

Audit report of the 2023–24
annual performance statements

National Disability Insurance Agency



INDEPENDENT AUDITOR'S REPORT on the 2023–24 Annual Performance Statements of the National Disability Insurance Agency

To the Minister for Finance

Qualified Conclusion

In my opinion, except for the possible effects of the matters described in the Bases for Qualified Conclusion section of my report, the 2023–24 Annual Performance Statements of the National Disability Insurance Agency (NDIA):

- present fairly the NDIA's performance in achieving its purpose for the year ended 30 June 2024; and
- are prepared, in all material respects, in accordance with the requirements of Division 3 of Part 2-3 of the *Public Governance, Performance and Accountability Act 2013* (the PGPA Act).

Audit criteria

In order to assess whether the NDIA's annual performance statements complied with Division 3 of Part 2-3 of the PGPA Act, I applied the following criteria:

- whether the entity's key activities, performance measures and specified targets are appropriate to measure and assess the entity's performance in achieving its purposes;
- whether the performance statements are prepared based upon appropriate records that properly record and explain the entity's performance; and
- whether the annual performance statements present fairly the entity's performance in achieving the entity's purposes in the reporting period.

Bases for Qualified Conclusion

The performance statements are not complete – material omission of performance information

The performance statements of the NDIA do not include performance information relating to the following material aspects of its purposes and key activity 1 'Improve participant experience and outcomes with a financially sustainable Scheme':

- its management of fraud and non-compliance, a key component of the NDIA's purpose of delivering a financially sustainable NDIS and one of its legislative functions under the *National Disability Insurance Scheme Act 2013* (NDIS Act); and
- the effectiveness of early intervention supports in improving participant outcomes, one of its legislative functions under the NDIS Act, and linked to the NDIA's purpose in supporting participants to be more independent and engage socially and

economically. The NDIA was unable to report a result for the related performance measure 'Children who have benefited from the Scheme and no longer needing supports'.

As a result, the performance information reported against key activity 1 'Improve participant experience and outcomes with a financially sustainable Scheme' is not complete and does not enable a user of the performance statements to assess the NDIA's performance in achieving its purpose in relation to this key activity.

Limitation of scope – Accuracy of performance information

The NDIA has four measures that use surveys completed by participants under the Short Form Outcome Framework. Due to the deficiencies in the new computer system, the NDIA was unable to provide sufficient evidence to verify the accuracy of survey responses in the new system in relation to one of these measures. As a result, I was unable to obtain sufficient appropriate audit evidence that the reported results for the performance measure 'Participant perception of choice and control over their life (independence)' fairly presented NDIA's performance for the year ended 30 June 2024.

Emphasis of Matter – Participant Service Guarantee Timeframes

I draw attention to the NDIA's disclosures for the performance measure 'Participant Service Guarantee Timeframes met 95% of the time':

With the national rollout of the new computer system in quarter 2 of 2023–24, data was not available on a single system to allow calculation of PSG metrics. The NDIA forecast impacts to data availability and advised the Commonwealth Ombudsman that results would not be reported for quarter 2 of 2023–24.

For quarters 3 and 4 of 2023–24, 10 out of 20 PSG measures were reported compared with the 17 out of 20 available in 2022–23 and quarter 1 of 2023–24.

My conclusion is not modified in respect of this matter.

Accountable Authority's responsibilities

As the Accountable Authority of the NDIA, the NDIA Board is responsible under the PGPA Act for:

- the preparation of annual performance statements that accurately present the NDIA's performance in the reporting period and comply with the requirements of the PGPA Act and any requirements prescribed by the Public Governance, Performance and Accountability Rule 2014 (the Rule);
- keeping records about the NDIA's performance as required by the PGPA Act; and
- establishing internal controls that the Accountable Authority determines are appropriate to enable the preparation of annual performance statements.

Auditor's responsibilities for the audit of the performance statements

My responsibility is to conduct a reasonable assurance engagement to express an independent opinion on the NDIA's annual performance statements.

I conducted my audit in accordance with the Australian National Audit Office Auditing

Standards, which include the relevant Standard on Assurance Engagements (ASAE) 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Auditing and Assurance Standards Board.

I plan and perform my procedures to obtain reasonable assurance about whether the annual performance statements of the entity present fairly the entity's performance in achieving its purposes and comply, in all material respects, with the PGPA Act and Rule.

