



Market Readiness

Joint Standing Committee on the National Disability Insurance Scheme

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Volunteering Australia Contacts

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About Volunteering Australia

Volunteering Australia is the national peak body for volunteering. We work to advance volunteering in the Australian community.

Volunteering Australia's vision is to promote strong, connected communities through volunteering. Our mission is to lead, strengthen, promote and celebrate volunteering in Australia.

We work collectively with the seven State and Territory volunteering peak bodies to deliver national, state/territory and local volunteering programs and initiatives in accordance with the Government's priorities.

As the primary link between the volunteering sector and federal government, Volunteering Australia provides feedback into key decision making. All feedback is informed by research, evidence and consultation with the volunteering sector.

Introduction

Volunteering Australia welcomes the opportunity to provide a submission to the Joint Standing Committee on the National Disability Insurance Scheme on the *Market Readiness* of the NDIS.

Part of the Committee's role in this inquiry is to look at the implementation, performance and governance of the National Disability Insurance Scheme (NDIS), so that they may report on the market readiness for the provision of services under the NDIS.

With the roll-out of the National Disability Insurance Scheme (NDIS), the demand for disability services continues to grow. However, it is important to recognise the critical role the volunteer workforce plays in the delivery of key NDIS programs, supports, and services. Volunteering Australia is pleased to see the continued investment in the NDIS by the Federal Government. The 2017-18 Budget indicated that an estimated 60,000 more full time workers would be required by 2019.ⁱ While the Government has committed to supporting an increase in the workforce, it is important to recognise that the disability sector and the NDIS is increasingly reliant on volunteers to deliver key programs and services.

Volunteering Australia has voiced our disappointment that no additional funding has been provided for Volunteering Support Services or Volunteering Involving Organisations in such a critical area of need. There needs to be greater investment and consideration of the important role that volunteers play in the disability support sector."ⁱⁱ

In this submission, Volunteering Australia outlines the impact of the transition to a market-based system, the impact of pricing and participant readiness to engage more broadly. We emphasise that it is essential that the volunteering is fully recognised, resourced and valued within the marketplace.

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Volunteering Australia Response

Volunteering and the NDIS

Volunteering plays a critical role in Australia's national identity. Dr Lisel O'Dwyer of Flinders University has estimated the annual economic and social contribution of volunteering in Australia at \$290 billion.ⁱⁱⁱ Volunteering continues to engage many Australians in increasingly diverse and significant ways in society, with recent data indicating there are 5.8 million Australians, or 31 per cent of the population who engage in formal volunteering activities and programs.^{iv}

Over 4 million people, or 20 per cent of the over 23 million people in Australia, are reported as having a disability. Further, over 1.3 million Australians report having a "profound or severe disability".^v Between 2010-11 there were 2,283 disability support services funded by State/Territory or the Federal Government throughout Australia, managing 13,883 services. The main service providers were (82%) in the non-government sector, and many of those (86%) were in income tax exempt charities.^{vi}

Volunteering Australia's *2016 State of Volunteering in Australia* report acknowledged a misalignment in the level of community interest in volunteering in disability services compared to the number of positions to be filled. The report also found that the disability services sector was fifth-highest for unmet volunteer demand, behind community services, young people, education, and health (with some crossover between health and disability services).^{vii}

However, it is important to note that the disability sector and the NDIS is heavily reliant on the volunteer workforce to deliver key programs and services. Volunteers are also considered essential to the provision of supports and services that are integral components of the NDIS.

The NDIS interacts with volunteers in two key ways:^{viii}

- Volunteers are engaged to work within disability support service organisations;
- The NDIS engages people with barriers more inclusively into society, either through volunteering as an end unto itself, or using volunteering as a pathway to paid employment.^{ix}

The transition to a market-based system for service providers

The shift to a market-based system has caused significant strain for many service providers, particularly due to a lack of dedicated funding for the management and other associated costs of volunteers under the NDIS.

Service providers that engage volunteers in the disability support area are acutely aware of the challenges presented by a lack of dedicated funding, and the strain this puts on the sector. Many organisations have been asked to increase their operational output, with a critical lack of funding and resources. A lack of dedicated funding places immense stress on the sector, and does not allow for the strategic workforce planning required to operate and deliver successful programming.

