so RAC providers were not required to take any action to meet the requirement to be registered. They will need to undertake a registration process to retain their registration, which involves, importantly, being assessed by an independent quality auditor approved by the NDIS Commission against the NDIS Practice Standards.

A phased approach to that registration renewal is in place and aligned with the Australian Government's Young People in Residential Aged Care Strategy, which aims to have no person under 65 living in residential aged care by 2025. This means that for many residential aged care providers, registration renewal may not be required if the NDIS participants they support have moved into alternative accommodation.

The Aged and Community Services Association (ACSA) has been funded \$950,000 through the NDIS Commission's Support for NDIS Providers grant program to deliver an extensive program of bespoke assistance to newly registered RAC providers to assist them in meeting their obligations to the NDIS participants they support.

Behaviour support

We oversee the use of behaviour support strategies and restrictive practices. This involves:

- ♦ developing and maintaining the Positive Behaviour Support Capability Framework (the framework) to help ensure practitioners deliver high quality behaviour supports
- ♦ assessing the suitability of behaviour support practitioners against the framework
- ♦ undertaking audits on the quality of behaviour support plans that are lodged with the NDIS Commission
- ♦ providing best practice guidance and advice to practitioners, providers, participants, families, and carers
- ♦ receiving, reviewing and analysing provider reports on the use of restrictive practices
- ♦ monitoring provider compliance with registration obligations related to behaviour support and the use of restrictive practices
- ♦ responding to the ongoing use of unauthorised restrictive practices
- ♦ undertaking and commissioning research to inform better practice
- ♦ working with states and territories to achieve national consistency in regulatory arrangements for restrictive practice authorisation.

We work with practitioners and providers to implement strategies designed to help reduce the occurrence and impact of behaviours of concern, and reduce and eliminate the use of restrictive practices. In addition, we help to improve the capability of the sector through research and education to share best-practice advice with practitioners, providers, and participants, their families, and their carers.

Reportable incidents

We receive reports from registered NDIS providers about serious incidents and allegations involving NDIS participants that occur in connection with the delivery of NDIS supports and services.

This involves:

- ♦ overseeing the management of reportable incidents by registered NDIS providers and where incidents identify potential or actual breaches, investigating and managing any requisite action
- ♦ requiring providers to take a variety of actions to respond to the incident, if we are not satisfied that appropriate actions have already been taken
- ♦ referring matters to other relevant authorities when appropriate
- ♦ reviewing and sharing reportable incident data to identify systemic issues to be addressed, and driving improvement actions through registered NDIS provider reporting on reportable incidents and compliance activity.

We monitor registered NDIS providers' compliance with their obligations to identify, report and respond to incidents, and we identify and act on incidents requiring a regulatory response.

Our objective is to improve registered NDIS provider quality and safety processes, as well as capability in responding appropriately to incidents. This includes incidents involving the use of restrictive practices – where these are not authorised by state or territory authorising bodies, or where participants have no behaviour support plan in place. The inclusion of unauthorised use of restrictive practices as a reportable incident is designed to drive compliance by registered NDIS providers to have a behaviour support plan in place and seek to have restrictive practices authorised.

In the last year, we have undertaken a major program of work to review, consolidate and improve the procedures of the Reportable Incidents and Complaints streams of activity. This was made possible because of the experience the NDIS Commission now has in managing the streams since July 2018 (at least in two states). Through this work we have implemented new intake, triage and streaming protocols that will improve the timeliness and impact of the NDIS Commission's work in both streams. This coincides with an uplift in staff in both streams appropriated in the 2020–21 Budget.

Complaints

We manage complaints about any issue in connection with the delivery of supports and services to NDIS participants by registered and unregistered NDIS providers.

This involves:

- ◆ supporting NDIS participants to make a complaint to an NDIS provider about the quality of their supports and services
- ◆ taking complaints about NDIS supports and services and supporting complainants to resolve their issues through a range of methods specified in the NDIS Complaints Rules; including, among others, the provision of advice and guidance, conciliation processes and the enforcement of the NDIS Practice Standards and Code of Conduct
- ◆ providing complaints-handling advice, education and training to NDIS providers and people with disability
- ◆ supporting people with disability and other complainants to go to other bodies where their complaint is not in scope of the NDIS Commission's remit, and referring matters to other relevant authorities when appropriate
- ◆ analysing complaints data to identify systemic issues to be addressed through compliance activities
- ◆ reporting on the number, types, and causes of complaints and the outcomes of complaint-handling processes.

We have the powers necessary to take compliance action regarding breaches of the NDIS Code of Conduct or conditions of registration.

Complaints activity is a key element of our continuous monitoring of the quality and safety of the NDIS market. This activity also has an important role in assisting NDIS providers to adjust their practice when delivering NDIS supports and services and to continuously review and improve the quality of their supports and services in accordance with the NDIS Practice Standards.

Compliance and enforcement

We undertake compliance and enforcement activities. This involves:

- ◆ accelerating our compliance activity around issues that present high-risk and systemic issues for people with disability, including the unauthorised use of restrictive practices
- ◆ applying appropriate regulatory responses to non-compliance and/or emerging issues that require compliance monitoring
- ◆ determining registered NDIS provider compliance with conditions of registration, NDIS Practice Standards, the NDIS Code of Conduct and other applicable requirements and, where necessary, using influence or statutory tools to compel compliance
- ◆ establishing compliance programs that address areas of risk for various types, classes of supports or services, or certain obligations
- ◆ using information-gathering and other powers in response to apparent non-compliance
- ◆ taking protective action in serious cases of persistent and high-risk non-compliance.

If compliance cannot be secured through the above actions, we can prohibit or restrict an NDIS provider or individual from delivering disability supports and services.

We have a comprehensive range of compliance and enforcement powers, tools, and methods. These include the following actions:

- ♦ educating NDIS providers to understand their obligations and achieving ongoing compliance
- ♦ monitoring and investigating compliance with the NDIS Code of Conduct, the NDIS Practice Standards and other quality and safeguard requirements where they apply
- ♦ issuing compliance notices directing a provider to do, or refrain from doing, certain things
- ♦ entering into enforceable undertakings that commit a provider to specific action
- ♦ seeking injunctions from a court to compel a person to take, or refrain from taking, certain action
- ♦ issuing infringement notices
- ♦ seeking civil penalties through a court
- ♦ varying, suspending or revoking a provider's registration
- ♦ making banning orders that prohibit or restrict specified activities by a provider, or a person employed or otherwise engaged by a provider.

Actions to be taken are determined on a case by case basis taking into consideration factors outlined in the NDIS Commission's Compliance and Enforcement Policy, including the seriousness of the issue, the appropriateness of the provider's or other person's response, and the likelihood of further harm to NDIS participants.

This activity helps to prevent poor service delivery and to protect participants from harm. It also helps ensure public confidence in the NDIS and in services delivered by NDIS providers.

CASE STUDY: Improving supports through identifying the support needs of NDIS participants

Through our Reportable Incident function, we received a reportable incident notification concerning the alleged neglect of a NDIS participant who was living in a supported accommodation setting. The registered NDIS provider reported that the NDIS participant had become distressed due to the presence of tradespeople who were undertaking repairs in the participant's house. This had resulted in the participant experiencing an incident of harm.

The Reportable Incidents officer worked with the registered NDIS provider to understand the circumstances leading up to the incident. They sought input from the NDIS Commission's Behaviour Support Team to assist the provider to identify alternative response strategies and improved behaviour support practices for the participant.

As a result of the NDIS Commission's assessment and engagement with the provider on this incident, the provider adjusted the strategies it had in place to remove factors that were impacting on the risk of harm for the person, to prevent incidents of a similar nature recurring.

Market and regulatory oversight and risk

We identify, categorise, assess and manage systemic risks to protect people with disability from harm that arises from poor-quality or unsafe supports or services provided under the NDIS. This involves:

- ♦ identifying, monitoring and responding to intelligence on emerging risks based on a range of data sources, including compliance data, data collected through complaints, reportable incidents and restrictive practices reporting, and data collected through external stakeholders such as the NDIA, other regulators, and state and territory governments
- ♦ determining appropriate regulatory responses that are proportionate to the level of risk identified across the NDIS system
- ♦ monitoring changes in the NDIS market which may indicate emerging risk and service shortfalls in relation to the NDIS Commissioner's functions.

This activity reduces regulatory risk that might lead to non-compliance, helps to ensure effective regulatory activities, and helps monitor the adequacy of supports available in the marketplace.

Partnering with external stakeholders and regulatory bodies

We partner with external stakeholders and other bodies to undertake our activities. This involves:

- ♦ building links between systems and stakeholders to support effective and coordinated responses to issues
- ♦ sharing information with other bodies (such as child protection agencies and industry complaints bodies) to help support the coordination of regulatory and other responses
- ♦ maintaining effective information sharing arrangements with other government agencies, such as the National Disability Insurance Agency, Australian Health Practitioner Regulation Agency, the Australian Securities and Investments Commission, the Australian Competition and Consumer Commission and the Department of Health, to support us in improving the quality of supports

- ♦ convening the Disability Sector Consultative Committee and the Industry Consultative Committee. The committees comprise senior sector and industry leaders brought together to provide advice to the NDIS Commission. They represent, respectively: the interests and perspectives of NDIS participants and their support networks; and industry perspectives surrounding the ability of NDIS providers to deliver quality and safe supports and services in a regulated NDIS market.

This activity supports responses to issues being well coordinated and thoroughly informed by all relevant information, and enables us to interface seamlessly with broader protections and safeguards, such as state and territory worker screening units.

Education and communication

We build the capacity and capability of providers, workers and participants through a variety of communication activities. This includes:

- ♦ providing best-practice guides and training including publishing guidance materials with examples of good and poor practice
- ♦ delivering targeted education campaigns designed to build the capability of providers and behaviour support practitioners in identified focus areas
- ♦ delivering targeted engagement and communications campaigns to build the knowledge and awareness of participants, NDIS providers and behaviour support practitioners
- ♦ building provider capability to prevent and respond to serious incidents and complaints through education and engagement
- ♦ undertaking all communications in a manner that maximises accessibility and is mindful of the different communication needs and preferences of stakeholders
- ♦ ensuring providers have access to specialist expertise, guidance, and educational resources to support best-practice approaches to positive behaviour support.

This activity helps to support providers to be well informed about their obligations and about any changes in policy or practice; supports participants in understanding their rights and ability to complain; and assists understanding of the role, regulatory function, and powers of the NDIS Commission.

CASE STUDY: Restoring appropriate, timely supports to a long-term NDIS participant

A family friend made a complaint on behalf of an NDIS participant about the supports the participant was receiving from a registered NDIS provider. This provider had provided supports to the participant for many years, previously in shared accommodation, and now in her own home.

The participant was distressed that sometimes support workers were not turning up for shifts, which meant she was not able to go out in to the community. Further, male support workers were being sent to support her with personal care, despite her request for female workers. The participant and her friend's numerous attempts to raise these issues with the provider had been unsuccessful.

The NDIS Practice Standards require NDIS providers to ensure that each participant has access to timely and appropriate supports without interruption, and that those supports have been assessed to meet their needs, goals and preferences. Each participant must have access to the provider's complaints management and resolution system, with complaints and other feedback being welcomed, acknowledged, respected and well managed. Under the NDIS Code of Conduct, all NDIS providers have an obligation to act promptly on concerns that may impact on the quality and safety of supports and services for NDIS participants, and to act with integrity, honesty and transparency.

The outcomes sought by the participant were: an acknowledgment of the issues; an apology for what had been occurring; and an outline of how the concerns raised will be fixed for the future.

After requesting further information including a response to the issues raised, the NDIS Commission Complaints Officer required the NDIS provider, under section 20(1)(a) of the NDIS (Complaints Management and Resolution) Rules 2018, to take steps to resolve the issues with the participant.

The provider acknowledged that the participant did not always receive supports in the way she required and apologised to her for this. This was due to the use of temporary staff when scheduled supports were unavailable at short notice. The provider addressed this by introducing a new system ensuring a team of permanent relief support workers would be available to support the participant. The participant would be notified of any changes with a full explanation in writing. The changes were included in her service agreement, and became part of the usual practices of the provider, including being inserted into the terms and conditions used in their service agreements. A single point of contact would be introduced for each participant going forward, to address communication issues.

The complainant and the participant were satisfied with the outcome of the complaint and the remedial action undertaken by the provider. The participant also reported that the handling of the complaint by the NDIS Commission had resulted in a renewed and positive working relationship with the provider.

Key matters 2020–21

Addressing the needs of NDIS service providers and participants in relation to the ongoing COVID-19 pandemic remained a priority for the NDIS Commission in 2020–21. We also completed the Australia-wide transition to the NDIS Commission with the addition of Western Australia from 1 December 2020 into our jurisdiction, as well as the commencement of the obligation for registration of residential aged care providers supporting NDIS participants.

We received a significant resourcing boost following the 2019 Independent Review of the NDIS Act undertaken by David Tune AO PSM (the Tune Review). The funding resulted in a material increase in frontline staff delivering services including end-to-end regulatory activities.

Significantly, the new national arrangements for NDIS worker screening commenced, meaning that all the functions of the NDIS Commission were in place during the period.

The NDIS Commission continued to support the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability (Disability Royal Commission) in its important work. The NDIS Commissioner accepted the report that had been commissioned from Mr Alan Robertson SC into the adequacy of its regulation of the provider of supports to Ms Ann-Marie Smith prior to her death in South Australia in April 2020. Substantial progress was made in the year to implement the Robertson recommendations that were within the purview of the NDIS Commissioner.

COVID-19

Ongoing response to COVID-19 was an issue of prime importance for the NDIS Commission.

Key activities in 2020–21 included:

- ♦ continuing to use our resources to ensure that NDIS participant safety was paramount, maintaining critical supports, minimising disruption and loss of continuity of supports, and monitoring changes in the NDIS market
- ♦ issuing material to NDIS providers about outbreak preparedness and planning and the COVID-19 vaccine, to assist them in meeting their obligations to NDIS participants and in accessing resources from the

Department of Health and state and territory health authorities

- ♦ releasing training modules to support providers to induct new staff during the COVID-19 pandemic who may not be familiar with the disability sector
- ♦ engaging in targeted compliance activities, to address issues identified through complaints and to assess provider preparedness to avoid and manage risk of infection
- ♦ developing new NDIS Practice Standards and Quality Indicators to strengthen guidance to registered NDIS providers on complying with their obligations to ensure the health, wellbeing and safety of the NDIS participants they support during COVID-19, and any other emergencies or disasters
- ♦ reviewing the NDIS Commission's COVID-19 response and lessons learned, and adjusting our approach with feedback from our Consultative Committees and other stakeholders
- ♦ providing support to NDIS Commission staff and tailoring responses to individual circumstances such as adjusting working hours or attendance to reduce exposure to risks, approving appropriate leave, and/or supporting working-from-home arrangements
- ♦ encouraging all staff to take reasonable care of their health, including appropriate monitoring and management.

Completing transition

On 1 July 2020, the NDIS Commission was operating in seven of eight states and territories, while existing quality and safeguarding regulatory arrangements in Western Australia remained in place.

On 1 December 2020, NDIS providers in Western Australia who were previously registered with the NDIA transitioned to regulation by the NDIS Commission. On that same date, residential aged care providers supporting NDIS participants across all states and territories became registered with the NDIS commission, the provision that exempted them from the requirement to be registered ending on 30 November 2020.

On 1 February 2021, the NDIS Worker Screening Check commenced, with all states and the Australian Capital Territory undertaking risk assessments to determine NDIS Worker Screening Check clearances and exclusions.

The NDIS Commission now provides a single, national regulatory system for NDIS providers and workers, providing a consistent approach to quality and safety across Australia.

Worker screening

On 1 February 2021, NDIS worker screening commenced in all states and territories, with the exception of the Northern Territory where it will commence on 1 July 2021.

The NDIS Worker Screening Check is the delivery of the commitment of all Australian Governments made through the *Intergovernmental Agreement on Nationally Consistent Worker Screening*.

NDIS worker screening involves an assessment – known as the NDIS Worker Screening Check – of whether a person who works, or seeks to work, in certain roles with NDIS participants, may pose a risk to them. The assessment, which is undertaken by states and territories in accordance with state and territory government laws, determines whether a person is cleared or excluded from working in those roles with people with disability. The NDIS Worker Screening Check replaced existing arrangements around Australia to set a single, national standard for all workers, with transitional arrangements in each state and territory.

The NDIS Commission has established, operates and maintains the NDIS Worker Screening Database, which:

- ◆ contains a register of cleared and excluded workers from all states and territories to enable national recognition and portability of clearances
- ◆ supports national ongoing monitoring of the conduct of workers with clearances to help determine whether workers should retain their clearance
- ◆ means NDIS providers across the country can sponsor applications and check the clearances of prospective workers directly, without needing to contact individual state and territory worker screening units
- ◆ helps NDIS providers with record-keeping requirements in relation to worker screening.

The Disability Royal Commission

The NDIS Commission continued to support the work of the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability (the Disability Royal Commission).

The main activities included:

- ◆ the NDIS Commissioner and the Registrar each providing a witness statement to the Disability Royal Commission in response to notices in August 2020. The NDIS Commissioner and the Registrar gave evidence on 21 August 2020 at the Disability Royal Commission's Public hearing 5 on the experiences of people with disability during the ongoing COVID-19 pandemic. The NDIS Commissioner and the Registrar also each provided a supplementary witness statement in August 2020, following the public hearing.
- ◆ the NDIS Commissioner and the Senior Practitioner each providing a witness statement to the Disability Royal Commission in response to notices in September 2020. The NDIS Commissioner and the Senior Practitioner gave evidence on 25 September 2020 at the Royal Commission's Public hearing 6 on psychotropic medication, behaviour support and behaviours of concern. The NDIS Commissioner also provided a supplementary witness statement in October 2020, following the public hearing.
- ◆ the NDIS Commissioner providing a witness statement to the Disability Royal Commission in response to a notice in April 2021 and a supplementary witness statement in May 2021. The NDIS Commissioner gave evidence on 28 May 2021 at the Disability Royal Commission's Public hearing 13 in Sydney on preventing and responding to violence, abuse, neglect and exploitation in disability services.
- ◆ the NDIS Commissioner providing a witness statement to the Disability Royal Commission in response to a notice in May 2021. The NDIS Commissioner gave evidence on 10 June 2021 at the Disability Royal Commission's Public hearing 14 in Adelaide on preventing and responding to violence, abuse, neglect and exploitation in disability services.

- ♦ providing information, documents and a statement to the Disability Royal Commission in response to a number of notices during 2020–21
- ♦ contributing to the Australian Government’s submissions in reply to Counsel Assisting the Disability Royal Commission’s submissions in Public hearings 5 and 6, and contributing to the Australian Government’s response to the Disability Royal Commission’s Report on Public hearing 5 on the experiences of people with disability during the ongoing COVID-19 pandemic.

Implementing the Recommendations of the Robertson Review

In May 2020, the NDIS Commissioner instigated an independent review of the adequacy of the regulation of the supports and services provided to Ms Smith. Conducted by the Hon. Alan Robertson SC, the review report was publicly released in September 2020.

Mr Robertson did not identify any significant failings in the steps taken by the NDIS Commission in response to Ms Smith’s death, nor did he identify any actions of the NDIS Commission that were causally related to the neglect and subsequent death of Ms Smith. In his report, Mr Robertson made observations and recommendations concerning the NDIS Commission’s processes and systems and its legal framework. Work has commenced to progress the recommendations that are within the purview of the NDIS Commission. Further, the introduction of legislative amendments to address a number of the recommendations has occurred.

To further respond to the matters that contributed to the death of Ms Smith, the NDIS Commission developed and imposed an additional condition of registration on more than 2,400 registered NDIS providers, and commenced monitoring compliance with that condition. The condition requires them to take certain actions to assess risks and quality assure support arrangements for participants who choose to be supported by a single worker. Consultation was also commenced with people with disability, providers and other stakeholders to inform amendments to the NDIS Practice Standards Rules to strengthen safeguards for participants most at risk.

The NDIS Commission has undertaken a range of regulatory actions in respect of Ms Smith’s provider and support worker. The investigation is ongoing and as further information comes to light additional regulatory action may be taken.

Legislative and regulatory changes

A number of legislative amendments made during the 1 July 2020 to 30 June 2021 period resulted in the broadening and strengthening of the NDIS Commission’s regulatory scope and effectiveness.

In the past year:

- ♦ changes were made to the banning order provision within the NDIS Act to address a limitation in the provision that meant banning orders against persons who were not NDIS providers was limited to persons ‘employed or otherwise engaged’ by NDIS providers. The changes, which came into effect on 21 November 2020, mean that the Commissioner can now make banning orders in relation to persons who were previously employed or engaged by an NDIS provider. The changes also allow a banning order to be made in respect of individuals who have not been an NDIS provider and who have not been employed or engaged by an NDIS provider if the Commissioner reasonably believes that the person is not suitable to be involved in the NDIS.
- ♦ new transitional provisions were introduced to support the NDIS Commission’s commencement in Western Australia and the requirement for certain residential aged care (RAC) providers supporting NDIS participants to be registered with the NDIS Commission from 1 December 2020. These changes introduced transitional arrangements for NDIS providers in Western Australia and relevant RAC providers with respect to worker screening, and for relevant RAC providers the application of the NDIS Practice Standards.

- ◆ the NDIS Worker Screening Database commenced on 1 February 2021 in all states and territories apart from the Northern Territory. The Database holds a register of workers who have applied for an NDIS Worker Screening Check. The NDIS Worker Screening Check assesses whether a person who works or seeks to work with people with disability poses a risk to them. The assessment determines whether a person is cleared or excluded from working in certain roles with people with disability. Registered NDIS providers can view the clearance status of workers in the NDIS Worker Screening Database (self-managed participants and unregistered NDIS providers can also access the Database following an application process).
- ◆ changes were made to the Commissioner's Rule relating to the disclosure of protected Commission information, to allow for the sharing of this information in order to assist with the assessment or conduct of a worker screening check. The changes, which came into effect on 7 April 2021, created an exception to the requirement to consult a person whose personal information is proposed to be disclosed, where the disclosure is to certain agencies that have specific functions related to national worker screening, as part of the broader NDIS Quality and Safeguarding Framework.

Resourcing uplift

In September 2020, the Government announced an additional \$92.9 million over four years for the NDIS Commission, which included more than 100 new permanent public servants to ensure the safety and wellbeing of NDIS participants. The funding formed part of Government's response to the 2019 Independent Review of the NDIS Act (the Tune Review), and has resulted in a significant increase in frontline staff delivering services including end-to-end regulatory activities.

Recruitment focused on the operational roles within the NDIS Commission, which are required to deliver the majority of outcomes for the community. Initial bulk recruitment addressed workforce pressures, and all recruitment rounds included multiple positions at multiple classifications, creating an opportunity for merit pools to fill future permanent and ongoing jobs.

By the end of the activity, the NDIS Commission's APS staffing increased by more than 100 permanent positions with the overwhelming majority in frontline positions in complaints, compliance, investigations and reportable incidents.