The nature, timing and extent of audit procedures depend on my judgment, including the assessment of the risks of material misstatement, whether due to fraud or error, in the annual performance statements. In making these risk assessments, I obtain an understanding of internal controls relevant to the preparation of the annual performance statements in order to design procedures that are appropriate in the circumstances.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified conclusion.

Independence and quality control

I have complied with the independence and other relevant ethical requirements relating to assurance engagements, and applied Auditing Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements* in undertaking this assurance engagement.

Inherent limitations

Because of the inherent limitations of an assurance engagement, it is possible that fraud, error or non-compliance may occur and not be detected. An assurance engagement is not designed to detect all instances of non-compliance of the annual performance statements with the PGPA Act and the Rule as it is not performed continuously throughout the period and the assurance procedures performed are undertaken on a test basis. The reasonable assurance conclusion expressed in this report has been formed on the above basis.

Australian National Audit Office



Carla Jago
Acting Deputy Auditor-General

Delegate of the Auditor-General

Canberra
4 October 2024

Section 2

NDIA annual performance statements

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2.1 Statement of preparation

I, Kurt Fearnley, as the Chair of the National Disability Insurance Agency Board, the Accountable Authority of the National Disability Insurance Agency (NDIA), present the NDIA annual performance statements for 2023–24 reporting period, as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

In the opinion of the Board, these annual performance statements accurately present the performance of the NDIA in the reporting period and comply with subsection 39(2) of the PGPA Act and section 16F of the *Public Governance, Performance and Accountability Rule 2014*.



Kurt Fearnley
Chair, National Disability Insurance Agency

2.2 Introduction

2.2.1 NDIA performance framework

The NDIA performance framework is based on the planning and reporting obligations in the Commonwealth Resource Management Framework and the *National Disability Insurance Scheme Act 2013* (Cth) (NDIS Act). The NDIA performance framework has 4 key documents: the Corporate Plan, the Portfolio Budget Statements, quarterly reports to the Ministerial Council and the Annual Report (as outlined in Figure 1).

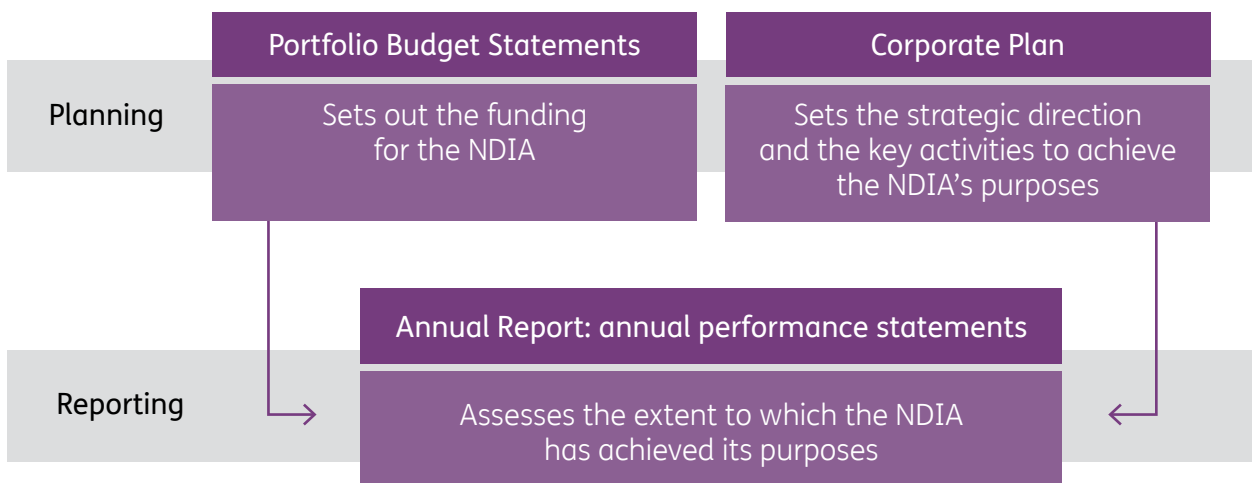
The Australian National Audit Office (ANAO) has included the NDIA in their Performance Statement Audit program for the first time. Feedback has been reviewed and actions to address the recommendations have commenced.

2.2.2 Understanding the NDIA’s performance information structure and content

The structure of the annual performance statements is consistent with the NDIA Corporate Plan 2023–2027 so that it clearly reports against our key activities to achieve the NDIA’s purposes. The NDIA manages 2 programs: Program 1.1 Reasonable and necessary supports for participants; and Program 1.2 Agency costs.