Volunteering Australia highlighted in our submission to the NDIS Costs that many service providers in the disability support sector are small and specialised in nature, with their work often developing out of need identified by a carer or family member of a person with disability. The Productivity Commission's Position Paper also identified that,^x there should be specialised planning teams and/or more use of industry knowledge and expertise. As such, it is critical that there is specialist training for volunteers, managers of volunteers and Volunteer Involving Organisations in the disability support workforce. The need for this is

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further amplified by rapid turnover, change and demand within the paid disability support workforce, as well as a decline in formal volunteering, and increase in the informal volunteering space.

For small, community-based organisations, the transition to a market-based system is even more difficult, particularly with a lack of funding and resources. Many of these organisations are reliant on volunteer participation themselves to function. In fact, Volunteers encompass 2.97 million members of the charitable sector workforce, compared to one million paid staff members.^{xi} For these small organisations, it is important to recognise that they may not be able to quickly adapt to a changing environment and may quickly exit the market.^{xii} Therefore, it is vital that small or specialist community-based organisations are adequately supported to transition and adapt to a market-based system within the NDIS.

The disability support sector is a competitive marketplace. A lack of clarity for existing programs in the NDIS, transparency around process, and guaranteed funding options are all barriers to Volunteer Involving Organisations preparing for, or engaging with, the NDIS.^{xiiiiv} Volunteering Australia recommends ensuring that Volunteer Involving Organisations have a place in servicing the NDIS, given the immense social capital they provide. Volunteering is generally the first area of support to receive cuts when costs are reviewed. However, given the contributions of the volunteering sector to the National Disability Insurance Scheme, this would have an enormous impact on service delivery, erode outcomes, and affect social capital for people with disability.

Participant readiness to navigate new markets

The long-term vision of the NDIS marketplace is for people with disability to achieve their life goals, including “increased independence, greater participation in employment, the economy, and community life.”^{xv} However, Volunteering Australia raises concerns at the current tone of policy formation in relation to supporting volunteering within the NDIS, with uncertainty in funding inclusive volunteering models.

Volunteering represents one of the primary mechanisms for moving people with disability from being a passive recipient of service to one that is socially responsive. As such, the overarching policy framework of new NDIS markets should be developed to explicitly state and account for NDIS clients to participate in volunteering opportunities.

Volunteering is a vital part of the social policy model underpinning the objectives of the NDIS. Volunteering provides an entry point for engagement between people with disability, carers, service providers and the wider community, as well as creating opportunities to build relationships, friendships, foster social inclusion and provide a pathway to employment.

The NDIA has an important role in informing people with disability of volunteering opportunities available within the NDIS, and the community more broadly, and how their needs may be met. Equally, people with disability can also be engaged through volunteering as an end unto itself. Volunteering can also play a significant role as a pathway to gainful employment, encouraging economic participation and building work skills.

Volunteering can provide a crucial entry point into the workforce and can build key employable skills, particularly for those from disadvantaged backgrounds. This is significant given older people, CALD, or people with disability, face multiple barriers, such as discrimination, and are often excluded from the labour market.

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However, while there may be a willingness from a participant to engage with the market, Volunteering Australia's 2016 *State of Volunteering in Australia* report identified that organisations had a lack of human and financial resources that prohibited them from engaging volunteers with barriers.^{xvi} Volunteering Australia recognises this prohibitive engagement with the market as a real concern. A general lack of resources and funding for organisations in the volunteering sector has been found to inhibit a Volunteer Involving Organisation's ability to "recognise their existing volunteer base."

The social capital derived from volunteer engagement in the NDIS is also of great benefit to both participants and volunteers. In fact, a *Survey of Victorian Disability Organisations* found that 83 per cent of respondents saw the role of volunteers as unique, with volunteers providing an extra social connection and community participation, genuine relationships, and the value of lived experiences.^{xvii} While the NDIS stresses a focus on choice, participants should be able to connect with people of their own age, gender, and from a shared culture or background. Volunteers can play a key role in building social capital, by providing this important link in cultivating social connections for many participants.

The impact of pricing on the development of the market

There is a common misconception that volunteering is "free", and that there is no funding required to necessitate the supports and services provided through volunteer engagement in the NDIS. However, the reality is quite different. Volunteering Australia defines volunteering as "time willingly given for the common good and without financial gain"^{xix}, however volunteering comes at significant cost to service providers. In fact, the operational cost of delivering quality, innovative, and agile volunteering programs that respond to the needs of the disability support sector is steadily increasing, and requires investment.