Complaint handling improvements

To support our important regulatory work and incorporate lessons identified in maturing the NDIS Commission through our nationwide expansion, we modified the structure of our Operations Branches and commenced rolling out a range of improvements to our complaints handling processes. A number of these improvements also apply to how the NDIS Commission oversees provider's responses to reportable incidents. The improvements include: significantly revised policies and procedures; a revised approach to intake assessment and streaming of complaints we receive; intensive training for staff in the new policies, procedures and changes to our intake model; a new quality assurance process and a new external complaints assurance and advisory committee.

Bringing on more than 100 new staff, including 67 additional reportable incidents and complaints handling officers, was an opportunity to introduce additional skills and experience to augment our existing people and assist with our improved ways of working.

FOCUS ON: The 2021 Advocacy Forum

Disability advocates in Australia play an important role in upholding the rights of people with a disability. Section 181D of the NDIS Act reflects this, noting at (3A): “In performing his or her functions, the Commissioner must acknowledge, recognise and respect the role of advocates (including independent advocates) in representing the interests of people with disability.”

The NDIS Commission regularly encourages participants who contact us for advice and guidance, and who need support to speak for themselves, to seek the assistance of an independent advocate. Independent advocates work to reflect the expressed wishes, will, preferences and rights of people with disability, and act at their direction.

We also demonstrate our respect and support for independent advocates through the NDIS Commission Advocacy Fora. The Advocacy Fora strengthen and deepen our relationships with advocates across Australia, and provide us with feedback from them about people’s experience with the Commission, as well as quality and safety issues impacting people with disability.

On 28 April 2021, the NDIS Commission hosted its second Advocacy Forum. Due to COVID travel restrictions it was held online with the purpose of bringing disability advocates together across the country to discuss quality and safeguarding issues of importance to the disability sector. 104 organisations were invited.

The forum involved a number of presentations from NDIS Commission executive speakers about the work of the Commission:

- ◆ The Commissioner, Graeme Head, spoke of the importance of the Consultative Committees in shaping the delivery of quality and safe services and support.
- ◆ Registrar Samantha Taylor provided an update on recent compliance actions and an overview on the regulatory functions and powers of the NDIS Commission.
- ◆ Complaints Commissioner Robert Griew hosted a discussion with advocates about their experience in bringing matters to the NDIS Commission, and work being done by the Commission to adjust the complaints process to provide a better experience for both complainants and for people with disability.
- ◆ Senior Practitioner Dr Jeff Chan and Branch Head Operations Dr Lynne Coulson Barr spoke about our responses to the issues raised by people with psychosocial disabilities and the importance of rights based and trauma informed approaches to both the provision of supports by providers and to complaints resolution processes.

These presentations were interspersed with advocates’ reflections, a talk on the use of advocacy expertise to drive change, and the presentation of resources developed by advocacy councils and networks to assist NDIS participants in identifying good and bad service, and determining when families running services-for-one may need to register with the NDIS Commission.

A panel discussion facilitated by Mr Griew gave space for advocates to share their experiences in supporting people with disability to bring complaints to the NDIS Commission.

The forum provided the NDIS Commission with an important opportunity to connect and build trust with advocates, share information about our work and receive valuable feedback from advocates.

We recognise the value of advocates in providing or adding to such insight, and remain committed to strengthening our connection with the advocacy sector in order to gain feedback that allows us to continuously reflect on and improve our practices.

Activity report 2020–21

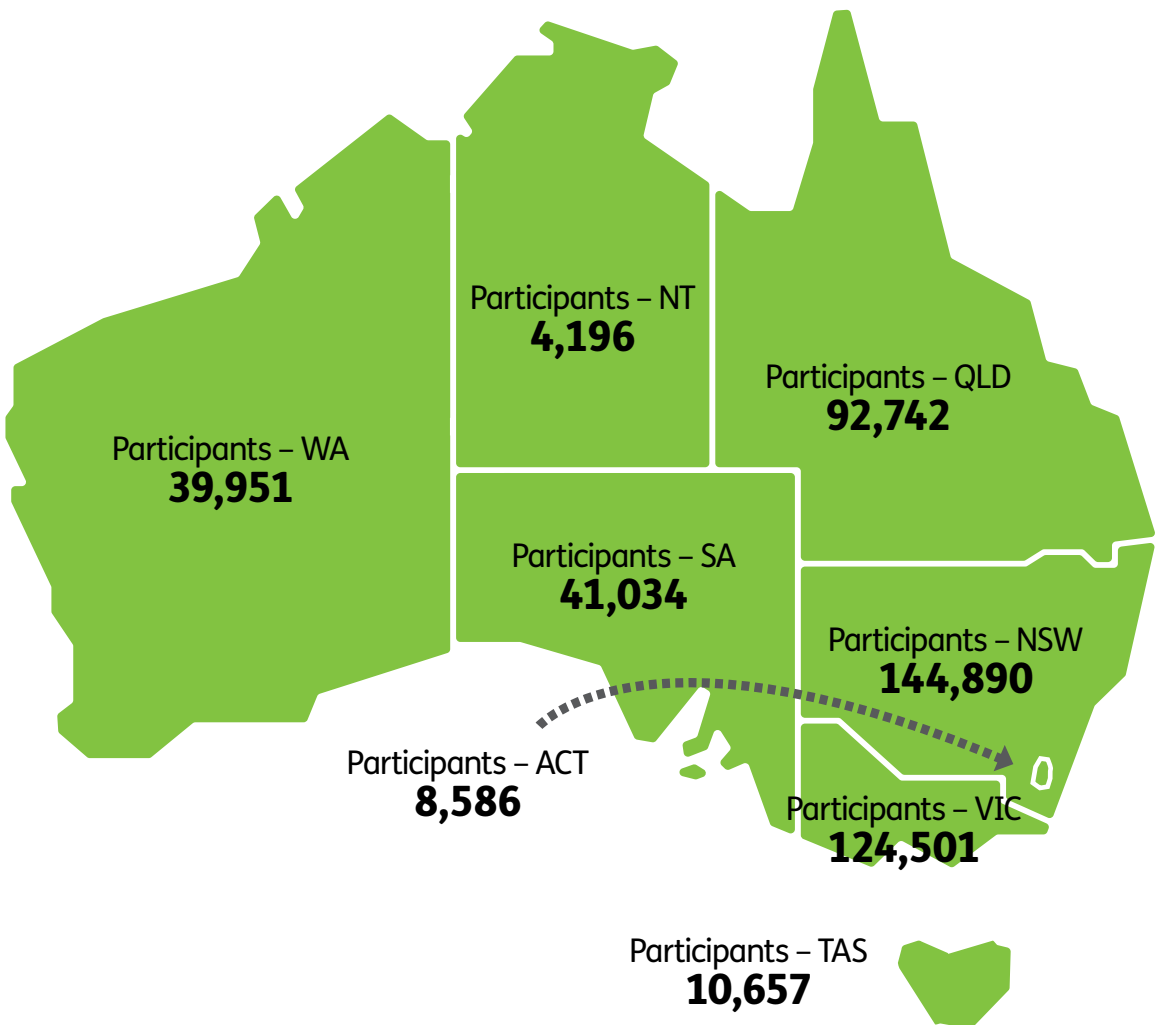
The NDIS Commission commenced in New South Wales and South Australia on 1 July 2018, in Victoria, Tasmania, Queensland, Northern Territory and the Australian Capital Territory on 1 July 2019, and completed national transition, commencing in Western Australia on 1 December 2020.

Participants

Total

466,619

*Participant numbers are from the NDIA Quarter 4 report as at 30 June 2021

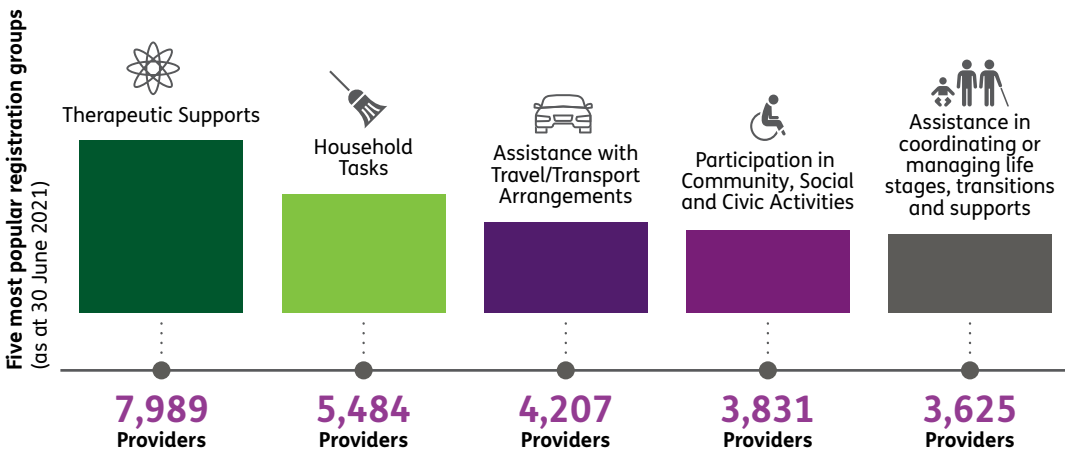


Registration

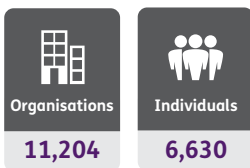
The NDIS Commission registers providers against classes of support (registration groups). Providers can register for multiple registration groups.

More than 8,000 registration decisions were taken during the year, and a further 1,500 decisions regarding the variation of existing registrations. Registration decisions include the registration of new providers, and the renewal of registration for providers who have completed the transitional period following the NDIS Commission's commencement in each state and territory. 149 registrations were refused.

The most common classes of registration are shown below:



Registered service providers include all sizes of organisations and businesses, from sole traders to large corporates and not-for-profits



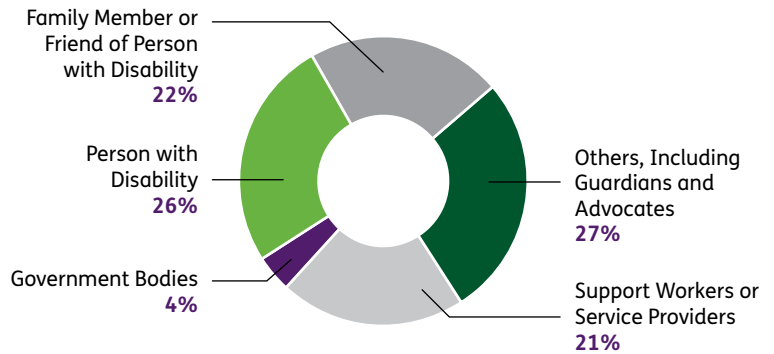
As at 30 June 2021, there were **5,077** registered organisations across the **five** specialised service groups in which providers are required to meet additional standards*



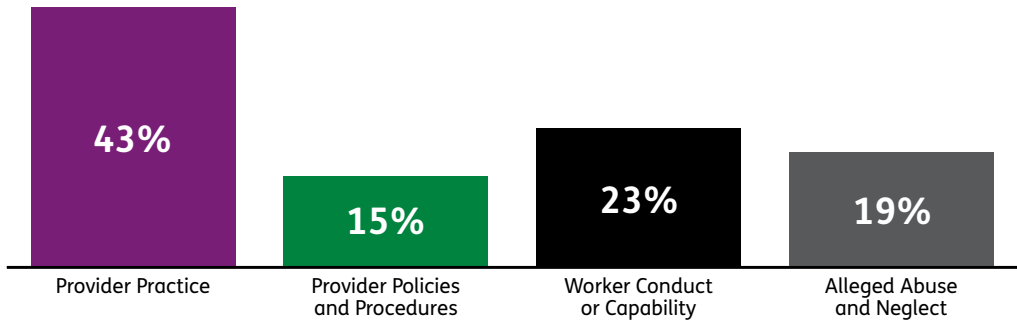
*Providers can be registered across more than one specialist service group

Complaints

Rates of complaints continued to accelerate, with **7,231** received during the year, including the proportion of complaints received directly from people with disability, a family member, friend or advocate at 75%. Complaints were received from:

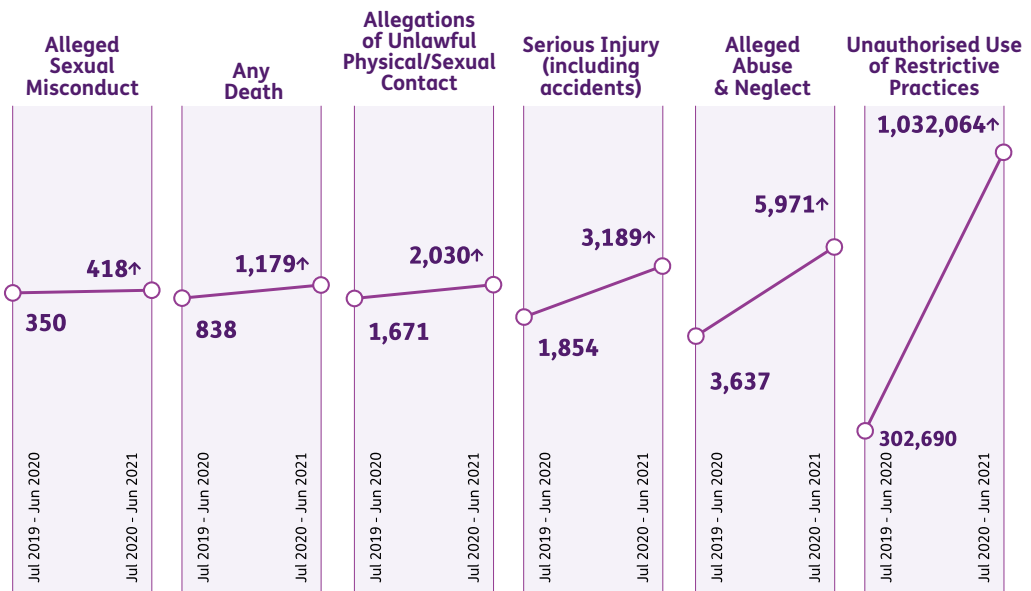


Issues raised by complaints received in the period can be grouped as follows:



Reportable Incidents

In 2020–21, NDIS providers notified the NDIS Commission of 1,044,851 reportable incidents. 98.7% of the 1,044,851 reportable incidents lodged with the NDIS Commission concerned the use of unauthorised restrictive practices (URPs) against people with disability.



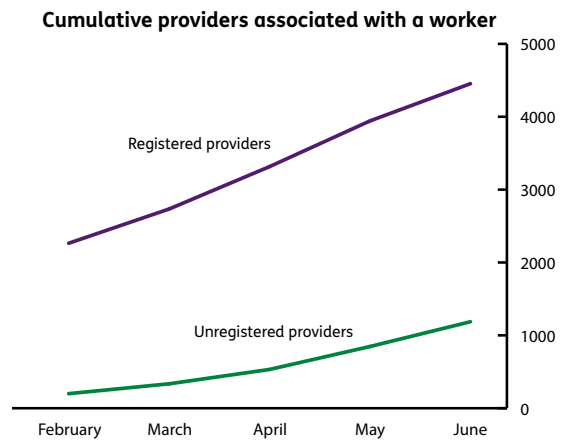
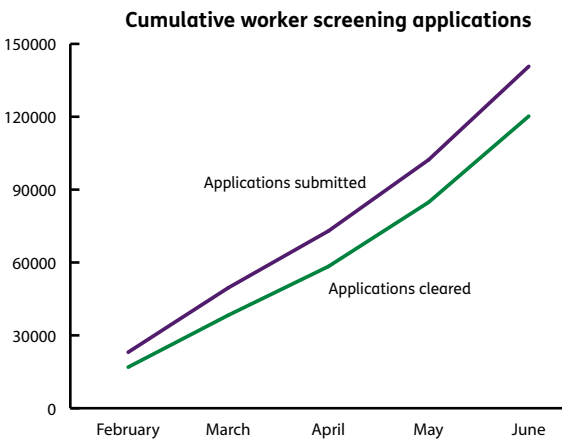
Behaviour support

Since 1 July 2018, **16,118** interim and comprehensive behaviour support plans have been lodged with the NDIS Commission, 10,109 of which were lodged in this reporting period. This includes where more than one plan has been lodged for a particular participant.

More than 7,100 behaviour support plans lodged with the NDIS Commission are current, with a further 735 draft plans in progress.



Worker screening



As of 30 June 2021, more than **112,000** worker clearances have been granted, with approximately 4,500 registered providers and 1,200 unregistered providers being linked to a worker.



Worker Orientation Module

459,352 (as at 30 June 2021)



Worker Orientation Module (Auslan Version)

4,307 (as at 30 June 2021)



Worker Orientation Module (JAWS & Zoomtext screen reader version)

1,182 (as at 30 June 2021)

The Executive



Graeme Head AO NDIS Commissioner

Mr Graeme Head has had a long and distinguished career in public administration and public policy. He was the Chief Executive of three NSW government agencies – notably as inaugural Public Service Commissioner for six years – and one federal agency. He served as a deputy secretary in both NSW and Commonwealth governments and his experience spans policy, regulatory, and central agencies, with a focus on social policy, environmental policy, and public sector employment.

Graeme Head is a Fellow of the Institute of Public Administration and was made an Officer of the Order of Australia in the 2019 Australia Day Honours.



Samantha Taylor PSM Registrar

Ms Samantha Taylor held senior executive roles for more than 15 years in the NSW public service working in human and social services portfolios. She has dedicated much of her career to reforming disability services to be inclusive, contemporary and focused on the rights, needs and preferences of people with disability. Before commencing in the role of Registrar in March 2018, Ms Taylor was Executive Director of NDIS Implementation in the NSW Department of Family and Community Services. In this role, she led NSW negotiations on the NSW NDIS agreement, and managed all facets of the NSW transition to the NDIS. She also advised on the transfer of NSW Government-operated specialist disability services to the non-government sector.

Ms Taylor has led the establishment of the registration, worker screening, national compliance and investigations functions, data and analytics functions for the Commission. As Registrar she is also responsible for leading the Commission's national operations.

In 2017, Samantha Taylor was awarded a Public Service Medal for her leadership in disability reform in NSW.



Jason Stott
Chief Operating Officer

Mr Jason Stott has extensive experience leading governance, program management, service delivery, and corporate operations across federal departments and other agencies. His achievements include business process and ICT transformation, strategic governance reform, leadership in complex programs, and implementation of high-profile initiatives and measures.

His diverse experience has seen Mr Stott work extensively with Indigenous communities in Cape York and he is a Jawun Program alumnus. He also led teams deployed to scrutinise international disasters including the Bali tragedy, the Middle East evacuation, and the Christchurch Earthquake.

Mr Stott is an active reservist.



Robert Griew
Complaints Commissioner

Mr Robert Griew joined the NDIS Commission as Complaints Commissioner in April 2020. Mr Griew has extensive experience in leadership roles across a wide range of areas of social policy and across sectors. He has senior executive experience in the Commonwealth, state and territory governments, and non-government sectors. He also has significant experience in consulting to government.

Mr Griew's public service experience spans health, education, aged care, child protection, and other social policy domains. Notably, he was the Secretary/CEO of the Northern Territory Department of Health and Community Services, and he has held Associate Secretary and Deputy Secretary positions in the Australian Commonwealth.



Dr Jeffrey Chan

Dr Jeffrey Chan
Senior Practitioner

Dr Jeffrey Chan has worked in disability and health services for nearly 30 years in government and non-government settings. He held two inaugural statutory roles – in Victoria as the Senior Practitioner and in Queensland as the Chief Practitioner and Director of Forensic Disability (a Governor-in-Council appointment) – where he was responsible for protecting the rights of people with cognitive impairment subject to restrictive practices and forensic disability orders. Prior to his current role, Dr Chan was Deputy CEO of a large intellectual disability service provider in Singapore.

Dr Chan was an International Rotary Scholar to the University of Sydney in 1988. He received the Rotary Club of Ryde Pride of Workmanship Award in 2002 for this work in rehabilitation services. He was also a finalist in the Australian Human Rights Award 2010 for Community (Individual) category for his work in protecting the rights of people with disabilities subjected to restrictive interventions. He is an Adjunct Professor at the University of Queensland's School of Education. Dr Chan continues to research and publish in international refereed journals in the area of disability.



Melissa Clements

Melissa Clements
Deputy Registrar

Ms Melissa Clements has more than 25 years of experience in the disability sector in a range of policy, program, and service delivery roles. Previously she was Director, Disability, Learning and Support in the NSW Department of Education, leading policy and program delivery, and reforms supporting more than 100,000 students with disability in NSW public schools. She also led work across the Department to support the transition to the NDIS and its interface with education provision.

Ms Clements held a number of roles with the NSW Ombudsman and Community Services Commission for more than 10 years, overseeing community and disability service provision as well as a range of direct service delivery roles supporting people with disability.



Dr Lynne Coulson Barr

Dr Lynne Coulson Barr, OAM

Branch Head – South East Region

Dr Lynne Coulson Barr OAM joined the NDIS Commission in October 2020 as Branch Head – South East, bringing diverse and extensive experience from her long career in the disability and mental health sectors and her leadership roles in statutory complaint, oversight and regulatory bodies.

Dr Coulson Barr was Victoria's inaugural Mental Health Complaints Commissioner. She also played a key role in the establishment and operations of the Victorian Disability Services Commissioner as the first Deputy Commissioner. She served as the last President of the Victorian Intellectual Disability Review Panel, and as a member of various state and federal tribunal and statutory bodies, including the Administrative Appeals Tribunal as a specialist NDIS member.

Dr Coulson Barr's career has been dedicated to safeguarding the rights of people with disability and mental health issues and ensuring accessible and inclusive complaint and review processes, as well as driving reform and cultural change in services. In 2020, she was awarded a Medal of the Order of Australia (OAM) in recognition of her significant service to community mental health and her roles in disability, dispute resolution and tribunals.



Philip Halton

Philip Halton

Branch Head – North Central West Region

Mr Philip Halton has more than 30 years' experience in public policy, administration and regulation, acquired as a public servant and advisor across the Commonwealth, New South Wales and Queensland governments, and as the head of a national industry association.

Mr Halton has extensive and challenging experience in frontline regulation. As the Deputy Commissioner of the Queensland Building and Construction Commission, he led Queensland's response to the flammable cladding crisis and the enforcement of major new building safety and market fairness reforms. In prior roles, he was responsible for major prosecutions, led reforms in safety regulation and compliance programs, and worked under the scrutiny of Special Commissions of Inquiry.

Philip is an active member of the national advisory committee of the ANZ School of Government's National Regulators Community of Practice.



Carolyn Strange
General Counsel

Ms Carolyn Strange came to the NDIS Commission with a long and varied career as a lawyer and regulator in the New South Wales and Commonwealth public sectors – most recently as General Counsel at the NSW Public Service Commission – after starting out as a commercial litigation solicitor. Her other public sector legal experience has included positions in the Commonwealth Office of General Counsel, the NSW Environment Protection Authority, NSW Parliamentary Counsel’s Office and the Office of the NSW Solicitor General and Crown Advocate.

Ms Strange has also held senior management roles in non-legal positions with regulatory dimension, including Director, Quality Assessment and Regulation in the Early Childhood Education and Care Directorate of the NSW Department of Education and Director, Contaminated Sites in the NSW Environment Protection Authority.