The NDIA operates as part of the Social Services Portfolio and contributes to Outcome 3, ‘Supporting the independence of, and economic participation by, people with disability and carers by providing targeted supports’. Further information on related programs managed by the Department of Social Services (DSS) is available on the [DSS website](#).

Figure 1: NDIA performance framework



Our performance measures focus on key legislated functions to:

- deliver the NDIS
- collect, analyse and exchange data relating to disabilities
- manage, advise and report on the financial sustainability of the NDIS.

Our remaining legislated functions represent a smaller proportion of our activities or support other broader Social Services Portfolio initiatives.

2.2.3 Changes to performance information

In 2023, in the [NDIA Corporate Plan 2023–2027](#), the NDIA refreshed the format of its strategic direction and introduced 2 key activities. The improved format:

- replaces aspirations from previous corporate plans with 2 key activities
- retains most performance measures and targets from 2022–23 to ensure transparency and continuity with previous reporting, noting that these will be updated or changed to reflect the outcomes of the NDIS Review
- responds to section 16EA of the *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule) by removing measures not directly linked to an NDIA key activity, as they were aligned to monitoring controls or considered in other measures.

Key activity 1, ‘Improve participant experience and outcomes with a financially sustainable Scheme’, brought together Aspiration 1 (A quality experience and improved outcomes for participants) and Aspiration 5 (A financially sustainable Scheme). This activity is aligned to Program 1.1, which funds reasonable and necessary supports through participant plans.

Key activity 2, ‘A high-performing NDIA’, brought together Aspiration 2 (A competitive market with innovative supports), Aspiration 3 (A genuinely connected and engaged stakeholder sector) and Aspiration 4 (A high-performing NDIA). This activity is aligned to Program 1.2, Agency costs, as it provides for NDIA’s costs to administer the NDIS (including general supports).

The following measures were reviewed and retired:

- extrapolated payment errors and anomalies
- payment growth compared to health care and social assistance wages growth
- provider sentiment and confidence
- family and carer employment rate
- female representation in the SES
- market concentration
- providers charging below the price limit
- plan utilisation.

2.3 NDIA performance 2023–24

2.3.1 Overall performance toward our outcome

During the reporting period, external reviews were conducted, which included the Disability Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability and the NDIS Review. The anticipated recommendations from these public reviews were not released during the reporting period. Consequently, there were no variations to our strategic direction, or performance measures of our activities, as documented in the NDIA Corporate Plan 2023–2027.

Out of the 19 performance measures documented in the Corporate Plan 2023–2027, the NDIA achieved 9, partially achieved 4 and did not achieve 5. Due to the rollout of the new computer system, the NDIA did not yet have any data for children who have benefited from the NDIS and no longer need support.

2.3.2 Program 1.1 performance statement

Program 1.1

Reasonable and necessary supports for participants

The objective of Program 1.1 is to provide funding for reasonable and necessary supports to eligible people with disability through consistent, high-quality plans; and to ensure they are in control and have choices to appropriately support their independence and social and economic participation. This program contributes to the outcome by the delivery of financially sustainable funding for participants' reasonable supports, enabling participants to source services in their plans to pursue their goals.

Key activity 1

Improve participant experience and outcomes with a financially sustainable Scheme.

Why this matters

Improving participants' (including children's) independence and economic and social outcomes is at the core of the NDIS purpose. The NDIA's delivery of the NDIS under section 118(1)(a) of the NDIS Act is contributing to:

- improvements to participant outcomes (including early intervention)
- effectiveness of services and supports in plans funded through Program 1.1 – Reasonable and necessary supports for participants
- a growing understanding of best practice in relation to services and supports
- participants who are supported with a safe environment to make decisions during their journey with the NDIS.

The NDIA has remained focused on helping participants to exercise choice and control as they implement their plans, following the guiding principles outlined in section 4 of the NDIS Act. By selecting their goals and choosing their providers, participants demonstrate how the NDIS promotes their independence and ensures they receive the necessary supports. Additionally, having choice and control allows participants to take reasonable risks in managing their own plans, as stated in section 118(1)(a) of the NDIS Act.

In the NDIS [Insurance Principles and Financial Sustainability Manual 2016](#), ‘financial sustainability of the NDIS’ is defined as a state where:

- the NDIS is successful on the balance of objective measures and projections of economic and social participation, and independence, on participants’ views that they are getting enough money to buy enough goods and services to allow them reasonable access to life opportunities – that is, reasonable and necessary support
- contributors think that the cost is and will continue to be affordable, under control, represents value for money and, therefore, remain willing to contribute.