In disability support, training is specialised and can be resource-intensive. This is supported by a 2011 Productivity Commission report that discussed the impact of an unprecedented growth in volunteer numbers. The report recommended that, "funding for services which engage volunteers in service delivery should take into account the costs associated with volunteer administration and regulation and appropriate training and support for volunteers".^{xx}

Volunteering Australia is of the view that Disability Awareness Training is of profound benefit to volunteers and Volunteer Involving Organisations, and is essential to delivering a human-rights based approach to service delivery. Volunteering Australia's 2016 *State of Volunteering in Australia Report* identified that many smaller Volunteer Involving Organisations may not have had the opportunity to participate in Disability Awareness Training, either due to funding constraints or a lack of access.^{xxi} These organisations would also benefit from Mental Health, First Aid, and Supported Decision Making training. While these modules are highly valuable to the provision of quality supports and services, the costs associated with them can be prohibitive.

With the transition to a the new market-based system, it is clear that representatives of the NDIA, and other key stakeholders, are unaware of the vital role that managers of volunteers play in recruiting, inducting, training, supporting and managing volunteers. There has been no consideration of the vital work of managers of volunteers, including just how large the voluntary workforce is within the NDIS. Furthermore, there is very little consideration of the diminutive and insecure funding that many service providers are working with to ensure that participants are having their needs met, and volunteers are safely and effectively able to conduct their duties within NDIS settings. Volunteering Australia recommends that there is further investigation and consideration into the vital role of volunteer management, as an essential component of the NDIS.

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As such, many service providers are being challenged to deliver on their objectives, while the NDIS transitions the sector to a market-based model that does not adequately price volunteer management. Volunteering Australia recommends that service providers that engage volunteers are adequately resourced for the effective delivery of supports and services.

Representation

The volunteering sector continues to be largely absent in the disability policy space, despite attempts by service providers to raise issues and voice concerns. Given the transition to a market-based system, Volunteering Australia reiterates our calls to partner with the NDIA, to ensure the views of service providers are heard, as well as the diverse needs of people with disability engaged in the NDIS are met.

In our view, building people with disability and service organisations, such as Volunteering Support Services and Volunteering Involving Organisations, into representative structures is essential. It is vitally important that people with disability, volunteers, Volunteering Support Services and Volunteer Involving Organisations are involved in the design, monitoring and processes of policy, so they are able to directly respond to decisions affecting them. This could be in the form of a governance or special advisory committees. At present, the market is changing without being receptive to a large proportion of the NDIS workforce. The outcome of this passive engagement is poor policies and ineffective service outcomes that aren't responsive to the needs of people with disability.

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Recommendations

- Assist small, community-based organisations to transition and adapt to the new market-based system, to ensure they are able to remain in the scheme.
- Volunteering Australia recommends ensuring that Volunteer Involving Organisations have a place in servicing the NDIS, given the immense social capital they provide.
- The overarching policy framework of new NDIS markets should be developed to explicitly state and account for NDIS clients to participate in volunteering opportunities.
- Volunteering Australia recommends that there is further investigation and consideration into the vital role of volunteer management, as an essential component of the NDIS.
- Volunteering Australia recommends that service providers that engage volunteers are adequately resourced for the effective delivery of supports and services.
- Volunteer organisations are built into representative structures, to represent their views, considering volunteers account for such a significant portion of the NDIS workforce.

Conclusion

Volunteering Australia thanks the Joint Standing Committee on the National Disability Insurance Scheme on *Market Readiness* for the opportunity to provide a submission.

There are considerable costs associated with recruiting, placing, supervising, managing and resourcing volunteers, and this must be funded within the NDIS. Volunteering Australia reiterates that with the move to a market-based system, the costs must be considered with the role of volunteers, programs, supports and services within the scheme.

We would welcome further opportunity to consult or expand on any of our recommendations raised in this submission.

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Authorisation

This submission has been authorised by the Chief Executive Officer of Volunteering Australia.



Ms Adrienne Picone
Chief Executive Officer

Endorsements

This submission has been endorsed by the seven State and Territory volunteering peak bodies.