Part 2. Performance Report

PART 2. PERFORMANCE REPORT

NDIS Quality and Safeguards Commission

Annual Performance Statements

For the reporting period 1 July 2020 – 30 June 2021

Introductory statement

I, as the accountable authority of the NDIS Quality and Safeguards Commission, present the 2020–21 Annual Performance Statements (APS) of the NDIS Quality and Safeguards Commission, as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). In my opinion, these annual performance statements are based on properly maintained records, accurately reflect the performance of the entity, and comply with subsection 39(2) of the PGPA Act.



Samantha Taylor

NDIS Quality and Safeguards Commissioner (Acting)

7 October 2021

Entity Purpose

Our purpose is as listed in the *Portfolio Budget Statements 2020–21 Budget Related Paper No. 1.12 Social Services Portfolio* (the PBS) in Outcome 1 for the NDIS Quality and Safeguards Commission:

Outcome 1: To promote the delivery of quality supports and services to people with disability under the National Disability Insurance Scheme and other prescribed supports and services, including through nationally consistent and responsive regulation, policy development, advice and education.

The NDIS Commission administers two programs as set out in the PBS, in support of Outcome 1:

Program 1.1 – Support for National Disability Scheme providers in relation to registration

– Support for NDIS providers in relation to registration to support service providers with the costs of obtaining NDIS registration and to support the provision of education and training for providers, workers and auditors.

Program 1.2 – Program Support for the NDIS Quality and Safeguards Commission

– To provide departmental funding for the annual operating costs of the NDIS Commission to enable the NDIS Commission to achieve its outcomes.

All performance measures in the APS contribute to our entity's purpose. Our performance is measured in accordance with the PBS and the NDIS Commission's 2020–21 Corporate Plan.

Results against performance criteria

The tables in this APS document report against the performance measures contained on pages 19 and 20 of our Corporate Plan (pdf version), which align with the two PBS programs as indicated below:

PBS Program	Relevant Performance Measure/Activity
1.1 Support for National Disability Insurance Scheme providers in relation to registration	4.1
1.2 Program Support for the NDIS Quality and Safeguards Commission	1.1.1, 1.1.2, 1.2.1, 1.2.2, 1.2.3, 1.2.4, 1.3.1, 1.3.2, 1.4.1, 1.4.2, 2.1, 2.2, 3.1, 3.2, 4.1, 4.2

Notes on performance

The NDIS Commission has just completed its third financial year of operation, and its national reach was completed in December 2020. As such, current performance results largely consist of routine qualitative and quantitative reporting, reflecting the ongoing establishment of the NDIS Commission's services and capability across its remit. Future APS, from 2021–22 and beyond, will include more specific, measurable targets which will be formed around benchmarks as transitional activities conclude and the agency reaches maturity.

Performance Objective 1

Positively influence the disability support system through effective quality and safeguarding activities, including but not limited to:

- ◆ **management of complaints and reportable incidents**
- ◆ **oversight of and leadership in behaviour support**
- ◆ **registration of NDIS service providers.**

1.1 Management of complaints and reportable incidents

Activity/ Measure	2020–21 Results
1.1.1 The NDIS Commission receives and responds to complaints	<p>From 1 July 2020 to 30 June 2021, the NDIS Commission received 7,231 in-scope complaints. Of these complaints, 75% were received directly from people with disability, or members of their support networks.</p> <p>On receipt of a complaint, the NDIS Commission can either undertake a resolution process, give advice and assistance to the complainant, or in certain situations, take no further action. During the reporting period, 2% of complaints were closed after undertaking a resolution process. Due to historical business processes in the recording of complaint outcomes, this includes only those complaints wherein a formal resolution was undertaken, and does not include instances where the NDIS Commission played a mediating role in the resolution process. The Commission has changed its business reporting practices to align with the actions under the relevant Rules. 42% of complaints were closed after giving advice and assistance.</p> <p>56% of complaints were closed after the NDIS Commission decided to take no further action following an initial engagement with the complainant – taking into account reasons set out in legislation. This category includes instances where the NDIS Commission had undertaken significant activities to resolve the complainant's issue, and where the complaint reached a point where no further action was required.</p> <p>The Commission implemented substantive changes to its complaints operating model in the reporting period to resolve ambiguities in how complaints closures are recorded, and to focus on complainant outcomes and resolution practices. Under the new model the complaints closure data will more accurately reflect the activities that the NDIS Commission undertakes to assist complainants.</p>

Activity/ Measure	2020–21 Results
<p>1.1.2</p> <p>The NDIS Commission receives reports of reportable incidents and takes action where appropriate</p>	<p>The NDIS Commission receives notifications of reportable incidents. These are categorised in accordance with the NDIS Act and include deaths, serious injury, abuse and neglect, unlawful physical and sexual contact, sexual misconduct and the unauthorised use of restrictive practices.</p> <p>Under section 26 of the National Disability Insurance Scheme (Incident Management and Reportable Incidents) Rules 2018 there are actions the NDIS Commission may take in response to reportable incidents. They include referring the incident to another agency (745 in 2020–21), requiring the provider to undertake remedial action (1,883), requiring a provider led investigation (2,689), requiring the provider to undertake an expert led investigation (252), or taking any other action the Commission deems appropriate in the circumstances.</p> <p>The number of actions taken under section 26 of the Reportable Incident Rules is determined by the provider's response to the incident. For example, the NDIS Commission does not use its section 26 powers to require a provider to undertake an investigation where the provider has already commenced their own investigation in response to an incident.</p> <p>225 reportable incidents were considered for further compliance action in 2020–21.¹ The NDIS Commission also established a National URP (unauthorised restrictive practice) Taskforce to focus compliance assessments and actions to address these practices.</p>

1.2 Oversight of, and leadership in, behaviour support

Activity/ Measure	2020–21 Results
<p>1.2.1</p> <p>The NDIS Commission assesses and oversees behaviour support practitioners appropriately</p>	<p>The NDIS Commission oversees behaviour support practitioners and providers who develop behaviour support plans that include restrictive practices used in supporting NDIS participants.</p> <p>Specialist behaviour support providers are required to notify the NDIS Commission of the names of their behaviour support practitioners under section 29 of the National Disability Insurance Scheme (Restrictive Practices and Behaviour Support) Rules 2018. Currently, those practitioners the NDIS Commission has been notified of are considered 'provisionally suitable' as NDIS behaviour support practitioners until a practitioner suitability assessment against the Positive Behavioural Support Capability Framework is completed. As at 30 June 2021, there were 6,686 provisionally suitable NDIS behaviour support practitioners across Australia.</p> <p>The 'provisional suitability' process is changing as the national implementation program for the Positive Behaviour Support Capability Framework is rolled out.</p> <p>Following a pilot of the behaviour support practitioner suitability assessment process in 2020, national implementation commenced in January 2021 with NSW, followed by SA practitioners. At the end of June 2021, 1,303 applications had been submitted from provisionally suitable practitioners. The NDIS Commission has assessed 88% (1149) of the total applications submitted by NSW and SA practitioners (and pilot). Of these, 61% (703) of practitioners have been considered suitable and the remainder have been assessed as requiring additional information or more in depth assessment to make a determination.</p> <p>The national implementation program is expected to be completed in all jurisdictions by early 2022. More details can be found in the following documents, available on the NDIS Commission website at www.ndiscommission.gov.au:</p> <ul style="list-style-type: none"> ♦ The Positive Behaviour Support Capability Framework ♦ National implementation of behaviour support practitioner suitability assessments

¹ In this context, "further compliance action" refers to reportable incidents where, in response to a reportable incident or series of reportable incidents, the matter is referred to the NDIS Commission's compliance and investigations team for assessment and consideration of any further action required.

Activity/ Measure	2020–21 Results
<p>1.1.2</p> <p>The NDIS Commission receives reports of reportable incidents and takes action where appropriate</p>	<p>The NDIS Commission receives notifications of reportable incidents. These are categorised in accordance with the NDIS Act and include deaths, serious injury, abuse and neglect, unlawful physical and sexual contact, sexual misconduct and the unauthorised use of restrictive practices.</p> <p>Under section 26 of the National Disability Insurance Scheme (Incident Management and Reportable Incidents) Rules 2018 there are actions the NDIS Commission may take in response to reportable incidents. They include referring the incident to another agency (745 in 2020–21), requiring the provider to undertake remedial action (1,883), requiring a provider led investigation (2,689), requiring the provider to undertake an expert led investigation (252), or taking any other action the Commission deems appropriate in the circumstances.</p> <p>The number of actions taken under section 26 of the Reportable Incident Rules is determined by the provider's response to the incident. For example, the NDIS Commission does not use its section 26 powers to require a provider to undertake an investigation where the provider has already commenced their own investigation in response to an incident.</p> <p>225 reportable incidents were considered for further compliance action in 2020–21. The NDIS Commission also established a National URP (unauthorised restrictive practice) Taskforce to focus compliance assessments and actions to address these practices.</p>

**Activity/
Measure****2020–21 Results****1.2.2****The NDIS
Commission
monitors
the use of
restrictive
practices**

NDIS providers are required to report every use of a restrictive practice that is not authorised, until that practice is authorised by a state or territory, and a behaviour support plan is put in place for the participant.

In 2020-21, 7,862 NDIS participants have been reported to the NDIS Commission as being subject to URPs. Over 1 million instances of URPs were reported.

For the participants subject to URPs in 2020-21:

- 27% were subject to only one URP during the reporting period
- 72% were subject to 100 or fewer URPs during the reporting period
- the median number of URPs was 15.

The NDIS Commission is continuing to focus compliance activity on the unauthorised use of restrictive practices. The compliance activity is directed at ensuring more participants who are subject to restrictive practices have the benefit of behaviour support plans and authorisation, regulated through the NDIS Commission's behaviour support function. The behaviour support function focuses on positive behaviour support and behaviour support planning to reduce and eliminate the use of restrictive practices.

All behaviour support plans (BSPs) that contain restrictive practices must be lodged with the NDIS Commission via the NDIS Commission Portal (information and guidance on the use of the portal is available on the NDIS Commission website). From 1 July 2020 to 30 June 2021, 10,109 BSPs were lodged with the NDIS Commission.

Behaviour support teams commenced a large-scale national project to evaluate the quality of comprehensive BSPs lodged with the NDIS Commission. BSP quality evaluations are conducted using the Behaviour Support Plan – Quality Evaluation II Tool² (BSP-QEII) and the NDIS companion tool that includes review items associated with the NDIS Restrictive Practices and Behaviour Support Rules.

BSPs quality evaluations are conducted for plans lodged in the previous quarter, and prioritised by risks. Overall, 1,427 BSPs were evaluated by 30 June 2021.

BSPs considered likely to affect positive change in behaviours of concern score 17 or more out of 24 using the BSP-QEII ('good' or 'superior' categories). From the current results, 16% of BSPs scored 17 or more. The median score of evaluated plans was 12 out of 24. This falls in the 'weak' quality range.

The evaluation results to date indicate that behaviour support plans score well in areas related to identifying and analysing behaviours of concern and developing reactive strategies. However, areas related to participant skill development and implementation of positive behaviour support strategies tend to receive poorer ratings.

Ongoing evaluation of behaviour support plan quality provides the NDIS Commission with objective information that can improve Safeguarding and Quality in four key areas: i) identification of risk; ii) identification of non-compliance; iii) formulating targeted feedback to providers and practitioners; and iv) informing practice guidance.

The NDIS Commission reviews provider reports on the use of restrictive practices, reviews behaviour support plans and responds to the use of restrictive practices reported through the NDIS Commission's reportable incident function.

² *The behavior support plan-quality evaluation guide II* California Department of Education – Positive Environment, Network of Trainers (PENT), D Browning-Wright, G.R. Mayer and D Saren (2013).

Activity/ Measure	2020–21 Results
<p>1.2.3</p> <p>The NDIS Commission provides leadership and guidance in the field of behaviour support</p>	<p>We provide extensive leadership and assistance in the field of behaviour support. Our behaviour support teams responded to 20,090 inquiries in 2020–21, with the most common enquiry themes being advice to providers about their obligations, assisting with provider understanding of restrictive practices and practitioner suitability, and enquiries relating to the NDIS Commission Portal. The following guidance material for providers has been published on our website during 2020–21 at www.ndiscommission.gov.au:</p> <ul style="list-style-type: none"> • Self-assessment Resource Guide for the Positive Behaviour Support Capability Framework • Self-assessment tools for the positive behaviour support capability framework and preparatory advice for the practitioner suitability application process • Regulated Restrictive Practices Guide and participant Easy Read Guide • Regulated restrictive practices with children and young people with disability: Practice Guide • Interactive decision tree – What constitutes a RRP with children and young people with disability • Interactive decision tree – Reporting requirements • Behaviour Support Newsletters (December 2020, April 2021) • Implementing providers: Facilitating the development of behaviour support plans that include regulated restrictive practices • Behaviour support and restrictive practices • Residential aged care providers behaviour support and restrictive practices • Transition arrangements for behaviour support and regulated restrictive practices in Western Australia • COVID-19 Vaccines: Informed consent, preparing for the vaccine, and restrictive practices • Fact sheet: Coronavirus (COVID-19): Managing behaviours of concern and new or increased restrictive practices during COVID-19 isolation • Practice Alert: Dysphagia, safe swallowing, and mealtime management • Practice Alert: Epilepsy management • Practice Alert: Medicines associated with swallowing problems • Practice Alert: Polypharmacy • Practice Alert: Transitions of care between disability services and hospitals • Lodging a behaviour support plan user guide (updated September 2020) • New Practitioner Admin Role in COS (September 2020) • NDIS Commission Portal User Guide for Monthly Reporting of Restrictive Practices (updated April 2021).
<p>1.2.4</p> <p>The NDIS Commission assists states and territories in a nationally consistent regulatory framework for restrictive practice authorisation</p>	<p>All Australian governments are committed to the reduction and elimination of the use of restrictive practices in the disability service sector. National consistency in restrictive practice regulation is an important step in safeguarding the human rights of people with disability.</p> <p>While many jurisdictions have now adopted definitions of restrictive practice based on the national definitions set out in the <i>National Disability Insurance Scheme Act 2013</i>, definitional variations remain in others.</p> <p>The NDIS Commission is leading cross-jurisdictional work to achieve national consistency in restrictive practices regulation through Disability Ministers (meetings of Commonwealth, state and territory disability ministers). As part of this work, the NDIS Commission developed its Principles for Nationally Consistent Authorisation of Restrictive Practices (the Principles).</p> <p>The Principles build on the commitment of state and territory governments to national consistency in restrictive practices regulation under the National Framework for Reducing and Eliminating the Use of Restrictive Practices in the Disability Services Sector (2014) and the NDIS Quality and Safeguarding Framework (2016). They also align with Australia’s commitments through the UN Convention on the Rights of Persons with Disabilities to uphold the rights of people with disability.</p> <p>All states and territories have undertaken self-assessments of their current regulatory frameworks for the authorisation of restrictive practices. Some have achieved full alignment, while others are in sector consultation, or reviewing and developing legislation, in order to achieve compliance, with the NDIS Commission’s full support.</p> <p>Updates on these actions by states and territories were discussed at the Disability Reform Ministers meeting in April 2021.</p>

1.3 Registration of NDIS service providers

Activity/ Measure	2020–21 Results
<p>1.3.1</p> <p>The NDIS Commission receives and assesses applications for registration from NDIS providers</p>	<p>NDIS providers must be registered to deliver supports and services to participants whose plans are managed by the NDIA. Providers must also be registered to deliver certain support types to any participant, being:</p> <ul style="list-style-type: none"> • specialist disability accommodation • specialist behaviour support • the implementation of regulated restrictive practices. <p>To apply to become registered NDIS providers, or to renew registration with the NDIS Commission, all providers are required to undergo an independent assessment by an approved quality auditor to ensure they meet the NDIS Practice Standards relevant to the supports and services they deliver (more information in 1.3.2).</p> <p>The NDIS Commission is also required to assess the applicant, and the applicant’s key personnel, as suitable to deliver supports and services to people with disability. These assessments include looking at past convictions, insolvencies under administration, previous adverse findings or enforcement action taken by any relevant authorities, previous findings or judgements in relation to fraud, misrepresentation or dishonesty, or disqualification from managing corporations.</p> <p>There were 17,834 registered NDIS providers as at 30 June 2021. The majority of these providers were transitioned providers previously registered with the NDIA who transferred to the NDIS Commission when it commenced in their relevant state or territory.</p> <p>On 1 December 2020, we transitioned 1,670 providers who were previously registered with the NDIA in WA, including 423 who were already registered with the NDIS Commission in other jurisdictions, and 607 residential aged care providers supporting NDIS participants. This was in addition to the 9,703 providers that transitioned from NSW and SA on 1 July 2018 and 11,486 providers that transitioned from QLD, ACT, VIC, TAS and NT on 1 July 2019.</p> <p>All providers that transition to the NDIS Commission must apply to renew their registration if they wish to continue to provide supports and services to NDIS participants. As at 30 June 2020, 4,922 applications to renew registration had been approved, and 8,126 providers were undertaking the process to renew their registration, with some of these still in the very early stages of the renewal application process.</p> <p>Of the 17,834 registered providers as at 30 June 2021, 8,756 were ‘active providers’ meaning they had made a claim for NDIS payment in the last three months.</p> <p>Registered NDIS providers are required to make a new application for registration prior to their registration renewal date, in order to maintain their registration. In 2020–21, 3,699 providers let their NDIS registration expire. Of these, 91% were inactive in the NDIS market.</p> <p>During 2020–21, the NDIS Commission received 7,726 new provider applications. We also received 1,475 applications to vary registration.</p> <p>The timeframe for registration applications to be processed depends on a range of factors, including the number of applications submitted to the NDIS Commission, factors that rely on the actions of providers and auditors and any issues arising from a provider’s audit or our suitability assessment of the providers or its key personnel.</p> <p>There was an increase in processing times during the year, mainly due to a substantial increase in the volume of applications received, alongside a high volume of applications for variations to existing registration.</p> <p>We took a range of actions to support timely assessment of applications. These actions include adjustments to the assessment process in order to increase the volume of applications being processed and reduce processing time, where these are not dependent on further information from applications and without compromising robust assessment of applications. We employed additional staff to supplement the core registration team and, in April 2021, engaged an external provider to provide intensive support to process a backlog of around 2,500 applications. In June 2021, we released an enhanced online application form, which better guides applicants to provide required information and documents at the time of applying for registration.</p>

Activity/ Measure	2020–21 Results
<p>1.3.2</p> <p>NDIS providers are assessed against NDIS Practice Standards that relate to services and supports they deliver</p>	<p>All providers applying to become registered NDIS providers with the NDIS Commission are required to be independently assessed by an approved quality auditor as meeting the NDIS Practice Standards relevant to the supports and services they deliver.</p> <p>The NDIS Practice Standards are modular and applicants for registration are assessed via a verification audit or full certification audit. The NDIS Practice Standards against which an applicant must be assessed, and the type of audit they are required to undergo, are determined by the classes of support they seek to deliver.</p> <p>Providers applying for registration to deliver high-risk supports and services are assessed against the core module of the NDIS Practice Standards, which covers more than 20 Standards across the areas of:</p> <ul style="list-style-type: none"> ♦ rights of participants ♦ responsibilities of providers ♦ governance and operational management ♦ the provision of supports ♦ the support provision environment. <p>Applicants may also be assessed against additional, supplementary modules when applying for registration to deliver specialist services and supports that present higher levels of risk such as:</p> <ul style="list-style-type: none"> ♦ high intensity daily personal activities ♦ specialist behaviour support ♦ implementing behaviour support plans ♦ early childhood supports ♦ specialised support coordination ♦ specialist disability accommodation. <p>Assessment is via a full certification audit, comprising an assessment of the applicant's policies and systems, and direct engagement with participants' experience of the service delivery.</p> <p>Providers applying to deliver low-risk supports and services are assessed against a module that includes Standards for:</p> <ul style="list-style-type: none"> ♦ complaints management ♦ human resources management ♦ incident management ♦ risk management <p>through a verification audit of their policies and systems. Professional qualifications and memberships are also verified where providers' professions are also the subject of regulation, for example nursing, allied health professions and building.</p> <p>During 2020–21, 6,194 audits were submitted to the NDIS Commission.</p> <p>In 2020–21, 5,797 applications were approved for registration with the NDIS Commission, following their independent quality auditor and NDIS Commission suitability assessments. Of these, 2,546 (44%) were new entrants to the NDIS market. The remaining 3,251 (56%) were providers transitioned to the NDIS Commission that subsequently completed their renewal activities.</p> <p>The largest proportion of approved applications – 53% – were assessed as meeting the NDIS Practice Standards through a verification audit, and 47% of approved applications were assessed as meeting the NDIS Practice Standards through a certification audit.</p> <p>To be approved by the NDIS Commissioner as a quality auditor for the NDIS, audit bodies are accredited by the Joint Accreditation Scheme Australia and New Zealand (JAS-ANZ) and individual assessors must complete training provided by the NDIS Commission.</p> <p>In 2020–21, the NDIS Commissioner approved an additional three audit bodies to operate within the NDIS bringing the total to 19 approved audit bodies. The NDIS Commission trained an additional 117 individual auditors, bringing the total to 615 individual auditors trained.</p>

1.4 Other quality and safeguarding activities

Activity/ Measure	2020–21 Results
<p>1.4.1</p> <p>The NDIS Commission maintains an appropriate level of engagement and education activities</p>	<p>Education, engagement and communication activities are integral to the implementation and maintenance of the NDIS Commission’s remit.</p> <p>Throughout 2020–21, the NDIS Commission maintained an appropriate level of engagement and education activities, adapting strategy and output as required by events – such as the ongoing COVID-19 pandemic, the beginning of the vaccination rollout, and the New South Wales floods in March 2020 – to ensure the continued provision of safe, quality services for NDIS participants.</p> <p>We provided best-practice guides and training year round, with guidance materials including examples of good and poor practice. We also delivered targeted education campaigns designed to build the capability of providers and behaviour support practitioners in identified focus areas.</p> <p>Significant guidance included:</p> <ul style="list-style-type: none"> the <i>Worker Orientation Module – Quality, Safety and You</i>, which was completed by 118,131 workers in 2020–21, bringing the total number of workers who have completed the module as at 30 June 2021 to 465,734 since its release in May 2019 five practice alerts published to support providers in identifying and reducing risks associated with the avoidable deaths of NDIS participants, developed in response to related research undertaken by Professor Julian Trollor and Dr Carmela Salomon into physical and pharmacological contributors³ a <i>New Worker - NDIS Induction</i> e-learning program, which was developed to support providers to induct new staff who may have been unfamiliar with the disability sector and launched in October 2020 during the COVID-19 pandemic: as at 30 June 2021, 22,859 people had completed the program the promotion of the Australian Government Department of Health’s free online training module, <i>Infection prevention and control for COVID-19</i> via the NDIS Commission website, and through our COVID-19 provider alerts, our information pack for NDIS providers and workers, and our COVID-19 fact sheets. <p>The NDIS Commission website is the public face of our organisation and holds the information to build the knowledge and awareness of NDIS participants, service providers, and behaviour support practitioners. As at 30 June 2021, there had been 1,298,613 visits to the website during 2020–21. On average, there are 108,218 visits to the website each month.</p> <p>We use Facebook to reach participants, their families and friends, and social networks and advocates; and LinkedIn to share up-to-date information and link to employment opportunities. As at 30 June 2021, we had 5,130 Facebook followers and 21,853 LinkedIn followers.</p> <p>During the reporting period, we produced a version of our participant welcome pack to specifically welcome Aboriginal and Torres Strait Islander people to the Commission.</p> <p>In October 2020, a new function commenced in the Education, Engagement and Communications team. The National Engagement Team was designed to proactively reach out directly to NDIS participants, their families and carers, advocates and representatives. Since then, the new team has developed The National Engagement Plan 2021 and the Aboriginal and Torres Strait Islander Engagement Plan 2021, which set out priorities and approaches, methods and main messages for engagement with people with disability. To date, the team has created collaborative working relationships with key representative and advocacy bodies, as well as conducting significant strategic interactions with several branches of the NDIA.</p> <p>In December 2020, we launched SAFEGuard, a quarterly newsletter for NDIS participants. SAFEGuard aims to help explain what the NDIS Commission and others are doing to make sure the services that participants receive are safe and of good quality. SAFEGuard is available in standard, Easy Read and Auslan formats, and in 11 community languages. We also continue to issue a bi-monthly newsletter to all registered NDIS providers and subscribers, as well as a newsletter for specialist behaviour support providers and practitioners. These newsletters explain provider obligations on a number of topics, and provide guidance on compliance.</p>

³ Causes and contributors to deaths of people with disability in Australia – NDIS Commission’s response to recommendations | NDIS Quality and Safeguards Commission

Co-designing eLearning for NDIS workers

This year we began work on two new eLearning modules for NDIS workers on the topics of *Supporting effective communication* and *Supporting safe and enjoyable meals*. The former will be released in late 2021, and the latter in early 2022.