The NDIA performance measures for key activity 1 are intended to act as a set when assessing achievement. This section provides analysis of performance for each performance measure from the NDIA Corporate Plan 2023–2027. A table for each measure shows the result and the outcome. Outcomes are simplified to ‘achieved’, ‘partially achieved’ and ‘not achieved’. The analysis of performance gives detail about impacts on the achievement of key activity targets.

Analysis of performance

NDIS annual spend (Program 1.1) compared to estimates

Performance measure	2023–24 Target	2023–24 Result	2023–24 Outcome	2022–23 Result
NDIS annual spend (Program 1.1) compared to estimates	100%	101.2%	Not achieved	103.6%

Why we measure this

This measure assesses the effectiveness of NDIS projections of expenditure for participants' reasonable and necessary supports.

How we measure this

We obtain our results for this performance measure by dividing actual payments (calculated on an accrual basis) by the projection in the 2022–23 Annual Financial Sustainability Report which informs the Mid-Year Economic and Fiscal Outlook 2023–24.

Analysis

The Scheme Actuary provides forecasts of NDIS expenditure in the Annual Financial Sustainability Report. These forecasts are peer reviewed annually by the Australian Government Actuary and the NDIA's actuarial forecast model was reviewed by actuarial consultancy Taylor Fry in 2022. The assumption is made that, if contributors to the NDIS agree to the budget and the forecast, the 'state of financial sustainability' has been met for the reporting period.

For 2023–24, Program 1.1 expenditure was \$41.8 billion – 1.2% more than expected. This was due to higher payments to participants, particularly those without supported independent living supports. The target of 100% was not achieved. NDIS growth was 19% over the 12 months ending 30 June 2024, reduced from 23% over the previous year. Additional growth in payments was the main factor, with signs of moderation observed.

Participant perception of choice and control over their life (independence)

Performance measure	2023–24 Target	2023–24 Result	2023–24 Outcome	2022–23 Result
Participant perception of choice and control over their life (independence)	75%	78.9%	Achieved	76.8%

Why we measure this

This measure assesses the effectiveness of reasonable and necessary supports on participant independence.

How we measure this

We obtain our results for this performance measure by calculating the percentage of participants (aged 15+ who have been in the NDIS for at least 2 years) who answer ‘yes’ to the question ‘Has the NDIS helped you have more choice and control over your life?’, using the participant’s most recent response to the NDIS Short Form Outcomes Framework survey.

Analysis

The NDIA has observed that participants are reporting greater independence in their NDIS experience, exceeding the target for participant perception of choice and control over their life. The NDIA now offers improved guidance to help participants understand how they can use their plan. The NDIA has guidance on its website – for example, our ‘Would We Fund It’ guideline provides examples of the types of supports we

typically fund. Also, NDIA staff are trained to assist participants to understand how to use their supports and exercise choice and control across their journey.

The NDIA uses a supported decision-making model to further support participants’ choice and control. The model has 4 main principles that guide how we can improve the NDIS to better support people with disability to make decisions:

- All adults have an equal right to make decisions that affect their lives and to have those decisions respected.
- There must be access to support for people who need help communicating and participating in decisions.
- Decisions are directed by a person’s own will, preferences and rights.
- Inclusion of appropriate and effective safeguards against violence, abuse, neglect or exploitation.

Participant perception of choice and control for selecting providers

Performance measure	2023–24 Target	2023–24 Result	2023–24 Outcome	2022–23 Result
Participant perception of choice and control for selecting providers	Above 70%	53.2%	Not achieved	51.3%

Why we measure this

This measure assesses the effectiveness of the NDIS in supporting participant independence during plan implementation.

How we measure this

We obtain our results for this performance measure by calculating the percentage of participants (aged 15+ who have been in the NDIS for at least 2 years) who answer ‘yes’ to the question ‘Do you choose who supports you?’, using the participant’s most recent response to the NDIS Short Form Outcomes Framework survey.

Analysis

In 2023–24, participants’ perception of choice and control in selecting providers was below target. Participant choice and control may be affected by the fact that in some areas there are limited numbers of providers. Participants may be staying with a provider rather than choosing another one that better suits them because of the perceived uncertainty and risk involved in changing providers.