Glossary

VA	Volunteering Australia is the national peak body for volunteering in Australia. It works collectively with the peaks to deliver national, state and local volunteering programs and initiatives.
VIO	Volunteer Involving Organisations are organisations that engage volunteers as part of their workforce.
VSS	Volunteering Support Services (also known as Volunteer Resource Centres or Volunteer Support Organisations) provide place-based volunteer support services to volunteers and VIOs in their locality.

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- ⁱ Department of Social Services (2017), *Guaranteeing the National Disability Insurance Scheme*, 2017 Budget.
- ⁱⁱ Volunteering Australia (2017), *Response on National Disability Insurance Scheme (NDIS) Costs*, https://www.volunteeringaustralia.org/wp-content/files_mf/1499838799VAResponsetoProductivityCommissionsinquiryontheNationalDisabilityInsuranceSchemeNDISCosts.pdf, p6.
- ⁱⁱⁱ Flinders University (31 October 2014) ‘Volunteering worth \$290 billion a year’, <http://blogs.flinders.edu.au/flinders-news/2014/10/31/volunteering-worth-290-billion-a-year>
- ^{iv} Australian Bureau of Statistics (2015) ‘General Social Survey: Summary Results, Australia, 2014’, available online at <http://www.abs.gov.au/ausstats/abs@.nsf/mf/4159.0>.
- ^v Volunteering Australia and Volunteering and Contact ACT (2016), *Submission to NDIA ILC Framework Consultation*, p3.
- ^{vi} Turbit, Patrick for 3 Bridges Community (2016) *Volunteering in the NDIS*, p8.
- ^{vii} Volunteering Australia and PwC (2016) *2016 State of Volunteering in Australia*, pvii, <http://www.volunteeringaustralia.org/wp-content/uploads/State-of-Volunteering-in-Australia-ExecutiveSummary1.pdf>.
- ^{viii} National Disability Insurance Agency (December 2015) *Information, Linkages and Capacity Building Commissioning Framework – Consultation Draft*. Available online at http://www.ndis.gov.au/sites/default/files/ILC-Commissioning-Framework-Consultation-Draft_0.pdf.
- ^{ix} Volunteering Australia and Volunteering and Contact ACT (2016), *Submission to NDIA ILC Framework Consultation*.
- ^x Productivity Commission, “Draft recommendations, finding and information requests”, *Position Paper – National Disability Insurance Scheme (NDIS) Costs*, p56.
- ^{xi} Ibid
- ^{xii} Volunteering Australia and Volunteering and Contact ACT (2016), *Submission to NDIA ILC Framework Consultation*.
- ^{xiii} National Disability Insurance Agency (December 2015) *Information, Linkages and Capacity Building Commissioning Framework – Consultation Draft*. Available online at http://www.ndis.gov.au/sites/default/files/ILC-Commissioning-Framework-Consultation-Draft_0.pdf.
- ^{xiv} Volunteering Australia and Volunteering and Contact ACT (2016), *Submission to NDIA ILC Framework Consultation*.
- ^{xv} National Disability Insurance Scheme (2016), *Statement of Opportunity and Intent, NDIS Market Approach*, <https://www.ndis.gov.au/medias/documents/h08/h2e/8799510396958/Statement-of-Opportunity-and-Intent-PDF-1.02MB-.pdf>.
- ^{xvi} Volunteering Australia and PwC (2016) *2016 State of Volunteering in Australia*, <https://www.volunteeringaustralia.org/wp-content/uploads/State-of-Volunteering-in-Australia-full-report.pdf>, pix.
- ^{xvii} Extended Families Australia, Inclusion Melbourne, Interchange Incorporated and People Outdoors (2015) ‘*Volunteering and the National Disability Insurance Scheme: A Survey of Victorian Disability Organisations*’.
- ^{xviii} Ibid., p2.
- ^{xix} Volunteering Australia (2015) ‘*Definition of Volunteering*’, <http://www.volunteeringaustralia.org/policy-andbest-practise/definition-of-volunteering/>.
- ^{xx} Commonwealth of Australia (2011) ‘*Caring for Older Australians: Productivity Commission Inquiry Report*’, Volume 1, No. 53, pLXXIV.
- ^{xxi} Volunteering Australia and Volunteering and Contact ACT (2016), *Submission to NDIA ILC Framework Consultation*, p9.