The modules are being developed in response to research we commissioned in 2019 into the causes and contributors to death of people with disability. *The Scoping Review*⁴ found that a significant proportion of deaths of people with disability involved people who required communication and/or mobility support; and accidental choking was the leading external cause of death, with the majority of incidents leading to death, being food related.

A co-design engagement methodology has been used to develop the two new eLearning modules. The co-design groups include NDIS participants and their families and supporters, NDIS providers and workers, peak bodies and other sector organisations representing the interests of people with disability. Co-design groups are involved through the entire development of the modules. They provide input, guidance, and review at each stage of the production process to ensure the modules are authentic, relevant and useful to NDIS workers.

Engagement with the co-design and user testing groups includes processes and methodologies that are aligned with Inclusion Australia's guidelines to support the involvement and participation of all group members in inclusive and accessible way. In addition to our co-design and user testing groups, we have and will continue to seek feedback from a range of experts and external stakeholders at key points in production. Co-design engagement and user testing will continue to be used for all learning content creation at the NDIS Commission.

4 Salomon C, Trollor J (2019). [A scoping review of causes and contributors to deaths of people with disability in Australia](#)

Activity/ Measure	2020–21 Results
<p>1.4.2</p> <p>The NDIS Commission undertakes appropriate compliance and enforcement actions</p>	<p>The NDIS Commission uses a range of compliance tools to prevent and address breaches of the NDIS Act, including education and working closely with other complaints and regulatory bodies. The NDIS Act also provides the Commission with a range of compliance and enforcement powers, including banning orders, compliance notices and court-based outcomes.</p> <p>During 2020–21, the NDIS Commission commenced 1,708 compliance matters – where a provider and/or person’s compliance with a legislative obligation was monitored – and 291 investigations, which commenced in circumstances where an alleged non-compliance occurred. This included proactive national compliance programs targeting significant areas of risk for NDIS participants, and reactive compliance and investigation activities commenced following information received from a range of stakeholders, including via our complaints and reportable incidents function.</p> <p>Actions taken included targeted monitoring of registered NDIS providers’ compliance with requirements relating to the unauthorised use of restrictive practices, quality management where NDIS participants chose to be supported in their homes by a single worker, and incident management, prevention and reporting obligations. Further, the NDIS Commission:</p> <ul style="list-style-type: none"> ♦ reviewed 918 potential breaches of the NDIS Act, including of the NDIS Code of Conduct and other conditions of registration ♦ monitored the compliance of providers and their workers ♦ educated providers on how to comply with their obligations under the NDIS Act, including the September 2020 release of eight new reportable incident educational resources for NDIS providers and workers as part of the broader education phase of our ‘Compliance Strategy – Incident Reporting, Management and Prevention’ program. <p>Throughout 2020–21 and in accordance with the NDIS Commission’s Compliance and Enforcement Policy, the NDIS Commission:</p> <ul style="list-style-type: none"> ♦ issued 22 banning orders (46 since commencement, with 2 revoked) ♦ revoked 3 registrations (6 since commencement) ♦ suspended 7 registrations (15 since commencement) ♦ issued 19 infringement notices (24 since commencement) ♦ issued 9 compliance notices (12 since commencement) ♦ issued 121 warning letters (150 since commencement) ♦ sought remedial action on 189 occasions (remedial action is sought where an opportunity exists to correct a provider’s potential non-compliance with their obligations without exercising a statutory power) ♦ provided education on more than 1,000 occasions (education is provided where a knowledge gap or opportunity exists to improve a provider or person’s understanding of broad or specific obligations). <p>During 2020–21, the NDIS Commission also conducted 59 site visits and more than 3,000 requests for information were issued to registered NDIS providers, including as part of targeted national compliance programs.</p>

Performance Objective 2

Finalise transition activities and continue to mature and grow NDIS Commission capability for full operation in all jurisdictions and across the spectrum of regulatory activities

Activity/ Measure	2020–21 Results
2.1 The NDIS Commission finalises its transition activities	<p>The NDIS Commission commenced operations in Western Australia on 1 December 2020, making it the last of the eight states and territories to transition from existing quality and safeguarding regulatory systems. Residential aged care providers supporting NDIS participants were also automatically registered with the NDIS Commission on that date, meaning that NDIS participants across Australia now have access to the same quality and safeguarding arrangements regardless of the provider of their NDIS supports.</p> <p>Further, the transitional period for worker screening requirements concluded in the reporting period in all states and territories. The NDIS Worker Screening Check began on 1 February 2021 in all states and territories (except for the NT, which will implement the NDIS Worker Screening Check no later than 1 July 2021). Registered NDIS providers are now obliged to ensure that workers in certain roles have an acceptable check in accordance with state and territory transitional arrangements, or an NDIS Worker Screening clearance.</p> <p>The NDIS Commission now provides a single, national regulatory system for NDIS providers and workers, providing a consistent approach to quality and safety across Australia.</p> <p>While all jurisdictions are now under the NDIS Commission's umbrella, some transition activities and arrangements will necessarily continue while transitioning providers are audited against the relevant NDIS Practice Standards, and their applications for registration finalised.</p>
2.2 The NDIS Commission develops and matures its capabilities appropriately	<p>Immediately following the Federal Budget in October 2020, the NDIS Commission commenced volume recruitment activity to increase staffing. These new positions came on top of existing staff and filling existing vacancies. By the end of the activity, the NDIS Commission's APS staffing had increased by more than 100 permanent positions.</p> <p>The majority of this resource uplift was directed to frontline roles, with additional staff recruited into investigations, complaints, compliance, reportable incidents and behaviour support roles nationwide.</p> <p>In order to accommodate the Commission's new staff, an office and ICT expansion program was commenced in all states and territories.</p> <p>The organisational structure of the NDIS Commission was enhanced with two senior executive roles reallocated to strengthen the support to our state and territory operations. The Branch Head, South East Region oversees New South Wales, the Australian Capital Territory, Victoria and Tasmania; and the Branch Head, North Central West Region oversees Queensland, the Northern Territory, Western Australia and South Australia.</p> <p>During 2020–21, a Regulatory Training Program was developed for the NDIS Commission by Emeritus Professor (Monash) Arie Freiberg, and regulatory consultant Adam Beaumont. The comprehensive training builds understanding of regulatory principles and practice, and supports the development of a regulatory culture within the NDIS Commission.</p> <p>Several upgrades to the NDIS Commission's Commission Operating System (COS) were implemented during the reporting period.</p> <p>Working with Services Australia, an upgrade to the underlying database of the COS was carried out in October 2020, with a well-run project resulting in minimal impact to its operation while implementation took place. Testing of the data loads into COS for the beginning of the NDIS Commission in both WA and in respect of people with disability in residential aged care was undertaken progressively throughout 2020 and COS was ready for the jurisdictions' commencement on 1 December 2020.</p> <p>COS upgrades in December 2020 and January 2021 included enhancements to Worker Screening identified by the NDIS Commission, the publishing of unregistered provider and self-managed participant access request forms, and the loading of the Worker Screening database for use in production. These preparatory actions culminated in the successful commencement of the Worker Screening system on 1 February 2021 as planned.</p>

Performance Objective 3

Continue to refine and develop our business and operating models to continue to provide efficient, evidence-based, consistent regulation, with the entire Commission focused on key priorities

Activity/ Measure	2020–21 Results
<p>3.1</p> <p>The NDIS Commission continues to refine and develop its operating model</p>	<p>In October 2020, we established two new Operations Branches; South East branch covering New South Wales, ACT, Victoria and Tasmania and North, Central and West branch covering Queensland, Northern Territory, Western Australia and South Australia. Each Operations branch is supported by a senior executive with relevant regulatory expertise, increasing the level of support to our frontline staff and helping to deliver improvements to our operations across complaints, reportable incidents, behaviour support, compliance and investigation.</p> <p>During 2020–21, the NDIS Commission invested significant effort in work to refine and improve the delivery of our Complaints and Reportable Incidents functions. Elements of the program of improvement included the following:</p> <ul style="list-style-type: none">• Manuals for each function were redeveloped and consolidated, with additional guidance developed and training in every office.• New procedures for intake, triage, streaming and handling of complaints and reportable incidents were developed, to improve both handling times and impact.• Delegation, system and decision-making structures were revised.• There was a temporary surge capacity to clear legacy matters that had built up in the period prior to the launch of the new procedures. <p>A new quality assurance framework was created for each function, to ensure delivery to the highest standards, and a new Complaints Advisory Group was formed.</p> <p>In March 2021, the NDIS Commission engaged Mr Stephen Garrett to review and make recommendations on the role and procedures of the Compliance and Enforcement Committee. Mr Garrett's report was provided on 2 June 2021 and included a number of recommendations about the manner in which compliance and investigation matters were monitored and coordinated.</p>
<p>3.2</p> <p>The NDIS Commission continues to refine and develop its business processes</p>	<p>In 2020–21, the NDIS Commission established the Operational Policy Board, which oversees the Commission Operating Model (COM), to optimise regulatory performance and effectiveness, and develop and agree on practice strategies and guidance to Commission staff.</p> <p>In its first year of operation, the Internal Audit function focus was on raising the maturity of the risk management, control and governance environment, given the transitioning-in of new states, functions and staff into the agency. This was achieved by prioritising the delivery of 'advisory' style engagements for those policies, processes and projects being established or delivered, and ensuring traditional performance and compliance audits are considering the appropriateness of the Commission's frameworks. This blended approach supports business areas through all stages of their operations' maturity.</p> <p>The NDIS Commission updated and launched a new working-from-home policy in early 2021, providing guidance for staff and managers to assist in establishing ongoing arrangements that acknowledge the trajectory of the COVID-19 pandemic and our commitment to flexible working practices.</p> <p>We also continued to update and enhance our mandatory training modules, with the launch of newly developed modules ensuring coverage of relevant subjects. A Regulatory Training program was also developed during the period, and is being undertaken by a cohort of EL1s and EL2s from across the NDIS Commission (see 2.2 for a description of the program).</p> <p>During the period, a variety of new policies were published, and existing policies updated to reflect current circumstance, representing the agency's move towards a more mature suite of internal guidance.</p>

Performance Objective 4

Work with stakeholders, including grant recipients and other partners, to positively impact the quality and safety of disability supports

Activity/ Measure	2020–21 Results
<p>4.1</p> <p>The NDIS Commission's grant program funds recipients to deliver positive outcomes</p>	<p>The grants program administered by the NDIS Commission supports the development and implementation of educational resources and training materials to support people with intellectual disability. Deliverables include a participant workshop series, video resources, conversation cards and easy-read complaints resources.</p> <p>In 2020–21, the NDIS Commission worked with stakeholders, including grant recipients, to:</p> <ul style="list-style-type: none"> ♦ produce resources to increase capacity building for NDIS providers ♦ improve NDIS behaviour support practitioners' ability to develop high quality behaviour support plans ♦ support providers to meet registration requirements, with a focus on small local NDIS providers and those operating in geographically challenging circumstances. <p>The above outcomes reflect only those grant processes that have been completed, with the NDIS Commission also supporting several other grantees throughout 2020–21 to develop quality educational materials in support of NDIS participants.</p>
<p>4.2</p> <p>The NDIS Commission maintains an appropriate level of consultation with key stakeholders</p>	<p>The NDIS Commission has two consultative committees, representing:</p> <ol style="list-style-type: none"> 1. the disability sector, comprised of national organisations representing the interests of people with disability 2. the industry, comprised of national peaks and associations representing the various industries that comprise the NDIS market. <p>Both committees meet three times a year, as per an agreed schedule. The agendas for each committee include a mixture of Commission updates on the progressive implementation and development of functions and discussion on issues identified by members or Commission executives.</p> <p>The NDIS Commission takes every opportunity to consult with key stakeholders, particularly people with disability, about matters that affect them. We have conducted more than 1,000 engagement activities across Australia (online and face-to-face, depending on COVID restrictions), involving approximately 23,600 attendees, who have predominantly been NDIS participants, their supporters, representatives and advocates.</p> <p>The NDIS Commission also participates in and initiates consultation with relevant Commonwealth agencies and state jurisdictions in relation to a rolling program of policy and operational issues. During 2020–21, we have instigated initiatives such as a targeted project with the objective of strengthening supports and protections for people with disability at risk of harm, and gathering input into the National Disability Strategy 2021–2031. An online forum held in April 2021 had 95 attendees and discussed 'Advocacy and the NDIS Quality and Safeguards Commission'.</p>

Analysis of results

During the reporting period, significant response continued to be required of the NDIS Commission in relation to the COVID-19 pandemic. We regularly provided extensive, comprehensive guidance to stakeholders through outbreaks and the beginning of the vaccination rollout, covering important updates and changes in relation to safety and work practices.

In addition, this was the NDIS Commission's first year of operations in all state and territory jurisdictions, with the final addition of Western Australia from 1 December 2020.

In its 2020–21 Budget, the Government provided the NDIS Commission with a significant funding increase. This resulted in the rapid enlargement of the agency's resource capability in the second half of the reporting period, enabling us to better meet stakeholder needs, develop and deliver comprehensive regulatory training, and fully realise the structures and strategies that support our staff in their duties. The staged on boarding of staff enabled the Commission to engage a surge workforce to address backlogs that had accumulated in the functions where resourcing pressures have existed, such as complaints, incident oversight and registration, and which the uplift was intended to address.

We continued to mature our operational capacity throughout 2020–21, and the NDIS Commission's APS results are indicative of a relatively new organisation progressing along the path to full operation and maturity. The second half of the reporting period represented the first six months of the agency operating across its entire planned scope, and we look forward to progressing to more targeted performance evaluation in the coming years as the NDIS Commission sees the full realisation of ongoing, nationally consistent operations.

Regulator Performance Framework

In addition to the above performance measures, which operate under the Commonwealth's Enhanced Performance Framework, we also report annually on our performance under the Australian Government's Regulator Performance Framework (RPF).

The RPF is intended to encourage regulators to carry out their activities with the minimum impact necessary to achieve their regulatory objectives, to the benefit of regulated entities and ultimately the Australian public relying on those entities' services. It is also intended to effect positive cultural change within regulators. The RPF allows regulators to report objectively on their performance in administering regulation in a fair, accountable, and efficient manner.

Performance under the RPF is reported against the following Key Performance Indicators (KPIs):

- ◆ KPI 1 – regulators do not unnecessarily impede the efficient operation of regulated entities
- ◆ KPI 2 – communication with regulated entities is clear, targeted, and effective
- ◆ KPI 3 – actions undertaken by regulators are proportionate to the regulatory risk being managed
- ◆ KPI 4 – compliance and monitoring approaches are streamlined and coordinated
- ◆ KPI 5 – regulators are open and transparent in their dealings with regulated entities
- ◆ KPI 6 – regulators actively contribute to the continuous improvement of regulatory frameworks.

As required by the Framework, the NDIS Commission has published self-assessment reports against the KPIs for each reporting period it has been obligated to do so following its first year of operation in 2018-19. The reports provide the responsible Minister, stakeholders and the community with information regarding our regulatory performance in the preceding financial year.

The NDIS Commission's Regulator Performance Framework Self-assessment Reports are available at <https://www.ndiscommission.gov.au/ndis-commission-regulator-performance-framework>.

For the financial year 2021–22 and onward, the RPF KPIs will be absorbed into the NDIS Commission's Corporate Plan.

CASE STUDY: Compliance and enforcement action in practice

Upholding the rights and promoting the health, safety and wellbeing of people with disability is our core function. If the NDIS Commission receives a complaint or notification of a serious allegation of abuse or neglect, we act on that information.

For example, the NDIS Commission received information alleging neglect and abuse of a number of NDIS participants being supported by a provider.

We acted quickly to assess the situation, firstly by determining that the NDIS participants were safe, and gathering the necessary information to put the facts of the matter to the provider for their response. This resulted in the issuing of a compliance notice that required the provider to take actions to address concerns for the safety of participants. Concurrently, we began an investigation into allegations concerning particular incidents, gathering evidence about the conduct of the workers who were the subject of allegations, and talking directly with people with disability and others to hear their experiences.

The provider was required by the compliance notice to:

- ♦ ensure a physical welfare check of all NDIS participants by an external, independent, and suitably qualified health professional and provide a written report by the health professional detailing the welfare checks
- ♦ immediately notify the NDIS Commission of any issues or concerns detected by the health professional
- ♦ engage an independent and suitably qualified health professional to review the providers' policies and procedures for governance and operational management, and risk management systems, and revise as necessary
- ♦ provide the NDIS Commission with a copy of the reviewed policies and procedures
- ♦ provide the NDIS Commission with a report demonstrating the provider had trained all relevant staff in relation to any updates and improvements resulting from the independent review and report.

Following this action, the provider delivered all the information required to demonstrate it had established the necessary measures to prevent and respond to risks to people with disability. They also demonstrated they had taken appropriate action in respect of staff who had been the subject of allegations. This resulted in the remedying of systemic deficiencies in their practice, benefiting all participants that they support.

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Part 3. Management and Accountability

PART 3. MANAGEMENT AND ACCOUNTABILITY

Mandatory reporting

Disability reporting

The National Disability Strategy is Australia's overarching framework for disability reform. It acts to ensure the principles underpinning the United Nations Convention on the Rights of Persons with Disabilities are incorporated into Australia's policies and programs that affect people with disability, their families and carers.

All levels of government will continue to be held accountable for the implementation of the strategy through progress reporting to the Australian, state, territory and local governments. Progress reports can be found on the Department of Social Services website at www.dss.gov.au. Disability reporting is included in the Australian Public Service Commission's State of the Service reports and the APS Statistical Bulletin. These reports are available at www.apsc.gov.au.

Freedom of Information

We provide access to information under the *Freedom of Information Act 1982* (FOI Act) as required. Documents released under the FOI Act are listed publicly on the FOI Disclosure Log on our website, other than documents that are exempt from this requirement: www.ndiscommission.gov.au/about/freedom-information/foi-disclosure-log.

As required under Part II of the FOI Act, we publish an Information Publication Scheme (IPS) statement on our website at www.ndiscommission.gov.au/about/information-publication-scheme.

Corporate governance

The governance of the NDIS Commission is in accordance with normal practices for non-corporate Commonwealth entities. The NDIS Commissioner is the Accountable Authority, and is the sole statutory officer overseeing all functions of the NDIS Commission. The NDIS Commissioner delegates powers through instruments of delegation, including instruments of delegation for:

- ♦ financial governance, including powers under the PGPA Act and its associated Rule
- ♦ human resources related matters including powers under the Public Service Act and other relevant legislation
- ♦ the NDIS Commissioner's functions and powers under the NDIS Act and related Rules
- ♦ matters relating to functions and powers under the FOI Act
- ♦ matters relating to functions and powers under the *Public Interest Disclosure Act 2013*.

We provide relevant instructions on the use of those powers through a set of Accountable Authority Instructions supported by a variety of policies and practices.

Key committees providing governance for the NDIS Commission include:

- ♦ the Executive Leadership Team, which focuses on strategic organisational decisions
- ♦ the Compliance and Enforcement Committee, which focuses on operational compliance and enforcement strategy and activity monitoring
- ♦ the Operational Policy Board, which oversees the Commission Operating Model (COM) to optimise regulatory performance and effectiveness, and develop and agree on practice strategies and guidance to Commission staff
- ♦ the ICT Investment Board, which focuses on key decisions relating to the ongoing development of the Commission Operating System (COS): a purpose-built ICT system which is used for business processing requirements.

Audit Committee

We have an Audit Committee to provide appropriate assurance and oversight. Our Audit Committee's charter can be found at www.ndiscommission.gov.au/document/2326. The below table shows Audit Committee membership during 2020–21, the number of meetings attended by each member during the year, and the total remuneration that each member received.

Member Name	Number of meetings attended/ total number of meetings	Qualifications, knowledge, skills, or experience	Total annual remuneration
Mr Nick Baker (Chair)	4/4	<ul style="list-style-type: none"> • Bachelor of Arts in Computing Studies • Graduate Diploma in Professional Accounting • Certificate IV Commonwealth Fraud Investigations • Fellow Certified Practising Accountant Australia • Member Australian Computer Society 	\$14,000 (GST free)
Ms Jenny Morison (External member)	4/4	<ul style="list-style-type: none"> • Bachelor of Economics • Fellow – Chartered Accountants Australia and New Zealand • Fellow – Australian Institute of Management • Specialist in government financial reforms, governance, and consulting • Independent member and Chair of Commonwealth audit and risk committees and financial statement sub-committees for large and small government entities 	\$14,240 (incl GST)
Ms Donna Rygate (External Member)	1/4	<ul style="list-style-type: none"> • Bachelor of Economics (Hons) • Master of Planning • Graduate – Australian Institute of Company Directors Course • Chair or member of boards, statutory bodies, planning panels, and audit and risk committees, and experienced state and local government chief executive 	\$3,179.69 (GST free)
Ms Carolyn Strange* (General Counsel of the NDIS Commission)	4/4	<ul style="list-style-type: none"> • Master of Laws • Bachelor of Laws • Bachelor of Arts • Commercial litigation Solicitor • General Counsel at the NSW Public Service Commission • General Counsel, NDIS Quality and Safeguards Commission 	\$0

* Ms Carolyn Strange attended three of the four Audit Committee meetings in her capacity as an internal member. In line with recent amendments to the PGPA Rule, which require that none of the members of non-corporate Commonwealth entity audit committees be officials of the entity, and that a majority must not be officials of any Commonwealth entity, Ms Carolyn Strange transitioned from an internal member to a non-voting adviser.