NDIA and partner staff continue to be trained to help participants understand their supports and exercise choice and control. Support coordinators play a role in helping participants engage with their NDIS supports while their plan is being implemented.

Participant satisfaction with progress toward their goals

Performance measure	2023-24 Target	2023-24 Result	2023-24 Outcome	2022-23 Result
Participant satisfaction with progress toward their goals	70%	68.5%	Partially achieved	N/A

Why we measure this

This measure assesses the effectiveness of reasonable and necessary supports for participants to achieve their goals.

How we measure this

We obtain our results for this performance measure by calculating the scaled average of the positive responses to the question 'To what extent is your NDIS plan helping you to meet your goals?' from the participant satisfaction survey. Changes were made to the participant satisfaction survey so that it aligns with the new computer system and better supports measurement against the Participant Service Guarantee (PSG) engagement principles. The calculation for this measure was updated to reflect these changes; therefore, this table shows only the result for December 2023 to June 2024. Using the previous methodology, the result of this measure for July to November 2023 was 83.2% and the 2022-23 result was 84.4%. The 2022-23 result is not shown because it is not comparable.

Analysis

Over the reporting period, the NDIA has continued to strive to improve participant satisfaction with progress towards their goals.

NDIA and partner staff are trained to have planning conversations and goal discussions with participants so they understand their supports and can progress towards their goals. In early 2024, roles of partner organisations changed, enabling them to increase their capacity to support participants to implement their plans.

Support coordinators and plan managers are also important in supporting participants to progress towards their goals. The NDIA is engaging with plan managers and support coordinators to reinforce their understanding of this aspect of their role.

Participant satisfaction

Performance measure	2023–24 Target	2023–24 Result	2023–24 Outcome	2022–23 Result
Participant satisfaction	76%	68.5%	Partially achieved	74.9%

Why we measure this

This measure assesses the effectiveness of the NDIS in supporting participant independence in a safe environment across the 4 moments of the participant pathway: apply for the NDIS, plan approval, plan implementation and plan reassessment.

How we measure this

We obtain our results for this performance measure by calculating the weighted average of the results reported in the 4 quarterly reports to the Ministerial Council on the percentage of responses of ‘good’ and ‘very good’ to the participant satisfaction survey question about a participant’s experience across the stages of the NDIS pathway.

In December 2023 the NDIS made changes to the participant satisfaction survey so that it aligns with the new computer system and better supports measurement against the PSG engagement principles. The new survey questions were mapped against the old questions to ensure results remained comparable.

Analysis

In 2023–24 the NDIA made significant changes to improve participant access and the planning pathway. Some delays caused by these changes may have contributed to a reduction in participant satisfaction with access and planning.

The NDIA began rolling out a new computer system and processes across Australia from 30 October 2023. The changes increased internal workloads and delayed some services. These delays, combined with higher demand for access and the significantly higher number of participants seeking a review of their NDIS plans, affected participant satisfaction. Also, ongoing media coverage of the NDIS Review, legislative reforms, and the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability, along with expectations of future responses, may be impacting satisfaction levels.

To tackle the current challenges and boost participant satisfaction, the NDIA is prioritising first plans and unscheduled reassessments, and holding co-design workshops to engage participants. We are also providing staff training to ease the transition to a new business system and enhance staff confidence.

Participant social and community engagement

Performance measure	2023–24 Target	2023–24 Result	2023–24 Outcome	2022–23 Result
Participant social and community engagement	46%	41.2%	Not achieved	41.8%

Why we measure this

This measure assesses the effectiveness of the NDIS in increasing participant social and community participation.

How we measure this

We obtain our results for this performance measure by calculating the percentage of participants aged 15+ who have been in the NDIS for at least 2 years and respond ‘yes’ to the question ‘Have you been actively involved in a community, cultural or religious group in the last 12 months?’ in the NDIS Short Form Outcomes Framework survey. The survey measures the outcomes of participants, and their families and carers, who are part of the NDIS.

Analysis

The NDIS supports participants in their pursuit of goals for social and economic participation. Staff are experienced in supporting participants to use their plan to help them meet their social and community engagement goals. Also, NDIS local area coordination partners and early childhood partners support participants to link to funded and other social and community service providers in their local areas.

The NDIA is continuing to engage with plan managers and support coordinators to ensure they are supporting participants to engage with both their NDIS supports and mainstream supports and activities.