Fraud control

As a Commonwealth entity, we must ensure public resources are used appropriately to achieve our purpose and promote financial sustainability.

In 2020–21, the NDIS Commission's Fraud Control Framework (the Framework) was enhanced to better support the management of fraud risk to the NDIS Commission. The Framework aligns with the *Commonwealth Fraud Control Framework 2017* and complies with section 10 of the *Public Governance, Performance and Accountability Rule 2014*. The updated Framework demonstrates our commitment towards continuous improvement of our risk management and internal control arrangements to prevent, detect and investigate fraud against the NDIS Commission.

The Framework consists of the Accountable Authority Instructions to provide instruction to staff for fraud control; the Fraud Control Policy, which operationalises the instructions; and the Fraud Control Plan which is informed by our fraud risk assessments and identifies the prevention, detection and response strategies we have in place to address our fraud risks. The activities identified in the Fraud Control Plan are supplementary to the treatments implemented by business areas to address fraud risks identified within the functions or activities they manage.

We do not tolerate fraud and are committed to preventing and controlling the risk of fraud to the NDIS Commission. This commitment can only be realised through the collective effort of NDIS Commission's staff (employees and contractors) and third parties (including providers of service to the NDIS Commission). We recognise the importance of being vigilant in relation to fraud risk and communicate the importance of fraud awareness and prevention to staff and third parties. Fraud awareness training is a mandated requirement for all staff.

Senior officers have provided assurance for the year 2020–21 of their obligations in relation to the implementation and operation of the systems designed to prevent and detect fraud. Senior officers have also confirmed that no cases of irregularities, fraud, or misappropriation were reported to them over the period, and they have no knowledge of any irregularities, fraud, or misappropriations.

Where we receive allegations of suspected fraud relating to the National Disability Insurance Scheme (the NDIS) or discover these as part of our regulatory activities, we utilise established fraud referral arrangements in place with the NDIA. We continue to establish formal information disclosure arrangements with other agencies including law enforcement and regulatory bodies to inform a national approach to information disclosure between the NDIS Commission and government agencies to regulate providers and prevent harm to vulnerable people.

Internal Audit

During the year, the NDIS Commission formally established its internal audit and assurance function, with the appointment of a Chief Internal Auditor and engagement of a strategic assurance partner to support the delivery of internal audit activities. The NDIS Commission's internal audit function provides independent advice and assurance to the NDIS Quality and Safeguards Commissioner, the Audit Committee and the Executive Leadership Team, to improve the effectiveness of risk management, control and governance processes. The function has been established in a manner consistent with the International Standards for the Professional Practice of Internal Auditing (Standards).

In its first year of operation, the internal audit function has focused on raising the maturity of the risk management, control and governance environment, given the transitioning-in of new states, functions and staff into the agency. This has been achieved in practice by prioritising the delivery of 'Advisory' style engagements (in addition to traditional performance and compliance audits). Advisory engagements emphasise supporting business areas in maturing their operations through the provision of advice in real-time while policies, processes and projects are being established or delivered. Rather than issuing recommendations at the end of a review, risk based and better practice suggestions are made continuously, and incorporated during the course of the engagement to improve outcomes.

External scrutiny

The Joint Standing Committee on the NDIS (the Committee) tabled two reports during 2020–21: an interim report into their inquiry on NDIS Workforce and a report on their inquiry into ‘General issues around implementation and performance of the NDIS’. Both reports contained several recommendations relevant to the NDIS Commission.

The Committee hosted four public hearings in relation to their inquiry into the NDIS Commission. The Commissioner appeared before the Committee on two occasions to give evidence and the NDIS Commission has lodged two submissions to this inquiry. The Committee received more than 70 submissions to this inquiry, with their final report to be tabled in late 2021.

On 17 June 2021, the Senate referred the National Disability Insurance Scheme Amendment (Improving Supports for At Risk Participants) Bill 2021 to the Community Affairs Legislation Committee for inquiry and report.

In May of 2020, the NDIS Commissioner had appointed Mr Alan Robertson SC to conduct an independent review into the NDIS Commission’s regulation of the provider of NDIS supports and services to Ms Ann-Marie Smith, an NDIS participant. The review report was released to the public on 4 September 2020. More on this matter is available in ‘Key Matters’ on page 23.

The Disability Royal Commission was in operation during the reporting period, and information about the NDIS Commission’s contributions can be found in ‘Key Matters’ on page 22.

In March 2021, the NDIS Commission engaged Mr Stephen Garrett to review and make recommendations on the role and procedures of the Compliance and Enforcement Committee. Mr Garrett’s report was provided on 2 June 2021 and included a number of recommendations.

There were no judicial decisions, decisions by administrative tribunals or decisions by the Australian Information Commissioner issued that had a significant effect on our operations. Other than mentioned above, there were no reports issued by Parliamentary Committees on our operations other than those mentioned above.

No reports on our operations were issued by the Commonwealth Ombudsman. There were no capability reviews of the NDIS Commission released during 2020–21.

The Auditor-General has not tabled any Performance Audits relating to the NDIS Commission’s operations; however, the NDIS Commission actively considers tabled reports of other entities for lessons learned to adopt in our operations.

Purchasing

Our purchasing activities are consistent with our Accountable Authority Instructions and internal procurement guidelines, which are in accordance with the Commonwealth Procurement Rules 2020.

Purchasing is made in an accountable and transparent manner, complying with Australian Government policies.

In 2020–21, we contributed to the Portfolio’s Indigenous procurement target with 70 new and ongoing contracts awarded to Indigenous suppliers and a combined total value of \$4.49 million worth of new contracts with Indigenous businesses.

Assets management

Our assets are managed under the authority of section 20A of the PGPA Act, relevant accounting standards and Department of Finance requirements.

We invest in new assets to improve our systems and processes. We manage capital investment through an annual capital plan that reflects both government priorities and ongoing business needs.

Contracts

During 2020–21, three new consultancy contracts were entered into involving total actual expenditure of \$0.06 million. There were no consultancy contracts entered into during a previous reporting period that were active during the period.

We contracted consultants for specialist expertise, or where independent research, review, or assessment was required. Decisions to engage consultants were made after considering the

skills and resources required for the task, internal capacity, and the cost effectiveness of contracting an external service provider. Consultants were engaged in line with the PGPA Act and related regulations.

Annual reports contain information about actual expenditure on contracts for consultancies. Further information on the value of contracts and consultancies is available on the AusTender website. To view the value of contracts and consultancies, go to www.tenders.gov.au.

Reportable non-consultancy contracts

During 2020–21, 290 new reportable non-consultancy contracts were entered into involving total actual expenditure of \$19.25 million. There were 123 non-consultancy contracts entered into during a previous period that were active during the period involving total actual expenditure of \$9.48 million.

We contracted non-consultant providers after considering the skills and resources required for the task, Whole of Australian Government Arrangements, internal capacity, and the cost effectiveness of contracting an external service provider. Non-consultants were engaged in line with the PGPA Act and related regulations.

Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the reportable non-consultancy contracts' value is available on the AusTender website, go to tenders.gov.au.

Summary information on contract services is set out in the tables below:

Expenditure on reportable consultancy contracts		
Reportable consultancy contracts 2020–21	Number	Expenditure \$
New contracts entered into during the reporting period	3	\$64,090
Ongoing contracts entered into during a previous reporting period	0	\$0
Total	3	\$64,090

Organisations receiving a share of reportable consultancy contract expenditure 2020–21	Expenditure \$
Recordkeeping Innovation Pty Ltd	\$36,700
Stephen John Garrett	\$27,390

Expenditure on reportable non-consultancy contracts		
Reportable non-consultancy contracts 2020–21	Number	Expenditure \$
New contracts entered into during the reporting period	290	\$19,251,026
Ongoing contracts entered into during a previous reporting period	123	\$9,477,721
Total	413	\$28,728,748

Organisations receiving a share of reportable non-consultancy contract expenditure 2020–21	Expenditure \$
Randstad Pty Ltd	\$3,936,610
Hays Specialist Recruitment (Australia)	\$1,937,613
Jones Lang LaSalle (ACT) Pty Ltd	\$1,805,892
First People Recruitment Solutions	\$1,485,417
Sandran Property Group	\$1,334,998
DFP Recruitment Services	\$976,094
Dell Australia Pty Limited	\$934,879

Australian National Audit Office access clauses

All contracts let in the past year required the Auditor-General to have access to the contractor's premises.

Exempt contracts

In 2020–21, no contracts were exempted from reporting on www.tenders.gov.au.

Small business

We support small business participation in the Commonwealth Government procurement market. Further information on Small and Medium Enterprises (SMEs) and Small Enterprise participation statistics is available on the Department of Finance's website. To view SME and Small Enterprise participation statistics, go to www.finance.gov.au.

We support the use of SMEs through various means including:

- ◆ using standardised contracts for low-risk procurements valued under \$200,000
- ◆ using an electronic invoice processing system.

We recognise the importance of ensuring small businesses are paid on time.

The results of the Survey of Australian Government Payments to Small Business are available on the Treasury's website. To view the results, go to www.treasury.gov.au.

Executive remuneration

Executive remuneration information is provided at Appendix 5.

Other mandatory information

We did not conduct advertising campaigns during 2020–21.

Information on grants awarded by the NDIS Commission during 2020–21 is available at www.ndiscommission.gov.au.

Risk management

We have a Risk Framework that accords with normal Commonwealth practices, including a Risk Management Policy, a Risk Management Framework, and a set of Risk Management Guidelines. These documents prescribe our approach to managing risk, including methods for documenting and managing risk and our risk appetite. The Risk Management Framework outlines leadership and staff roles in overseeing and managing risk.

The Audit Committee provide advice to the Accountable Authority on the appropriateness of our risk management framework.

Environmental performance

For the purposes of section 516A of the *Environment Protection and Biodiversity Conservation Act 1999*, we report that our activities accord with the principles of ecologically sustainable development outlined in section 3A of that Act, particularly through development of a management culture that ensures social, economic, and equitable considerations are factored into decisions. Our operations are, for the most part, not significant from an environmental perspective: our primary impact is through our operation of office premises. We receive environmental sustainability services from our property service provider, Jones Lang LaSalle, and our offices generally meet appropriate standards of energy efficiency. Only one NDIS Commission lease is of sufficient size to warrant a green lease schedule, and that lease includes a compliant schedule.

Carers Act

For the purposes of the *Carer Recognition Act 2010*, we report that we take appropriate measures to comply with sections 7 and 8 of that Act, including by making the Statement of Australia's Carers available to NDIS Commission staff. This confirms our commitment to valuing and recognising the role of carers in society, and partnering with the carers of employees or clients with disability. We also incorporate due regard for carers into our human resources policy development as appropriate. We will continue to develop and evolve our approach in this regard as we mature.

Information required by other legislation

Other than the information as described above, and throughout this report, no other information is required by other legislation.

Financial performance

Our financial statements are presented in Part 4 of this report. The Australian National Audit Office issued an unqualified audit opinion for the financial statements on 27 September 2021.

A summary of our financial performance for departmental activities and activities administered on behalf of the Australian Government in our third year of operation is provided below.

Departmental activities

We recorded an operating surplus of \$6.9 million in 2020–21 due to savings made in relation to employee benefits as a result of a delay in completion of bulk recruitment activities for newly funded additional staff.

Activities administered on behalf of the Australian Government

In 2020–21, we administered one program on behalf of the Australian Government with expenses of \$3.5 million; \$3.5 million was provided as grants to assist providers in meeting the requirements set out under the NDIS Act and Rules.

Finance law compliance

No significant issues relating to non-compliance with the finance law were reported to the Minister under paragraph 19(1)(e) of the PGPA Act in 2020–21.

Management of human resources

In the past year, we continued to increase our workforce to deliver quality services, bringing more than 100 new permanent employees into critical frontline roles. We developed a Strategic Workforce Plan in 2019–20, and implementation commenced during 2020–21.

Our performance expectations are consistent with the APS Employment Principles in the Public Service Act and the Australian Public Service Commissioner’s Directions 2016. In particular, the Principles require effective performance of each employee, support the concept of managers and employees having regular and honest discussions about performance, and provide for two formal reviews during an annual performance cycle.

2020 APS Employee Census

The NDIS Commission’s employee census results recorded an employee engagement score of 75%. The NDIS Commission uses the feedback in the census to celebrate successes, identify areas for improvement, and inform our programs, activities and workforce planning.

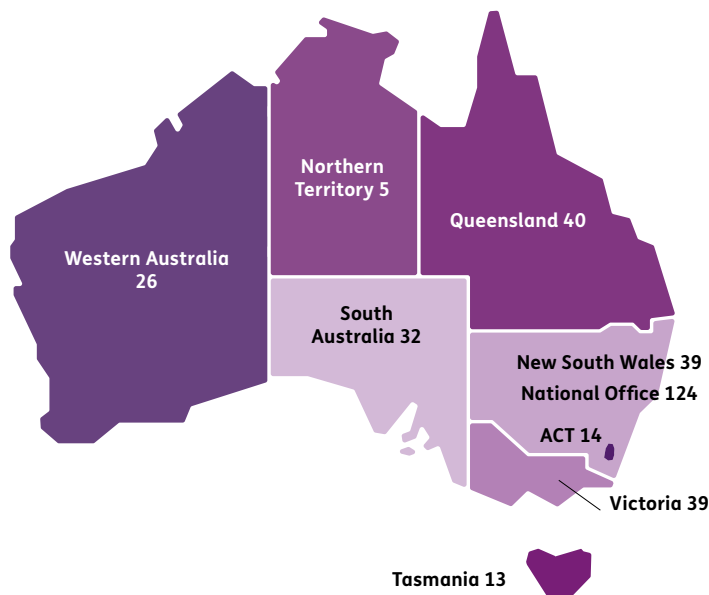
The NDIS Commission is taking a number of actions to address the areas identified for improvement in the census. For example, the NDIS Commission is implementing a number of initiatives to better align our internal communications to staff needs, and has completed volume recruitment to address workload pressures and ensure we have the right people to do our valuable work.

Our People

In 2020–21, we continued to on-board staff across Australia to support our operations in all jurisdictions.

NDIS Quality and Safeguards Commission Staff as at 30 June 2021, APS staff only

Location	National Office	ACT	NSW	NT	Qld	SA	Tas	Vic	WA	Total
Staff	124	14	39	5	40	32	13	39	26	332



Workforce by Location and Employment Type — for the period ending 30 June 2021

State/territory	Ongoing	Non-Ongoing	Total
SA	31	1	32
Qld	39	1	40
ACT	14	0	14
NT	4	1	5
Tas	13	0	13
Vic	38	1	39
WA	26	0	26
NSW	157	6	163
TOTAL	322	10	332

Our workforce mix

Our workforce comprises ongoing APS, non-ongoing APS, and labour hire (contractor) employees. As at 30 June 2021, our total APS employee headcount was 332.

In September 2020, the Government announced additional funding over four years for the NDIS Commission, including funding for more than 100 new permanent public servants to do the work of ensuring the safety and wellbeing of NDIS participants. Immediately following Budget 2020–21, the NDIS Commission commenced recruitment activity to bring on these staff.

The Average Staffing Level (ASL) cap in the Portfolio Budget Statements (PBS) for 2020–21 was 350.

As at 30 June 2021, the NDIS Commission's ASL was 255, and our Full-Time Equivalent (FTE) employee count was 325.

Of our 332 APS employees, 97% are ongoing employees with 3% engaged on a non-ongoing basis. Approximately 71% of our workforce is female.

All Ongoing Employees — for the period ending 30 June 2021

State/territory	Female Full time	Female Part time	Male Full time	Total
NSW	102	20	35	157
Qld	23	1	15	39
SA	21	4	6	31
Tas	3	3	7	13
Vic	22	2	14	38
WA	17	2	7	26
ACT	8	0	6	14
NT	3	0	1	4
Total	199	32	91	322

All Non-Ongoing Employees — for the period ending 30 June 2021

State/territory	Female Full time	Male Full time	Total
NSW	3	3	6
Qld	1	0	1
SA	0	1	1
Vic	1	0	1
NT	1	0	1
Total	6	4	10

Ongoing Employees by Classification — for the period ending 30 June 2021

APS Classification	Female Full time	Female Part time	Male Full time	Total
APS3	1	1	0	2
APS4	15	0	5	20
APS5	44	8	14	66
APS6	63	15	24	102
EL1	49	5	28	82
EL2	22	3	15	40
SES BAND 1	4	0	1	5*
SES BAND 2	1	0	3	4
NDIS Quality and Safeguards Commissioner	0	0	1	1
Total	199	32	91	322

* One employee on long-term leave.

Non-ongoing Employees by Classification — for the period ending 30 June 2021

APS Classification	Female full time	Male full time	Total
APS3	0	1	1
APS4	1	0	1
APS5	2	1	3
APS6	1	0	1
EL1	0	1	1
EL2	2	1	3
Total	6	4	10

Diversity

The NDIS Commission is committed to developing and implementing action plans to celebrate the diversity of the NDIS Commission and the Australian community. Where NDIS Commission-specific action plans are not yet available, we leverage the APSC Commission (APSC) action plans.

The NDIS Commission has established a Reconciliation Action Plan Committee to develop the NDIS Commission's inaugural Reconciliation Action Plan. We are committed to supporting and developing staff awareness of Indigenous affairs. In 2020–21, the NDIS Commission participated in the APSC Jawun secondment program, with one staff member participating in the program.

We also undertake cultural awareness e-learning programs.

The NDIS Commission, in partnership with CareerTrackers, is participating in an internship program that places Indigenous students with the NDIS Commission during their university breaks. The NDIS Commission placed three students during 2020–21.

We celebrated NAIDOC day during National Reconciliation week, which ran from 27 May to 3 June 2021.

Employees who identified as Aboriginal and / or Torres Strait Islander — for the period ending 30 June 2021

Ongoing	8
Total	8

We support flexible working arrangements, with 9.6% of our employees accessing part-time working agreements.

Employees by full time and part-time status — for the period ending 30 June 2021

APS Classification	Ongoing Full time	Ongoing Part time	Non-ongoing Full time	Total
APS3	1	1	1	3
APS4	20	0	1	21
APS5	58	8	3	69
APS6	87	15	1	103
EL1	77	5	1	83
EL2	37	3	3	43
SES BAND 1	5	0	0	5*
SES BAND 2	4	0	0	4
SES BAND 3	0	0	0	0
NDIS Quality and Safeguards Commissioner	1	0	0	1
Total	290	32	10	332

* One employee on long-term leave.

We strive to source a quality workforce who have lived experience of disability. As at 30 June 2021, 8.4% of our employees had shared their disability status with us.

Employees with Disability who have shared that status — for the period ending 30 June 2021

Ongoing	28
Total	28

Enterprise agreement

The NDIS Quality and Safeguards Commission Enterprise Agreement 2019–2022 was negotiated and approved consistent with the Workplace Bargaining Policy 2018 and came into effect on 15 October 2019. Our Enterprise Agreement provides the employment terms for our non-SES APS employees. More information about remuneration in the APS is available in the APSC's Remuneration Report available at www.apsc.gov.au.

Negotiations toward our next Enterprise Agreement will commence during 2021–22.

Remuneration

Senior Executive Service (SES) Remuneration

The Remuneration Tribunal sets the remuneration and conditions for the NDIS Commissioner. SES employees' remuneration and employment conditions are provided via individual Determinations under Section 24 of the Public Service Act, which may deviate from standard salary ranges.

Total remuneration for SES employees includes salary, Executive Vehicle Allowance, and superannuation. Superannuation arrangements vary depending on whether an SES employee is a Defined Benefits Scheme member or a member of an accumulation fund. In 2020–21, the salary ranges for SES employees are:

- ♦ SES Band 1: \$174,710 – \$203,042
- ♦ SES Band 2: \$225,472 – \$251,443

No SES staff received performance pay.

Non-Senior Executive Service remuneration

The NDIS Quality and Safeguards Commission Enterprise Agreement 2019–2022 (the Agreement) provides salary entitlements and employment terms for non-SES employees. The Agreement includes provision for salary advancement subject to satisfactory performance and other factors, and for the payment of a range of allowances such as Workplace Contact Officer Allowance, Higher Duties Allowance, and reimbursement of reasonable costs associated with relocations.

No non-SES staff received performance pay. The salary ranges for 2020–21 are shown in the following table:

APS Classification	Annual salary rate \$
APS 1	45,344 – 51,757
APS 2	52,995 – 60,151
APS 3	61,245 – 67,781
APS 4	69,388 – 76,074
APS 5	76,204 – 83,008
APS 6	83,468 – 95,695
EL1	103,997 – 120,410
EL2	122,576 – 147,410
SES 1	174,710 – 203,042
SES 2	225,472 – 251,443

The following salary ranges are for employees who work in the legal field.

APS Classification	Local Title	Annual Salary Rate
APS Level 4	Lawyer	74,960 – 76,074
Soft Barrier – Work Value/Availability Barrier		
APS Level 5	Lawyer	82,072 – 83,008
Soft Barrier – Work Value/Availability Barrier		
APS Level 6	Lawyer	85,137 – 96,988
Hard Barrier – Advancement subject to a merit process		
Executive Level 1	Senior Lawyer	111,794 – 129,139
Hard Barrier – Advancement subject to a merit process		
Executive Level 2	Principal Lawyer	135,800 – 153,308
Work Value/Availability Barrier		
Executive Level 2	Special Counsel	153,725

Non-salary benefits

Non-salary benefits provided to employees include leave options, flexible working arrangements (which include part-time work and home based work) and employer superannuation contributions paid to both defined benefits schemes and accumulation funds. Employees also have access to salary packaging, in particular to novated leasing arrangements and salary packaging of superannuation.

SES entitlements are specified in a determination made by the NDIS Commissioner under section 24(1) of the Public Service Act. SES benefits other than salary include salary, parking, and payment of an Executive Vehicle Allowance.

Part 4. Financial Statements

for the year ending 30 June 2021

NDIS Quality and Safeguards Commission

FINANCIAL STATEMENTS

for the year ended 30 June 2021

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NDIS Quality and Safeguards Commission

Statement by the NDIS Commissioner and Chief Financial Officer

In our opinion, the attached financial statements for the year ended 30 June 2021 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the NDIS Quality and Safeguards Commission will be able to pay its debts as and when they fall due.

Signed 

Samantha Taylor PSM

Acting NDIS Quality and Safeguards Commissioner

27 September 2021

Signed 

Catherine Davey

Chief Financial Officer

27 September 2021



INDEPENDENT AUDITOR'S REPORT

To the Minister for the National Disability Insurance Scheme

Opinion

In my opinion, the financial statements of the NDIS Quality and Safeguards Commission (the Entity) for the year ended 30 June 2021:

- (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2021 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2021 and for the year then ended:

- Statement by the NDIS Commissioner and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Administered Schedule of Comprehensive Income;
- Administered Schedule of Assets and Liabilities;
- Administered Reconciliation Schedule;
- Administered Cash Flow Statement; and
- Notes to and forming part of the financial statements, comprising a summary of significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Commissioner is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Reduced Disclosure Requirements and the rules made under the Act. The Commissioner is also responsible for such internal control as the Commissioner determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

GPO Box 707, Canberra ACT 2601
38 Sydney Avenue, Forrest ACT 2603
Phone (02) 6203 7300

In preparing the financial statements, the Commissioner is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Commissioner is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Peter Kerr
Executive Director
Delegate of the Auditor-General
Canberra
27 September 2021

NDIS Quality and Safeguards Commission

Statement of Comprehensive Income

for the year ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000	Original Budget \$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	1.1A	32,927	26,821	44,384
Suppliers	1.1B	25,363	14,765	29,457
Depreciation and amortisation	3.2A	4,709	4,085	4,514
Finance costs	1.1C	178	200	175
Payments for service delivery	1.1D	13,132	10,119	3,559
Write-down and impairment of other assets	3.2A	128	313	-
Total expenses		76,437	56,303	82,089
Own-Source Income				
Own-source revenue				
Other revenue	1.2A	920	5,128	-
Total own-source revenue		920	5,128	-
Gains				
Other Gains		15	105	-
Total gains		15	105	-
Total own-source Income		935	5,233	-
Net cost of services		(75,502)	(51,070)	(82,089)
Revenue from Government	1.2B	82,428	49,615	82,428
Total comprehensive Income / (Loss)		6,926	(1,455)	339

The above statement should be read in conjunction with the accompanying notes.

For budgetary reporting information refer to Note 8.2A.

NDIS Quality and Safeguards Commission

Statement of Financial Position

as at 30 June 2021

	Notes	2021 \$'000	2020 \$'000	Original Budget \$'000
ASSETS				
Financial Assets				
Cash and cash equivalents	3.1A	145	329	2,983
Trade and other receivables	3.1B	27,821	14,704	11,440
Total financial assets		27,966	15,033	14,423
Non-Financial Assets¹				
Leasehold improvements	3.2A	8,409	8,301	10,200
Buildings	3.2A	16,984	17,012	13,529
Plant and equipment	3.2A	1,729	1,294	1,345
Other non-financial assets	3.2B	222	15	-
Total non-financial assets		27,344	26,622	25,074
Total assets		55,310	41,655	39,497
LIABILITIES				
Payables				
Suppliers	3.3A	5,223	799	991
Other payables	3.3B	859	525	386
Total payables		6,082	1,324	1,377
Provisions				
Employee provisions	6.1A	6,199	5,121	5,491
Other provisions	3.5A	1,076	821	821
Total provisions		7,275	5,942	6,312
Interest Bearing Liabilities				
Leases	3.4A	17,474	17,216	14,240
Total interest bearing liabilities		17,474	17,216	14,240
Total liabilities		30,831	24,482	21,929
Net assets		24,479	17,173	17,568
EQUITY				
Contributed equity		12,047	11,667	15,548
Asset revaluation reserve		-	-	29
Retained surplus		12,432	5,506	1,991
Total equity		24,479	17,173	17,568

The above statement should be read in conjunction with the accompanying notes.

1. Right-of-use assets are included in Buildings and represent the total balance.

For budgetary reporting information refer to Note 8.2A.

NDIS Quality and Safeguards Commission

Statement of Changes in Equity

for the year ended 30 June 2021

Notes	2021 \$'000	2020 \$'000	Original Budget \$'000
CONTRIBUTED EQUITY			
Opening balance	11,667	7,598	11,668
Transactions with owners			
Contributions by owners			
Departmental capital budget	3,880	-	3,880
Equity injection	-	4,069	-
Section 51 Withholding ¹	(3,500)	-	-
Total transactions with owners	380	4,069	3,880
Closing balance as at 30 June	12,047	11,667	15,548
RETAINED EARNINGS			
Opening balance	5,506	4,714	1,652
Adjustment on initial application of AASB 16	-	2,247	-
Comprehensive income			
Surplus / (Deficit) for the period	6,926	(1,455)	339
Total comprehensive income	6,926	(1,455)	339
Closing balance as at 30 June	12,432	5,506	1,991
ASSET REVALUATION RESERVE			
Opening balance	-	-	29
Total comprehensive income	-	-	-
Closing balance as at 30 June	-	-	29
TOTAL EQUITY			
Opening balance	17,173	12,312	13,349
Adjustment on initial application of AASB 16	-	2,247	-
Section 51 Withholding ¹	(3,500)	-	-
Comprehensive income			
Income / (Loss) for the period	6,926	(1,455)	339
Total comprehensive income	6,926	(1,455)	339
Transactions with owners			
Contributions by owners			
Departmental capital budget	3,880	-	3,880
Equity injection	-	4,069	-
Total transactions with owners	3,880	4,069	3,880
Closing balance as at 30 June	24,479	17,173	17,568

The above statement should be read in conjunction with the accompanying notes.

For budgetary reporting information refer to Note 8.2A.

- Section 51 withholding of \$3.5 million was confirmed on 23 June 2021. The amount had previously been quarantined in 2019-20 by Department of Finance for administrative purposes.

Accounting Policy

Equity injections

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) and Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in that year.

NDIS Quality and Safeguards Commission

Cash Flow Statement

for the year ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000	Original Budget \$'000
OPERATING ACTIVITIES				
Cash received				
Appropriations		67,370	48,317	82,410
GST received		2,534	1,890	-
Section 74 cash received		1,701	5,923	-
Total cash received		71,605	56,130	82,410
Cash used				
Employees		31,591	25,769	44,366
Suppliers		35,964	22,013	32,957
Interest payments on lease liabilities		168	194	175
Section 74 receipts transferred to OPA		1,701	5,923	-
Total cash used		69,424	53,899	77,498
Net cash from operating activities		2,181	2,231	4,912
INVESTING ACTIVITIES				
Cash used				
Purchase of leasehold improvements		944	3,085	3,380
Purchase of property, plant and equipment		1,118	621	500
Total cash used		2,062	3,706	3,880
Net cash used by investing activities		(2,062)	(3,706)	(3,880)
FINANCING ACTIVITIES				
Cash received				
Contributed equity		2,062	3,706	3,880
Total cash received		2,062	3,706	3,880
Cash used				
Principal payments of lease liabilities		2,365	2,282	2,258
Total cash used		(2,365)	(2,282)	(2,258)
Net cash (used by) / from financing activities		(303)	1,424	1,622
Net decrease in cash held		(184)	(51)	2,654
Cash and cash equivalents at the beginning of the reporting period		329	380	329
Cash and cash equivalents at the end of the reporting period	3.1A	145	329	2,983

The above statement should be read in conjunction with the accompanying notes.

For budgetary reporting information refer to Note 8.2A.

NDIS Quality and Safeguards Commission

Administered Schedule of Comprehensive Income

for the year ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000	Original Budget \$'000
NET COST OF SERVICES				
Expenses				
Suppliers	2.1A	13	341	500
Grants	2.1B	3,498	4,783	4,445
Total expenses		3,511	5,124	4,945
Income				
Fines and penalties	2.2A	145	13	-
Total Income		145	13	-
Net cost of services		(3,366)	(5,111)	(4,945)
Deficit		(3,366)	(5,111)	(4,945)
Total comprehensive loss		(3,366)	(5,111)	(4,945)

The above statement should be read in conjunction with the accompanying notes.
For budgetary reporting information refer to Note 8.2B.

NDIS Quality and Safeguards Commission

Administered Schedule of Assets and Liabilities

as at 30 June 2021

	Notes	2021 \$'000	2020 \$'000	Original Budget \$'000
Assets				
Financial assets				
Trade and other receivables	4.1A	350	211	211
Total financial assets		350	211	211
Total assets administered on behalf of government		350	211	211
LIABILITIES				
Payables				
Suppliers payable	4.2A	41	97	96
Grants payable		-	-	10
Total payables		41	97	106
Total liabilities administered on behalf of government		41	97	106
Net Assets		309	114	105

The above statement should be read in conjunction with the accompanying notes.

For budgetary reporting information refer to Note 8.2B.

NDIS Quality and Safeguards Commission

Administered Reconciliation Schedule

for the year ended 30 June 2021

	2021	2020
Notes	\$'000	\$'000
Opening assets less liabilities as at 1 July	114	(16)
Adjusted opening assets less liabilities	114	(16)
Net cost of services		
Income	145	13
Expenses	(3,511)	(5,124)
Transfers (to)/from the Australian Government		
Appropriation transfers from the Official Public Account		
Annual appropriations		
Payments to entities other than corporate Commonwealth entities	3,923	5,968
Appropriation transfers to the Official Public Account		
GST receipts transferred to the Official Public Account	(217)	(714)
Administered receipts transferred to the Official Public Account	(145)	(13)
Closing assets less liabilities as at 30 June	309	114

The above statement should be read in conjunction with the accompanying notes.

Accounting Policy

Administered cash transfers to and from the Official Public Account

Revenue collected by the entity for use by the Government rather than the entity is administered revenue. Collections are transferred to the Official Public Account (OPA) maintained by the Department of Finance. Conversely, cash is drawn from the OPA to make payments under Parliamentary appropriation on behalf of Government. These transfers to and from the OPA are adjustments to the administered cash held by the entity on behalf of the Government and reported as such in the schedule of administered cash flows and in the administered reconciliation schedule.

NDIS Quality and Safeguards Commission

Administered Cash Flow Statement

for the year ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000	Original Budget \$'000
OPERATING ACTIVITIES				
Cash received				
GST Received		217	714	-
Fines and penalties		145	13	-
Total cash received		362	727	-
Cash used				
Suppliers		75	707	500
Grants		3,848	5,261	4,435
Total cash used		3,923	5,968	4,935
Net cash used by operating activities		(3,561)	(5,241)	(4,935)
Net decrease in cash held		(3,561)	(5,241)	(4,935)
Cash and cash equivalents at the beginning of the reporting period		-	-	-
Cash from Official Public Account				
- Appropriations		3,923	5,968	4,935
Total cash from Official Public Account		3,923	5,968	4,935
Cash to the Official Public Account for				
- Appropriations		362	727	-
Total cash to official public account		362	727	-
Cash and cash equivalents at the end of the reporting period		-	-	-

The above statement should be read in conjunction with the accompanying notes.

For budgetary reporting information refer to Note 8.2B.

NDIS Quality and Safeguards Commission

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Overview

Objectives of the NDIS Quality and Safeguards Commission

The NDIS Quality and Safeguards Commission (the entity) is an Australian Government controlled entity. It is a not-for-profit entity. The objective of the entity is to promote the delivery of quality supports and services to people with disability under the National Disability Insurance Scheme and other prescribed supports and services, including through nationally consistent and responsive regulation, policy development, advice and education.

The basis of preparation

The financial statements are general purpose financial statements as required by section 42 of the *Public Governance, Performance and Accountability Act 2013*.

The financial statements have been prepared in accordance with:

- a) *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR); and
- b) Australian Accounting Standards and Interpretations – Reduced Disclosure Requirements issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities which are recorded at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars, unless otherwise specified.

New accounting standards

All new/revised/amending standards and/or interpretations that were issued prior to the sign-off date and are applicable to the current reporting period did not have a material effect on the entity's financial statements.

AASB 1059 *Service Concession Arrangements: Grantors* became effective from 1 July 2020 and did not have a material effect on the entity's financial statements.

Taxation

The entity is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Reporting of administered activities

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the administered schedules and related notes.

Except where otherwise stated, administered items are accounted for on the same basis and using the same policies as for departmental items, including the application of Australian Accounting Standards.

Events after the reporting period

There are no known events occurring after the reporting period that could have a material impact on the financial statements.

NDIS Quality and Safeguards Commission

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. Financial Performance

This section analyses the financial performance of the NDIS Commission for the period ended 30 June 2021.

1.1 Expenses

	2021	2020
	\$'000	\$'000
Note 1.1A: Employee Benefits		
Wages and salaries	24,368	20,103
Superannuation		
Defined contribution plans	3,450	2,816
Defined benefit plans	829	794
Leave and other entitlements	4,109	3,005
Separation and redundancies	171	103
Total employee benefits	32,927	26,821

Accounting Policy

Accounting policies for employee related expenses are contained in Note 6, People and Relationships.

Note 1.1B: Suppliers

Goods and services supplied or rendered

Consultants	75	768
Contractors	15,400	8,425
Travel	277	816
IT services	285	186
Property	674	549
Legal fees	535	296
Stakeholder engagement	12	261
Training	578	380
Printing & publications	1,200	871
Contractual services	3,177	1,032
Audit fees	294	106
Other	1,276	815
Total goods and services supplied or rendered	23,783	14,505

Goods supplied	1,628	1,425
Services rendered	22,155	13,080
Total goods and services supplied or rendered	23,783	14,505

Other suppliers

Workers compensation expenses	160	180
Short-term leases	1,420	80
Total other suppliers	1,580	260
Total suppliers	25,363	14,765

Settlement is usually made for suppliers within 20 days (2020: 20 days).

The NDIS Quality and Safeguards Commission has contractual commitments for short-term leases for its temporary office locations. The short-term lease commitment as at 30 June 2021 was \$0.5 million including GST (2020: nil).

NDIS Quality and Safeguards Commission

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Accounting Policy

Short-term leases and leases of low-value assets

The Entity has elected not to recognise right-of-use assets and lease liabilities for short-term leases of assets that have a lease term of 12 months or less. The entity had 11 short term leases that were the temporary locations for the offices in Canberra, Parramatta, Darwin, Brisbane, Hobart, Melbourne and Perth whilst the permanent office locations were fitted out. The short term leases also included the leases with Department of Social Services under a MOU for Surry Hills, Darwin and Hobart office spaces.

	2021	2020
	\$'000	\$'000
Note 1.1C: Finance Costs		
Interest on lease liabilities	171	194
Unwinding of discount	7	6
Total finance costs	<u>178</u>	<u>200</u>

Accounting Policy

All borrowing costs are expensed as incurred.

Note 1.1D: Payment for Service Delivery

Payment for service delivery	<u>13,132</u>	<u>10,119</u>
Total payment for service delivery	<u>13,132</u>	<u>10,119</u>

The above service delivery disclosures should be read in conjunction with the accompanying note 6.3.

Accounting Policy

Payments for services delivered by other government entities are recognised as incurred.

NDIS Quality and Safeguards Commission

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1.2 Own-Source Revenue and Gains

	2021 \$'000	2020 \$'000
Note 1.2A: Other Revenue		
Resources received free of charge		
Remuneration of auditors	110	106
Other revenue		
Other	810	5,022
Total other revenue	920	5,128

The entity received \$0.8 million (2020: \$5.0 million) from Department of Social Services.

Accounting Policy

Resources Received Free of Charge

Resources received free of charge are recognised in revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

Other Revenue

Other revenue is recognised in revenue when, and only when, a fair value can be reliably determined.

Note 1.2B: Revenue from Government

Appropriations		
Departmental appropriations	82,428	49,615
Total revenue from Government	82,428	49,615

Accounting Policy

Revenue from Government

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as revenue from Government when the entity gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned.

NDIS Quality and Safeguards Commission

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

2. Income and Expenses Administered on Behalf of Government

This section analyses the activities that the NDIS Commission does not control but administers on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for departmental reporting.

2.1 Administered – Expenses

	2021 \$'000	2020 \$'000
Note 2.1A: Suppliers		
Goods and services supplied or rendered		
IT services	–	5
Provider support	13	306
Other	–	30
Total goods and services supplied or rendered	13	341
Goods supplied	–	172
Services rendered	13	169
Total goods and services supplied or rendered	13	341
Total suppliers	13	341
Note 2.1B: Grants		
Goods and services supplied or rendered		
Private sector		
Not-for-profit organisations	3,498	4,783
Total grants	3,498	4,783

Accounting Policy

The entity administers a number of grants on behalf of the Government. Grant liabilities are recognised to the extent that (i) the services required to be performed by the grantee have been performed or (ii) the grant eligibility criteria have been satisfied, but payments due have not been made. When the Government enters into an agreement to make these grants and services but services have not been performed or criteria satisfied, this is considered a commitment.

2.2 Administered – Income

	2021 \$'000	2020 \$'000
Note 2.2A: Fines and penalties		
Fines and penalties	145	13
Total fines and penalties	145	13

3. Financial Position

This section analyses the NDIS Commission's assets used to conduct its operations and the operating liabilities incurred as a result. Employee related information is disclosed in Note 6, People and Relationships.

3.1 Financial Assets

	2021 \$'000	2020 \$'000
Note 3.1A: Cash and Cash Equivalents		
Cash on hand	145	329
Total cash and cash equivalents	145	329

Accounting Policy

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand.

Note 3.1B: Trade and Other Receivables

Appropriation receivables

Appropriations receivables	27,184	13,808
Total appropriation receivables	27,184	13,808

Other receivables

GST receivable from the Australian Taxation Office	509	213
Employee benefits receivable	67	109
Other	61	574
Total other receivables	637	896
Total trade and other receivables (gross)	27,821	14,704
Total trade and other receivables (net)	27,821	14,704

Credit terms for goods and services were within 30 days (2019-20: 30 days).

Accounting Policy

Financial assets

Trade receivables and other receivables that are held for the purpose of collecting the contractual cash flows where the cash flows are solely payments of principal and interest that are not provided at below-market interest rates are subsequently measured at amortised cost using the effective interest method adjusted for any loss allowance.

NDIS Quality and Safeguards Commission

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

3.2 Non-Financial Assets

Note 3.2A: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment

	Leasehold improvements \$'000	Buildings \$'000	Plant and Equipment \$'000	Total \$'000
As at 1 July 2020				
Gross book value	10,269	19,498	1,869	31,636
Accumulated depreciation and amortisation	(1,968)	(2,486)	(575)	(5,029)
Total as at 1 July 2020	8,301	17,012	1,294	26,607
Additions				
Purchase	1,482	–	1,121	2,603
Right-of-use assets	–	1,644	–	1,644
Make good re-measurement	128	–	–	128
Impairments recognised in net cost of services	(128)	–	–	(128)
Depreciation and amortisation	(1,374)	–	(686)	(2,060)
Amortisation of right-of-use assets	–	(2,649)	–	(2,649)
Right-of-use asset reclassification	–	977	–	977
Total as at 30 June 2021	8,409	16,984	1,729	27,122
Total as at 30 June 2021 represented by				
Gross book value	11,751	21,142	2,990	35,883
Accumulated depreciation and amortisation	(3,342)	(4,158)	(1,261)	(8,761)
Total as at 30 June 2021	8,409	16,984	1,729	27,122
Carrying amount of right-of-use assets	–	16,984	–	16,984

During the 2020-21 year, the NDIS Commission impaired the leasehold improvements of its Penrith and Melbourne offices. There were no other indicators of impairment found for property, plant and equipment.

It is not anticipated that any property, plant and equipment will be sold or disposed of within the next 12 months.

Revaluations of non-financial assets

There were no revaluations of non-financial assets during the 2020-21 year.

Revaluations will be conducted in accordance with the revaluation policy stated in the Accounting Policy below.

Contractual commitments inclusive of GST for the acquisition of leasehold improvements

The NDIS Quality and Safeguards Commission has contractual commitments for the acquisition of leasehold improvements in its new office locations. The leasehold improvement commitment as at 30 June 2021 was \$2.0 million including GST (2020: \$0.03 million).

Accounting Policy

Assets are recorded at cost of acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to the restructuring.

Asset recognition threshold

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than \$2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'make good' provisions in office accommodation leases taken up by the entity where there exists an obligation to restore the office to its original condition. These costs are included in the value of the entity's leasehold improvements with a corresponding provision for the 'make good' recognised. Leasehold improvement assets have a recognition threshold of \$10,000.

Lease Right of Use (ROU) Assets

Leased ROU assets are capitalised at the commencement date of the lease and comprise the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received.

These assets are accounted for by Commonwealth lessees as separate asset classes to corresponding assets owned outright, but included in the same column as where the corresponding underlying assets would be presented if they were owned.

Following initial application of AASB 16 last year, an impairment review was undertaken for any right of use lease asset that shows indicators of impairment and an impairment loss was recognised against any right of use lease asset that was impaired. Leased ROU assets continue to be measured at cost after initial recognition in Commonwealth agency, GGS and Whole of Government financial statements.

Revaluations

Following initial recognition at cost, property, plant and equipment (**excluding right-of-use assets**) are carried at fair value. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets did not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the entity using, in all cases, the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current or future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives.

Asset class	Useful life
Plant and equipment	3-10 years
Leasehold improvements	Lesser of 10 years or the lease term

The amortisation rates for right-of-use assets are based on the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Impairment

All assets were assessed for impairment at 30 June 2021. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the entity were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

NDIS Quality and Safeguards Commission

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

	2021 \$'000	2020 \$'000
Note 3.2B: Other Non-Financial Assets		
Prepayments	222	15
Total other non-financial assets	<u>222</u>	<u>15</u>

No indicators of impairment were found for other non-financial assets.

Accounting Policy

Other non-financial assets are measured at fair value.

3.3 Payables

	2021 \$'000	2020 \$'000
Note 3.3A: Suppliers		
Trade creditors and accruals	5,101	748
Other suppliers	122	51
Total suppliers	<u>5,223</u>	<u>799</u>

Settlement is usually made for suppliers within 20 days (2019-20: 20 days).

Note 3.3B: Other Payables

Salaries and wages	609	329
Superannuation	101	57
Other	149	139
Total other payables	<u>859</u>	<u>525</u>

Accounting Policy

Supply and other payables are recognised at amortised costs. Liabilities are recognised to the extent that the goods or services have been received.

NDIS Quality and Safeguards Commission

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

3.4 Interest Bearing Liabilities

	2021 \$'000	2020 \$'000
Note 3.4A: Leases		
Lease Liabilities		
Buildings	17,474	17,216
Total leases	17,474	17,216

Total cash outflow for leases for the year ended 30 June 2021 was \$4.1 million (2020 \$2.7 million) which includes principle, interest and short-term lease payments.

Maturity analysis – contractual undiscounted cash flows

Within 1 year	2,805	2,440
Between 1 to 5 years	13,048	12,917
More than 5 years	2,152	2,566
Total leases	18,005	17,923

The above lease disclosures should be read in conjunction with the accompanying notes 1.1B, 1.1C and 3.2.

Accounting Policy

For all new contracts entered into, the NDIS Quality and Safeguards Commission considers whether the contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Once it has been determined that a contract is, or contains a lease, the lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease, if that rate is readily determinable, or the department's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification to the lease. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or profit and loss depending on the nature of the reassessment or modification.

NDIS Quality and Safeguards Commission

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

3.5 Provisions

Note 3.5A: Other Provisions

	Make Good Provisions
	\$'000
As at 1 July 2020	821
Provision for Make Good	120
Additional provisions made	128
Unwinding of discount	7
Total as at 30 June 2021	1,076

Accounting Judgement and Estimates

'Make good' provision

The fair value of 'make good' for leasehold improvements is based on estimated costs per square metre on a site by site basis and is included as a provision for 'make good'. The value of the provision for each property will depend on the rate and assessed cost of the 'make good' obligation applied to the premises in the lease. The NDIS Quality and Safeguards Commission's management have determined that not all properties have a 'make good' obligation.

4. Assets and Liabilities Administered on Behalf of Government

This section analyses assets used to conduct operations and the operating liabilities incurred as a result that NDIS Commission does not control but administers on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for departmental reporting.

4.1 Administered – Financial Assets

	2021 \$'000	2020 \$'000
Note 4.1A: Trade and Other Receivables		
Other receivables		
GST receivable from the Australian Taxation Office	350	211
Total other receivables	350	211
Total trade and other receivables	350	211

Credit terms for goods and services were within 30 days (2019-20: 30 days).

4.2 Administered – Payables

	2021 \$'000	2020 \$'000
Note 4.2A: Suppliers Payable		
Suppliers payable	41	97
Total suppliers payable	41	97

Settlement is usually made for suppliers within 20 days (2019-20: 20 days).

NDIS Quality and Safeguards Commission

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

5. Funding

5.1 Appropriations

Note 5.1A: Annual and Unspent Appropriations ('Recoverable GST exclusive')

	2021 \$'000	2020 \$'000
Departmental		
Annual Appropriation		
Ordinary annual services	82,428	49,615
Departmental Capital Budget ⁴	3,880	-
PGPA Act		
Section 74 receipts ²	1,701	5,923
Total annual appropriation	88,009	55,538
Appropriation applied (current and prior years) ³	70,624	54,291
Variance⁵	17,385	1,247
Opening unspent appropriation balance	13,444	12,197
Closing unspent appropriation as follows:	30,829	13,444
Balance comprises appropriations as follows:		
Cash (Appropriation Act (No. 1) 2020-21)	145	-
Cash (Appropriation Act (No. 1) 2019-20)	-	329
Appropriation Act (No.1) 2019-20 ¹	3,500	13,100
Supply Act (No.1) 2019-20	-	15
Appropriation Act (No.1) 2020-21	22,397	-
Appropriation Act Supply Act (No.1) 2020-21	2,276	-
Appropriation Act (No.1) 2020-21 DCB	2,511	-
Total unspent appropriation - Ordinary annual services	30,829	13,444
Other services		
Annual Appropriation		
Appropriation Act (No.2) 2019-20 Equity Injections	-	331
Supply Act (No.2) 2019-20 Equity Injections	-	238
Appropriation Act (No.4) 2019-20 Equity Injections	-	3,500
Total annual appropriation	-	4,069
Appropriation applied (current and prior years)	692	3,706
Variance⁶	(692)	363
Opening unspent appropriation balance	692	329
Closing unspent appropriation balance	-	692
Balance comprises appropriations as follows:		
Appropriation Act (No.4) 2019-20 Equity Injections	-	692
Total unspent appropriation	-	692

1. Section 51 withholding of \$3.5 million was confirmed on 23 June 2021. The amount had previously been quarantined in 2019-20 by Department of Finance for administrative purposes.
2. The departmental appropriation section 74 receipts are largely receipts from Department of Social Services and receipt of employee leave transfers.
3. The Department of Social Services draws down money from the Consolidated Revenue Fund (CRF) in order to make payments on behalf of the NDIS Quality and Safeguards Commission under a shared service arrangement.
4. Departmental Capital Budgets are appropriated through Appropriation Acts (No.1, 3, 5). They form part of ordinary annual services, and are not separately identified in the Appropriation Acts.
5. The departmental variance primarily relates to savings made in employee benefits caused by delays in completing bulk recruitment activities for additionally funded 108 staff.
6. The equity injection variance relates to completion of capital works funded in the prior year by equity injection.

NDIS Quality and Safeguards Commission

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 5.1B: Annual and Unspent Appropriations ('Recoverable GST exclusive')

	2021 \$'000	2020 \$'000
Administered		
Annual appropriation		
Ordinary annual services	4,945	5,733
Total annual appropriation	4,945	5,733
Appropriation applied (current and prior years) ^{1,2}	3,566	5,476
Variance³	1,379	257
Opening unspent appropriation balance	2,530	2,273
Closing unspent appropriation balance	3,909	2,530
Balance comprises appropriations as follows:		
Appropriation Act (No.2) 2018-19 New Administered Outcomes	1,733	1,733
Appropriation Act (No.3) 2019-20	791	791
Supply Act (No.1) 2019-20	6	6
Appropriation Act (No.1) 2020-21	1,312	-
Supply Act (No.1) 2020-21	67	-
Total unspent appropriation - Ordinary annual services	3,909	2,530

1. The Department of Social Services draws down money from the Consolidated Revenue Fund (CRF) in order to make payments on behalf of the NDIS Quality and Safeguards Commission under a shared service arrangement.
2. Appropriations applied were lower in the prior year due to a delay in establishing the transitional education and training resources for providers.
3. The administered variance represents unspent appropriations due to completion of transitional education and training resources in relation to Western Australia and the result of delays in assessing grant rounds.

NDIS Quality and Safeguards Commission

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

5.2 Net Cash Appropriations Arrangements

	2021	2020
	\$'000	\$'000
Total comprehensive income/(loss) - as per the Statement of Comprehensive Income	6,926	(1,455)
Plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) ¹	2,060	1,599
Plus: amortisation of right-of-use assets ²	2,649	2,486
Less: lease principal repayments ²	(2,365)	(2,282)
Net Cash Operating Surplus	9,270	348
Income attributable to NDIS Quality and Safeguards Commission	9,270	348

1. From 2010-11, the Government introduced net cash appropriation arrangements where revenue appropriations for depreciation/amortisation expenses of non-corporate Commonwealth entities and selected corporate Commonwealth entities were replaced with a separate capital budget provided through equity injections. Capital budgets are to be appropriated in the period when cash payment for capital expenditure is required.
2. The inclusion of amortisation expenses relating to ROU leased assets and the lease liability principal repayment amount reflect the impact of adopting AASB 16 in 2019-20 and does not directly reflect a change in appropriation arrangements.

6. People and Relationships

This section describes a range of employment and post-employment benefits provided to our employees and our relationships with other key people.

6.1 Employee Provisions

	2021	2020
	\$'000	\$'000
Note 6.1A: Employee Provisions		
Leave	6,199	5,121
Total employee provisions	6,199	5,121

Accounting Policy

Liabilities for short-term employee benefits and termination benefits expected within twelve months of the end of reporting period are measured at their nominal amounts.

Long-term employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

Leave

The liability for employee benefits includes provision for annual leave and long service leave. The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the entity's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination. The liability for long service leave has been determined using the shorthand method (as per the *Commonwealth Entities Financial Statements Guide*) and the *Standard Parameters for use in Financial Statements*. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Superannuation

The entity's staff are members of the *Commonwealth Superannuation Scheme (CSS)*, the *Public Sector Superannuation Scheme (PSS)*, or the *PSS accumulation plan (PSSap)*, or other superannuation funds held outside the Australian Government.

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes. The entity makes employer contributions to the employees' defined benefit superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government. The entity accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions.

NDIS Quality and Safeguards Commission

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

6.2 Key Management Personnel Remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. The entity has determined the key management personnel to be the members of the Executive Leadership Team (ELT). These included the Accountable Authority (Commissioner), Registrar, Complaints Commissioner, Senior Practitioner and Chief Operating Officer.

Key management personnel remuneration is reported in the table below:

	2021	2020
	\$'000	\$'000
Short-term employee benefits	1,678	1,684
Post-employment benefits	242	237
Other long-term employee benefits	34	34
Termination benefits	-	100
Total key management personnel remuneration expenses¹	1,954	2,055

The total number of key management personnel that are included in the above table are five (2020: seven).

1. The above key management personnel remuneration excludes the remuneration and other benefits of the Portfolio and Cabinet Ministers. The Portfolio and Cabinet Ministers' remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the entity.

6.3 Related Party Disclosures

Related party relationships:

The entity is an Australian Government controlled entity. Related parties to this entity are key management personnel including the Portfolio and Cabinet Ministers.

Transactions with related parties:

Given the breadth of Government activities, related parties may transact with the Government sector in the same capacity as ordinary citizens. These transactions have not been separately disclosed in this note.

The following transactions with related entities occurred during the financial year:

- ♦ The entity received ICT services delivered by Services Australia amounting to \$12.2m (2020: nil)
- ♦ The entity received business services delivered by Department of Social Services (DSS) amounting to \$0.7m (2020: \$9.4m for ICT services and \$0.7m for business services). In addition, DSS transferred \$5.0 million in financial assistance to NDIS Commission in June 2020.
- ♦ The entity received business services delivered by Australian Public Service Commission amount to \$0.1m.

NDIS Quality and Safeguards Commission

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

7. Managing Uncertainties

This section analyses how the NDIS Commission manages financial risks within its operating environment.

7.1 Contingent Assets and Liabilities

As at 30 June 2021, the NDIS Quality and Safeguards Commission did not have any material contingent assets or contingent liabilities (2020: nil).

Accounting Policy

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

7.2 Financial Instruments

	2021 \$'000	2020 \$'000
Note 7.2A: Categories of Financial Instruments		
Financial Assets		
Financial assets at amortised cost		
Cash	145	329
Other	61	574
Total financial assets at amortised cost	206	903
Total financial assets	206	903
Financial Liabilities		
Financial liabilities measured at amortised cost		
Suppliers	5,223	799
Total financial liabilities measured at amortised cost	5,223	799
Total financial liabilities	5,223	799

	2021 \$'000	2020 \$'000
Note 7.2B: Administered - Categories of Financial Instruments		
Financial Liabilities		
Financial liabilities measured at amortised cost		
Suppliers payable	41	97
Total financial liabilities measured at amortised cost	41	97
Total financial liabilities	41	97

NDIS Quality and Safeguards Commission

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Accounting Policy

Financial assets

In accordance with AASB 9 Financial Instruments, the entity classifies its financial assets at amortised cost.

The classification depends on both the entity's business model for managing the financial assets and contractual cash flow characteristics at the time of initial recognition. Financial assets are recognised when the entity becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash and derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon trade date.

Financial Assets at Amortised Cost

Financial assets included in this category need to meet two criteria:

1. the financial asset is held in order to collect the contractual cash flows; and
2. the cash flows are solely payments of principal and interest (SPPI) on the principal outstanding amount.

Impairment of financial assets

Financial assets are assessed for impairment at the end of each reporting period based on expected credit losses, using the general approach which measures the loss allowance based on an amount equal to *lifetime expected credit losses* where risk has significantly increased or an amount equal to *12-month expected credit losses* if risk not increased.

Financial liabilities

Financial liabilities are classified as other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Financial liabilities at amortised cost

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective interest basis.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

8. Other Information

8.1 Current/non-current distinction for assets and liabilities

	2021 \$'000	2020 \$'000
Note 8.1A: Current/non-current distinction for assets and liabilities		
Assets expected to be recovered in:		
No more than 12 months		
Cash and cash equivalents	145	329
Trade and other receivables	27,821	14,704
Leasehold improvements	–	2,565
Other non-financial assets	222	15
Total no more than 12 months	28,188	17,613
More than 12 months		
Buildings	16,984	17,012
Leasehold improvements	8,409	5,736
Plant and equipment	1,729	1,294
Total more than 12 months	27,122	24,042
Total assets	55,310	41,655
Liabilities expected to be settled in:		
No more than 12 months		
Suppliers	5,223	799
Other payables	859	525
Leases	2,423	2,058
Employee provisions	3,041	2,360
Total no more than 12 months	11,546	5,742
More than 12 months		
Leases	15,051	15,158
Employee provisions	3,157	2,761
Other provisions	1,076	821
Total more than 12 months	19,284	18,740
Total liabilities	30,830	24,482

NDIS Quality and Safeguards Commission
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

	2021 \$'000	2020 \$'000
<u>Note 8.1B: Administered - Current/non-current distinction for assets and liabilities</u>		
Assets expected to be recovered in:		
No more than 12 months		
Trade and other receivables	350	211
Total no more than 12 months	350	211
Total assets	350	211
Liabilities expected to be settled in:		
No more than 12 months		
Suppliers	41	97
Total no more than 12 months	41	97
Total liabilities	41	97

NDIS Quality and Safeguards Commission

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

8.2 Explanation of Major Variances to Budget

Note 8.2A: Departmental Major Budget Variances for 2021

The following major variances explanations between the Original Budget as presented in the 2020-21 Portfolio Budget Statements and the 2021 financial statements are present in accordance with Australia Accounting Standards.

Major variances are those greater than 10% of the original budget. Variances below this threshold are not included unless considered significant by their nature.

General Commentary

In October 2020, the 2020-21 Budget provided the NDIS Commission with additional funding to support an extra 108 average staffing level as well as an additional \$8.0 million for ICT systems and \$3.9 million for leasehold improvements for expanded offices for the additional staff and additional ICT equipment.

A bulk recruitment drive was planned but as these roles were critical, a similar number of contractors were urgently procured in order to immediately fill the critical roles until the bulk recruitment was completed. This resulted in substantial variances in employee benefits and contractors compared to the original budget estimate.

Explanations of major variances	Affected line items
Total net cost of services was \$6.6 million lower than the Budget as a result of:	
The postponing of 2020-21 Budget to October 2020 resulted in recruitment commencing in November for the additional new staff that together with progressive onboarding created substantial savings.	Employee benefits expense
2020-21 Budget included \$8 million for ICT system enhancements that was paid to Services Australia under Payments for Service Delivery. This was offset by a substantial increase in contractors.	Suppliers
\$8 million budgeted under suppliers was paid to Services Australia for ICT systems enhancements in addition an increase in costs in relation to ICT shared services delivery due to the increase in staff.	Payments for Service Delivery
Total assets were \$15.8 million higher than the Budget as a result of:	
The appropriation receivable was substantially higher due to the reported surplus, a large increase in creditors and savings in DCB expenditure.	Trade and other receivables
Non-financial assets were higher due to an increase right of use assets reported under buildings and ICT equipment for the increase in staff offset by savings in leasehold improvements.	Non-financial assets
Total liabilities were higher than Budget by \$8.9 million as a result of:	
The invoice from Services Australia for ICT shared services remaining as payable at the end of year.	Total Payables
Employee provisions were higher due to the increase in staff.	Provisions
Increase in the right of use assets reporting under buildings resulting from increased office space for the additional staff.	Leases
Equity was higher than Budget by \$6.9 million in line with the reported surplus.	Equity

NDIS Quality and Safeguards Commission
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 8.2B: Administered Major Budget Variances for 2021

Explanations of major variances	Affected line items
Total administered expenses were \$1.4 million lower than Budget due to: Completion of transition activities in relation to the successful roll out of Perth. Delays in the approval processes for grants	Suppliers Grants
Total administered income were \$0.1 million higher than Budget due to: Infringement notices issued that were not budgeted	Fines and penalties
Net Assets were higher than Budget by \$0.2 million due to: GST receivable from the ATO in relation to the grants paid in June. The majority of suppliers paid by end of year.	Trade and other receivables Suppliers

Part 5. Appendices

PART 5. APPENDICES

Appendix 1: Annual report list of requirements

PGPA Rule Reference	Part of Report	Description	Requirement
17AD(g) Letter of transmittal			
17AI	Page 6	A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the PGPA Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory
17 AD(h) Aids to access			
17AJ(a)	Page 5	Table of contents.	Mandatory
17AJ(b)	Page 122	Alphabetical index.	Mandatory
17AJ(c)	Page 116	Glossary of abbreviations and acronyms.	Mandatory
17AJ(d)	Page 104	List of requirements.	Mandatory
17AJ(e)	Page 124	Details of contact officer.	Mandatory
17AJ(f)	Page 124	Entity's website address.	Mandatory
17AJ(g)	Page 124	Electronic address of report.	Mandatory
17AD(a) Review by accountable authority			
17AD(a)	Page 2	A review by the accountable authority of the entity.	Mandatory
17AD(b) Overview of the entity			
17AE(1)(a)(i)	Page 9	A description of the role and functions of the entity.	Mandatory
17AE(1)(a)(ii)	Page 12	A description of the organisational structure of the entity.	Mandatory
17AE(1)(a)(iii)	Page 9	A description of the outcomes and programmes administered by the entity.	Mandatory
17AE(1)(a)(iv)	Page 8	A description of the purposes of the entity as included in corporate plan.	Mandatory
17AE(1)(aa)(i)	Page 8	Name of the accountable authority or each member of the accountable authority.	Mandatory
17AE(1)(aa)(ii)	Page 8	Position title of the accountable authority or each member of the accountable authority.	Mandatory
17AE(1)(aa)(iii)	Page 8	Period as the accountable authority or member of the accountable authority within the reporting period.	Mandatory
17AE(1)(b)	Not Applicable	An outline of the structure of the portfolio of the entity.	Portfolio departments – mandatory
17AE(2)	Not applicable	Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of and reasons for variation.	If applicable, Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AD(c)		Report on the performance of the entity	
		Annual Performance Statements	
17AD(c)(i); 16F	Page 36	Annual performance statements in accordance with paragraph 39(1) (b) of the Act and section 16F of the Rule.	Mandatory
		Report on financial performance	
17AF(1)(a)	Page 60	A discussion and analysis of the entity's financial performance.	Mandatory
17AF(1)(b)	Page 120	A table summarising the total resources and total payments of the entity.	Mandatory
17AF(2)	Not Applicable	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	If applicable, Mandatory
17AD(d)		Management and accountability	
		Corporate governance	
17AG(2)(a)	Page 56	Information on compliance with section 10 (fraud systems).	Mandatory
17AG(2)(b)(i)	Page 6	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.	Mandatory
17AG(2)(b)(ii)	Page 6	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place.	Mandatory
17AG(2)(b)(iii)	Page 6	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity.	Mandatory
17AG(2)(c)	Page 54	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory
17AG(2)(d) – (e)	Page 60	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the PGPA Act that relates to non-compliance with Finance law, and action taken to remedy non-compliance.	If applicable, Mandatory
		Audit Committee	
17AG(2A)(a)	Page 55	A direct electronic address of the charter determining the functions of the entity's audit committee.	Mandatory
17AG(2A)(b)	Page 55	The name of each member of the entity's audit committee.	Mandatory
17AG(2A)(c)	Page 55	The qualifications, knowledge, skills or experience of each member of the entity's audit committee.	Mandatory
17AG(2A)(d)	Page 55	Information about the attendance of each member of the entity's audit committee at committee meetings.	Mandatory
17AG(2A)(e)	Page 55	The remuneration of each member of the entity's audit committee.	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
External scrutiny			
17AG(3)	Page 57	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory
17AG(3)(a)	Page 57	Information on judicial decisions, and decisions of administrative tribunals and the Australian Information Commissioner that may have a significant effect on the operations of the entity.	If applicable, Mandatory
17AG(3)(b)	Page 57	Information on any reports on operations of the entity by the Auditor-General (other than reports under section 43 of the PGPA Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	If applicable, Mandatory
17AG(3)(c)	Page 57	Information on any capability reviews on the entity that were released during the period.	If applicable, Mandatory
Management of human resources			
17AG(4)(a)	Page 61	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory
17AG(4)(aa)	Page 62	Statistics on the entity's employees on an ongoing and non-ongoing basis, in relation to the following: <ul style="list-style-type: none"> (i) full-time employees (ii) part-time employees (iii) gender (iv) staff location. 	Mandatory
17AG(4)(b)	Pages 62–63	Statistics on the entity's APS employees on an ongoing and non-ongoing basis, in relation to the following: <ul style="list-style-type: none"> (i) each classification level of the entity (ii) full-time employees (iii) part-time employees (iv) gender (v) staff location (vi) employees who identify as Indigenous. 	Mandatory
17AG(4)(c)	Page 63	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the <i>Public Service Act 1999</i> .	Mandatory
17AG(4)(c)(i)	Page 63	Information on the number of SES and non-SES employees covered by agreements etc. identified in paragraph 17AG(4)(c).	Mandatory
17AG(4)(c)(ii)	Page 64	The salary ranges available for APS employees by classification level.	Mandatory
17AG(4)(c)(iii)	Page 64	A description of non-salary benefits provided to employees.	Mandatory
17AG(4)(d)(i)	Page 64	Information on the number of employees at each classification level who received performance pay.	If applicable, Mandatory
17AG(4)(d)(ii)	Not Applicable	Information on aggregate amounts of performance pay at each classification level.	If applicable, Mandatory
17AG(4)(d)(iii)	Not applicable	Information on the average amount of performance payment, and range of such payments, at each classification level.	If applicable, Mandatory
17AG(4)(d)(iv)	Not applicable	Information on aggregate amount of performance payments for the entity.	If applicable, Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
Assets management			
17AG(5)	Not Applicable	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities.	If applicable, mandatory
Purchasing			
17AG(6)	Page 57	An assessment of entity performance against the <i>Commonwealth Procurement Rules</i> .	Mandatory
Reportable consultancy contracts			
17AG(7)(a)	Page 57	A summary statement detailing: <ul style="list-style-type: none"> (i) the number of new consultancy contracts entered into during the period (ii) total actual expenditure on all such contracts (inc. GST) (iii) the number of ongoing consultancy contracts entered into in a previous reporting period (iv) total actual expenditure on those ongoing contracts (incl GST). 	Mandatory
17AG(7)(b)	Page 57	A statement that “ <i>During [reporting period], [specified number] new consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing consultancy contracts were active during the period, involving total actual expenditure of \$[specified million].</i> ”	Mandatory
17AG(7)(c)	Page 57	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged.	Mandatory
17AG(7)(d)	Page 58	A statement that “ <i>Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website.</i> ”	Mandatory
Reportable non-consultancy contracts			
17AG(7A)(a)	Page 58	A summary statement detailing: <ul style="list-style-type: none"> (i) the number of new reportable non-consultancy contracts entered into during the period (ii) total actual expenditure on all such contracts (inc. GST) (iii) the number of ongoing reportable non-consultancy contracts entered into in a previous reporting period (iv) total actual expenditure on those ongoing contracts (inc. GST). 	Mandatory
17AG(7A)(b)	Page 58	A statement that “ <i>Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website.</i> ”	Mandatory
17AD(daa)	Page 58	Additional information about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts	
17AGA	Page 58	Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
Australian National Audit Office access clauses			
17AG(8)	Page 58	If an entity entered into a contract with a value of more than \$100,000 (inc. GST) and the contract did not provide the Auditor-General with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, Mandatory
Exempt contracts			
17AG(9)	Page 58	If an entity entered into a contract or there is a standing offer with a value greater than \$10,000 (inc. GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, Mandatory
Procurement initiatives to support small business			
17AG(10)(a)	Page 58	A statement that “[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance’s website.”	Mandatory
17AG(10)(b)	Page 59	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory
17AG(10)(c)	Not Applicable	If the entity is considered by the Department administered by the Finance Minister as material in nature—a statement that “[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury’s website.”	If applicable, Mandatory
17AD(e) Financial Statements			
17AD(e)	Page 65	Inclusion of the annual financial statements in accordance with subsection 43(4) of the PGPA Act.	Mandatory
17AD(da) Executive remuneration			
17AD(da)	Page 118	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 2-3 of the Rule.	Mandatory
17AD(f) Other mandatory information			
17AH(1)(a)(i)	Not Applicable	If the entity conducted advertising campaigns, a statement that “During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity’s website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance’s website.”	If applicable, Mandatory
17AH(1)(a)(ii)	Page 59	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, Mandatory
17AH(1)(b)	Page 59	A statement that “Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity’s website].”	If applicable, Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AH(1)(c)	Page 54	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory
17AH(1)(d)	Page 54	Website reference to where the entity's Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	Mandatory
17AH(1)(e)	Not Applicable	Correction of material errors in previous annual report.	If applicable, mandatory
17AH(2)	Page 59	Information required by other legislation.	Mandatory

Appendix 2: Work health and safety

The NDIS Commission is committed to promoting continuous work health and safety (WHS) improvements and a positive workplace safety culture. Key WHS initiatives during 2020–21 included:

- ♦ supporting the NDIS Commission’s response to the COVID-19 pandemic through implementation of a number of initiatives such as social distancing, encouraging staff to practice good hygiene in the workplace, working from home, and ergonomic assessments/provision of equipment
- ♦ the provision of advice on health and safety matters, including how to safely return to the workplace
- ♦ the publication of additional information on QSCnet (the NDIS Commission intranet) with fact sheets, posters, checklists and other COVID-19 artefacts
- ♦ actively engaging and consulting with the Work Health and Safety Representatives on the Commission’s response to COVID-19 and other WHS matters.

Other initiatives included:

- ♦ annual flu vaccinations provided to staff at no cost
- ♦ free counselling available to all staff from the Employee Assistance Provider including critical incident support
- ♦ the establishment of a work health and safety portal on QSCnet
- ♦ paid time available for COVID-19 vaccinations (including reasonable travel time)
- ♦ where required, completed COVID-19 checklists and COVID-safe plans, in line with jurisdictional requirements
- ♦ the provision of regular communications and advice in response to the changing conditions resulting from COVID-19
- ♦ work health and safety eLearning via our learning management system (Learnhub) and via links available on the intranet to the Comcare learning management system.

The Comcare premium and associated regulatory charges for 2020–21 came to \$179,755 (including GST).

There were no notifiable incidents in 2020–21.

Appendix 3: Engagement activities, major events and resources

This appendix details engagement activities, including major events, online and social media presence, and resources. In addition, state managers in all states and territories routinely engaged with stakeholders throughout 2020–21. Engagement focused on consolidating education on and information about the NDIS Commission and its functions, including registration and reportable incidents, complaints, restrictive practice, and behaviour support.

National Engagement and Major Events		
1 July 2020	NDIS Commission Industry Consultative Committee – July 2020	Virtually via Webex
16 July 2020	Unauthorised Uses of Restrictive Practices Webinar – Providers in NSW and SA	Live webinar stream
20 & 21 July 2020	Robertson review relating to the death of Ann-Marie Smith	Live webinar stream in NSW and SA
2 October 2020	Western Australia Provider Information Session (Webinar)	Live webinar stream
4 November 2020	NDIS Commission Disability Sector Consultative Committee – November 2020	Virtually via Webex
10 November 2020	NDIS Commission Industry Consultative Committee – November 2020	Virtually via Webex
18 November 2020	Western Australia Provider Information Session (Webinar) – Subject matter experts	Live webinar stream
9 March 2021	NDIS Commission Disability Sector Consultative Committee – March 2021	Virtually via Zoom
10 March 2021	NDIS Commission Industry Consultative Committee – March 2021	Virtually via Zoom
28 April 2021	Virtual Disability Advocacy forum 2021	Live webinar stream
NOTE: All the above events were held virtually due to COVID-19		
FY 2020–21	The NDIS Commission's national office presented at 39 engagement activities. At least 5,000 stakeholders attended – as some events were conducted virtually, exact attendance numbers cannot be reported.	Activities in 2020–21 included teleconferences and virtual meetings
FY 2020–21	The National Engagement Team commenced targeted operations in October 2020, focusing on proactive engagements with NDIS participants, their supporters, representatives and advocates. To 30 June 2021, the National Engagement Team has completed 112 significant engagements, involving more than 64 disability-related networks and organisations. This includes 26 presentations reaching more than 473 stakeholders.	Activities in 2020–21 included teleconferences and virtual meetings
State Engagement		
NSW & ACT state office	The NDIS Commission's NSW & ACT state office presented at 86 engagement activities. Approximately 2377 stakeholders attended.	Activities in 2020–21 included teleconferences and virtual meetings
Qld state office	The NDIS Commission's Queensland state office presented at 153 engagement activities. Approximately 3897 stakeholders attended.	Activities in 2020–21 included teleconferences and virtual meetings
Vic state office	The NDIS Commission's Victoria state office presented at 211 engagement activities. Approximately 2711 stakeholders attended.	Activities in 2020–21 included teleconferences and virtual meetings

State Engagement

SA state office	The NDIS Commission's South Australia state office presented at 92 engagement activities. Approximately 1445 stakeholders attended.	Activities in 2020–21 included teleconferences and virtual meetings
Tas state office	The NDIS Commission's Tasmanian state office presented at 82 engagement activities. Approximately 945 stakeholders attended.	Activities in 2020–21 included teleconferences and virtual meetings
NT state office	The NDIS Commission's NT state office presented at 152 engagement activities. Approximately 1361 stakeholders attended.	Activities in 2020–21 included teleconferences and virtual meetings
WA state office	The NDIS Commission's WA state office presented at 132 engagement activities. Approximately 5397 stakeholders attended.	Activities in 2020–21 included teleconferences and virtual meetings

Website and social media presence

NDIS Commission website	In 2020–21 there were 2,709,267 visits to the NDIS Commission webpage	
CALD web pages	<p>In 2020–21, there were 2,429 page views (1,549 unique views) of the participant resources we currently translate into 11 community languages. These translated resources are available on the NDIS Commission website.</p> <ul style="list-style-type: none"> ♦ Arabic: 484 page views (272 unique) ♦ Chinese traditional: 236 page views (139 unique) ♦ Chinese simplified: 480 page views (281 unique) ♦ Vietnamese: 255 page views (141 unique) ♦ Hindi: 189 page views (131 unique) ♦ Italian: 134 page views (134 unique) ♦ French: 361 page views (251 unique) ♦ Greek: 74 page views (52 unique) ♦ Filipino: 82 page views (56 unique) ♦ Macedonian: 67 page views (43 unique) ♦ Samoan: 65 page views (49 unique). 	
Facebook	The NDIS Commission's Facebook page had 5,130 followers as at 30 June 2021	
LinkedIn	The NDIS Commission's LinkedIn page had 21,853 followers as at 30 June 2021	

Provider Newsletters and Provider Alerts

Provider Newsletters

September 2020	Provider Newsletter
December 2020	Provider Newsletter
December 2020	Behaviour Support Provider Newsletter
March 2021	Provider Newsletter
April 2021	Behaviour Support Provider Newsletter
May 2021	Provider Newsletter

Provider Newsletters and Provider Alerts

Provider Alerts – General

February 2021	NDIS Worker Screening Check and Database (1 February 2021)
February 2021	Transitional arrangements for behaviour support plans – WA (4 February 2021)
February 2021	Dysphagia, safe swallowing and mealtime management practice alert (16 February 2021)
February 2021	Medicines associated with swallowing problems practice alert (25 February 2021)
March 2021	Polypharmacy practice alert (8 March 2021)
March 2021	Epilepsy management provider alert (24 March 2021)
April 2021	Transitions of care between disability services and hospitals (6 April 2021)
April 2021	Western Australia emergency response planning and execution (10 April 2021)
May 2021	Letter to registered residential aged care providers supporting NDIS participants (11 May 2021)
June 2021	Recognition of NDIS worker screening clearances in the aged care sector (17 June 2021)
July 2020	National worker screening arrangements (1 July 2020)
September 2020	New Reportable Incident Resources (15 September 2020)
September 2020	Compliance with the Fair Work Act (21 September 2020)
September 2020	Providing a safe environment for NDIS Participants – September 2020 update

Provider Alerts – COVID-19 specific

COVID-19 pandemic provider alerts	55 provider alerts were issued that related to the COVID-19 pandemic
COVID-19 vaccine provider alerts	23 provider alerts were issued that related to the COVID-19 vaccination rollout

Participant Newsletter

December 2020	SAFEGuard – Issue #1
Autumn 2021	SAFEGuard – Issue #2
May 2021	SAFEGuard – Special edition
December 2020	S30 form for residential aged care providers

Resources – General (not including COVID)

July 2020	Implementing providers – Facilitating the development of behaviour support plans that include regulated restrictive practices
July 2020	Self-assessment resource guide for the PBS Capability Framework
August 2020	Fact sheet: Incident reporting, management and prevention
August 2020	Fact sheet: Benefits of effective incident management
August 2020	Poster: Identifying and responding to incidents: 6-step guide for workers poster
August 2020	Reference Card: ‘Incident response: Is everyone safe?’
August 2020	Then and now (Reportable incidents and complaints) – Western Australia
September 2020	Fact sheet: How we deal with complaints
October 2020	Behaviour support and restrictive practices
November 2020	Registration condition for providers of assistance with daily personal activities to participants who live alone
November 2020	Regulated Restrictive Practice Guide

Resources – General (not including COVID)

November 2020	<p>Practice Alert: Dysphagia, safe swallowing, and mealtime management</p> <p>Practice Alert: Epilepsy management</p> <p>Practice Alert: Medicines associated with swallowing problems</p> <p>Practice Alert: Polypharmacy</p> <p>Practice Alert: Transitions of care between disability services and hospitals</p>
December 2020	Participant letter: Change to providers of personal daily supports
December 2020	S30 form for residential aged care providers
December 2020	Transition arrangements for behaviour support and regulated restrictive practices in Western Australia
January 2021	<p>NDIS Worker Screening Check</p> <p>To support the rollout of the NDIS Worker Screening Check in most states and territories from 1 February 2021, the following resources were developed:</p> <p>Quick Reference Guides (QRG)</p> <p>Registered provider – Unlink a worker</p> <p>SMP – Request access to the NWSD</p> <p>Manage NWSD access and email preference</p> <p>Unregistered provider – Request access to NWSD</p> <p>Unregistered provider – SMP – Find a worker and check their clearance status</p> <p>Unregistered provider – SMP – Screening verification requests</p> <p>SMP – Manage NSWSD access and email preference</p> <p>Registered provider – Find a worker and check their clearance status</p> <p>Unregistered provider – SMP – Link a worker</p> <p>Unregistered provider – SMP – Unlink a worker</p> <p>Registered provider – Link a worker</p> <p>Registered provider – Screening verification requests</p> <p>Fact sheets</p> <p>Additional condition of registration for registration group 0107 (providers of personal support)</p> <p>NDIS Worker Screening Check (for general stakeholders)</p> <p>What registered and unregistered NDIS providers need to know</p> <p>What registered Residential Aged Care NDIS providers need to know</p> <p>What self-managed NDIS participants need to know</p> <p>What self-managed NDIS participants need to know</p> <p>What NDIS workers need to know</p> <p>Flow charts</p> <p>Unregistered providers: NDIS Worker Screening Check</p> <p>NDIS Worker Screening Check – Application process</p> <p>Registered providers: Worker screening checks required</p>
January 2021	Fact sheet: Additional condition of registration for registration group 0107 (providers of personal support)
January 2021	Unauthorised use of restrictive practices Q&A
January 2021	Aboriginal and Torres Strait Islander Participant Welcome Pack (Easy Read)
January 2021	Complaints about NDIS services – Aboriginal and Torres Strait Islander participants (Easy Read)
February 2021	How to log into the NDIS Worker Screening Database, manage access for staff and set email preferences
February 2021	Regulated restrictive practices with children and young people with disability practice guide
March 2021	<p>Interactive decision tree – What constitutes a RRP with children and young people with disability</p> <p>Interactive decision tree – [Behaviour Support] Reporting requirements</p>
April 2021	NDIS Commission Portal User Guide for Monthly Reporting of Restrictive Practices (updated)
May 2021	Residential care providers behaviour support and restrictive practices

Resources – General (not including COVID)

June 2021	<p>Practice Review guidance and support</p> <p>Practice reviews: a framework for NDIS providers</p> <p>Practice reviews: What is a practice review?</p> <p>Practice reviews: What is a practice review (easy read)?</p> <p>Practice reviews: Information for family, carers, and participant supporters</p> <p>Practice reviews: Incident management and reportable incidents: Identifying people to participate in practice reviews</p> <p>Practice reviews: Who should lead a practice review?</p> <p>Practice reviews: Consulting with people with disability during a practice review</p> <p>Practice reviews: Engaging people in practice reviews</p> <p>Practice reviews: How to do a practice review</p> <p>Practice reviews: Questions and prompts to use in a practice review with people with disability</p> <p>Practice reviews: Indicators and triggers</p> <p>Practice reviews: Identifying people to participate in practice reviews</p> <p>Practice reviews: Building a practice review culture</p> <p>Practice reviews: Reflection exercise for reviewers</p> <p>Practice reviews: Reflection exercise for decision makers</p> <p>Practice reviews: Reflection exercise for practice review participants</p> <p>Practice reviews: The continuous improvement continuum</p>
June 2021	Self-assessment tools for the positive behaviour support capability framework and preparatory advice for the practitioner suitability application process

Resources – COVID-19 specific for providers

March 2021	Fact sheet: COVID-19 Vaccines: Informed consent, preparing for the vaccine, and restrictive practices
October 2020	Fact sheet: Coronavirus (COVID-19): Managing behaviours of concern and new or increased restrictive practices during COVID-19 isolation
October 2020	eLearning module: New Worker – NDIS Induction Modules

Resources – COVID-19 specific for participants

March 2021	Fact sheet: COVID-19 vaccines – Group 1a: What NDIS participants in residential disability accommodation need to know about the COVID-19 vaccines
July 2020	Fact sheet: Coronavirus (COVID-19) – How NDIS participants can expect providers to prepare for a COVID-19 outbreak in a residential setting

Resource Distributions

Provider Information pack	In 2020–21, the NDIS Commission printed and distributed 3020 Provider Information packs
Participant Information pack	In 2020–21, the NDIS Commission printed and distributed 11579 Participant Information packs (5376 in standard format; 5479 in Easy Read format; 724 in Braille)
Code of Conduct postcard	In 2020–21, the NDIS Commission printed and distributed 5,000 Code of Conduct postcards

Appendix 4: Glossary

Definitions

Word	Definition
Commissioner	The NDIS Quality and Safeguards Commissioner
FOI Act	The <i>Freedom of Information Act 1982 (Cwth)</i>
NDIS Act	The <i>National Disability Insurance Scheme Act 2013 (Cwth)</i>
NDIS Commission or Commission	The NDIS Quality and Safeguards Commission
NDIS Provider Register	The register maintained under section 73ZS of the NDIS Act
Participant or NDIS Participant	A person who is a participant in the NDIS as defined in the NDIS Act, sections 28–30
PGPA Act	The <i>Public Governance, Performance and Accountability Act 2013 (Cwth)</i>
Provider or NDIS Provider	A person or legal entity who is an NDIS provider as defined in section 9 of the NDIS Act
Registered provider	A person or entity who is registered with the NDIS Quality and Safeguards Commission under section 73E of the NDIS Act
Reportable incident	An incident or allegation involving the injury, abuse, neglect, or death of a participant connected with their receiving of services or supports from a registered provider
Restrictive Practice	Anything that restricts the rights or freedom of movement of a person with disability
Supports, or Supports and Services	A range of products and services which may include education, employment, social participation, independence, living arrangements, and health and wellbeing
Worker or NDIS Worker	A person employed or engaged by an NDIS provider

Acronyms

- ◆ AASB – Australian Accounting Standards Board
- ◆ AHPA – Allied Health Professions Australia
- ◆ ANAO – Australian National Audit Office
- ◆ AO – Order of Australia, Officer in the General Division
- ◆ APS – Australian Public Service
- ◆ ASL – average staffing level
- ◆ ATO – Australian Taxation Office
- ◆ CEO – Chief Executive Officer
- ◆ COAG – Council of Australian Governments
- ◆ COS – Commission Operating System
- ◆ CSS – Commonwealth Superannuation Scheme
- ◆ DSS – Department of Social Services
- ◆ ELT – Executive Leadership Team
- ◆ FBT – fringe benefits tax
- ◆ FOI – freedom of information
- ◆ FRR – *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*
- ◆ FTE – full time equivalent
- ◆ GST – goods and services tax
- ◆ ICT – information, communications and technology
- ◆ IPS – Information Publication Scheme
- ◆ NDIA – National Disability Insurance Agency
- ◆ NDIS – National Disability Insurance Scheme
- ◆ NDIS Act – *National Disability Insurance Scheme Act 2013*
- ◆ NDIS Commission – NDIS Quality and Safeguards Commission
- ◆ PBS – Portfolio Budget Statements
- ◆ PGPA Act – *Public Governance, Performance and Accountability Act 2013*
- ◆ PGPA Rule – *Public Governance, Performance and Accountability Rule 2014*
- ◆ PSM – Public Service Medal
- ◆ PSS – Public Sector Superannuation Scheme
- ◆ PSSap – PSS Accumulation Plan
- ◆ SES – Senior Executive Service
- ◆ SME – Small and Medium Enterprises
- ◆ WOM – Worker Orientation Module

Appendix 5: Information about remuneration for key management personnel, senior executives, and other highly paid staff

Information about remuneration for Key Management Personnel (KMP)

Short-term benefits			Post-employment benefits			Other long-term benefits			Termination benefits	Total remuneration
Name	Position Title	Base Salary	Bonuses	Other Benefits and Allowances	Superannuation Contributions	Long Service Leave	Other Long Term Benefits	Termination benefits	Total	
Graeme HEAD	Commissioner	467,315	0	32,257	72,184	10,304	0	0	582,060	
Samantha Jane TAYLOR	Registrar	303,640	0	35,307	46,926	8,529	0	0	394,402	
Jason Gary STOTT	Chief Operating Officer	244,217	0	28,751	46,281	6,860	0	0	326,109	
Jeffrey/Beng-choon CHAN	Senior Practitioner	250,640	0	40,943	38,746	4,758	0	0	335,087	
Robert William GRIEW	Complaints Commissioner	242,285	0	32,435	37,390	3,732	0	0	315,842	
TOTAL		1,508,097	0	169,693	241,527	34,183	0	0	1,953,500	

Information about remuneration for senior executives (SES)

Total remuneration bands	Number of senior executives	Short-term benefits		Post-employment benefits	Other long-term benefits		Termination benefits	Total remuneration
		Average base salary	Average bonuses		Average other benefits and allowances	Average long service leave		
\$220,001-\$245,000	2	108,762	0	38,051	36,505	(489)	0	182,829
\$270,001-\$295,000	3	181,123	0	34,281	30,227	29,221	0	274,853
\$295,001-\$320,000	1	242,285	0	32,435	37,390	3,732	0	315,842
\$320,001-\$345,000	2	247,428	0	38,125	42,513	5,809	0	338,875
\$370,001-\$395,000	1	303,640	0	32,257	46,926	8,529	0	391,352

Information about remuneration for other highly paid staff

Total remuneration bands	Number of other highly paid staff	Short-term benefits		Post-employment benefits	Other long-term benefits		Termination benefits	Total remuneration
		Average base salary	Average bonuses		Average other benefits and allowances	Average long service leave		
\$295,001-\$320,000	1	169,085	0	14,140	22,781	0	100,245	306,251

Appendix 6: Entity Resource Statements and Expenses by Outcomes

The below entity resource statement supplements the financial statements in the Annual Report by providing an integrated table summarising the total resources of, and payments made by, the NDIS Commission.

Entity Resource Statements

	Actual available appropriation for 2020–21 \$'000	Payments made 2020–21 \$'000	Balance remaining 2020–21 \$'000
	(a)	(b)	(a) – (b)
Departmental			
Annual appropriations – ordinary annual services ^{1,3}	95,923	70,295	25,628
Annual appropriations – other services – non-operating ²	692	692	–
Section 74 retained receipts ⁴	–	1,701	1,701
Total departmental annual appropriations	96,615	69,286	27,329
Total departmental resourcing	96,615	69,286	27,329
Administered			
Annual appropriations – ordinary annual services ¹	4,945	3,566	1,379
Total administered annual appropriations	4,945	3,566	1,379
Total administered resourcing	4,945	3,566	1,379
Total resourcing and payments for NDIS Commission	101,560	72,852	28,708

1 Appropriation Act (No. 1) 2020–21 and Supply Act (No. 1) 2020–21. This also includes prior-year administered and departmental appropriation and section 74 external revenue.

2 Appropriation Act (No. 4) 2019–20 Equity Injections

3 Departmental capital budgets are not separately identified in Appropriation Bill (No.1, 3, 5) and form part of ordinary annual services items. For accounting purposes, this amount has been designated as a 'contribution by owner'.

4 Estimated External Revenue receipts under section 74 of the PGPA Act.

Expenses for Outcomes

Outcome 1: Promote the delivery of quality supports and services to people with disability under the National Disability Insurance Scheme and other prescribed supports and services, including through nationally consistent and responsive regulation, policy development, advice and education.

	Budget* 2020–21 \$'000	Actual expenses 2020–21 \$'000	Variation 2020–21 \$'000
	(a)	(b)	(a) – (b)
Program 1.1: Support for National Disability Insurance Scheme providers in relation to registration			
Administered expenses			
Ordinary annual services (Appropriation Act No. 1)	4,945	3,511	1,434
Administered total	4,945	3,511	1,434
Total expenses for Program 1.1	4,945	3,511	1,434
Program 1.2: Program Support for the NDIS Quality and Safeguards Commission			
Departmental expenses			
Departmental appropriation	82,089	75,502	6,587
s74 External Revenue ¹	-	935	(935)
Expenses not requiring appropriation in the Budget year ²	2,256	2,344	(88)
Departmental total	79,833	74,093	5,740
Total expenses for Program 1.2	79,833	74,093	5,740
Outcome 1 totals by appropriation type			
Administered expenses			
Ordinary annual services (Appropriation Act Nos. 1, 3 and 5)	4,945	3,511	1,434
Administered total	4,945	3,511	1,434
Departmental expenses			
Departmental appropriation	82,089	75,502	6,587
s74 External Revenue ¹	-	935	(935)
Expenses not requiring appropriation in the budget year ²	2,256	2,344	(88)
Departmental total	79,833	74,093	5,740
Total expenses for Outcome 1	84,778	77,604	7,174
	Budget*	Actual	Variation
Average staffing level (number)	350	255	95

* Full-year budget, including any subsequent adjustment made to the 2020–21 budget at Additional Estimates.

1 Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act 2013.

2 Expenses not requiring appropriation in the Budget year are made up of depreciation expenses and amortisation expenses less the lease principal repayments.

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Report storage location	www.ndiscommission.gov.au/about/corporate-documents



NDIS Quality and Safeguards Commission

Annual Report 2020–2021

To contact the NDIS Commission

Phone **1800 035 544** (free call from landlines)

Text Telephone **TTY 133 677**

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