Participant employment

Performance measure	2023–24 Target	2023–24 Result	2023–24 Outcome	2022–23 Result
Participant employment	26%	22.9%	Not achieved	22.6%

Why we measure this

This measure assesses the effectiveness of the NDIS in increasing participant employment through reasonable and necessary supports.

How we measure this

We obtain our results for this performance measure by taking the percentage of participants who have been in the NDIS for at least 2 years and are aged 15 to 64 (working age) who respond ‘yes’ to the question ‘Do you have a paid job?’ in the most recent short form outcomes questionnaire quarterly survey.

Analysis

The factors affecting employment outcomes are varied and subject to whole-of-economy considerations, and other programs, such as Disability Employment Services, a key activity of the DSS Disability and Carers Program.¹ NDIS participants have varying levels of access to Disability Employment Services.

NDIA staff are trained to have planning conversations and goal discussions to assist participants to understand their NDIS supports, including employment supports that can help them achieve their goals. The NDIA is continuing to engage with plan managers and support coordinators to emphasise their role in supporting participants to meet their employment goals.

¹ [Department of Social Services Corporate Plan 2023-24.](#)

Children who have benefited from the Scheme and no longer need support

Performance measure	2023–24 Target	2023–24 Result	2023–24 Outcome	2022–23 Result
Children who have benefited from the Scheme and no longer need supports	6%	Data not available	Data not available	4.7%

Why we measure this

This measure assesses the effectiveness of the early childhood approach and embedding the insurance-based model.

How we measure this

We obtain our results for this performance measure by calculating the number of participants aged 0 to 14 who have benefited from the NDIS’ early childhood approach and who no longer receive supports (under Program 1.1).

Analysis

Data on the transition of children from the early childhood approach to the NDIS or alternative pathways is not available for this reporting period due to the rollout of the NDIA’s new computer system.

The NDIA has a nationally consistent early childhood approach for children younger than 6 with developmental delay or younger than 9 with disability. A child may leave the NDIS but maintain linkages with mainstream and community services or continue to receive supports through a local area coordinator or planner when the child turns 9. Children receiving NDIS supports are engaged with early childhood partners.

No person under the age of 65 is living in residential aged care, unless there are exceptional circumstances, by the end of 2025

Performance measure	2023–24 Target	2023–24 Result	2023–24 Outcome	2022–23 Result
No person under the age of 65 is living in residential aged care, unless there are exceptional circumstances, by the end of 2025	<1% of NDIS participants	0.4%	Achieved	0.59%

Why we measure this

This measure assesses the effectiveness of the whole-of-government effort to reduce the number of young people living in residential aged care, consistent with the Royal Commission into Aged Care Quality and Safety.

How we measure this

The work of the Younger People in Residential Aged Care (YPIRAC) Joint Agency Taskforce contributes to achievement of this measure. The Government has outlined 3 exceptional circumstances for approval and entry of a younger person to residential aged care, where it is their preference. These are:

- a First Nations person and aged 50–64
- a person who is homeless, or at risk of becoming homeless, and aged 50–64
- maintaining family connections (Department of Health and Aged Care 2023).

NDIS participant data is used for this measure rather than Australian Institute of Health and Welfare (AIHW) data. We obtain our results for this performance measure by calculating the proportion of active

participants aged under 65 in residential aged care excluding any First Nations people aged 50–64 (133 for 2023–24. This exclusion is in line with the published approach by AIHW – ‘Changes to YPIRAC reporting from the June 2024 release onwards’).

Analysis

The Government’s YPIRAC target states that ‘no person under the age of 65 will be living in aged care by 2025 unless there are exceptional circumstances’. The target of ‘less than 1%’ recognises that only a very small proportion of NDIS participants aged under 65 years would reside in aged care.

On 30 June 2024 there were 1,049 participants aged under 65 in residential aged care. Of those, approximately two-thirds have indicated they had ‘no goal to move’ due to personal or exceptional circumstances. This is within the target of ‘less than 1% of persons under the age of 65 living in a residential aged care facility’. The NDIA will continue efforts to reduce this cohort to the smallest number possible, taking into consideration personal circumstances.

Socioeconomic equity

Performance measure	2023–24 Target	2023–24 Result	2023–24 Outcome	2022–23 Result
Socioeconomic equity	104%	99.9%	Achieved	101.7%

Why we measure this

The purpose of this performance measure is to assess the effectiveness of Australian Government activities to stimulate the market and enable participants to have value for money and equitable access to supports.

How we measure this

We obtain our results for this performance measure by using a participant’s residential address to allocate them to a socioeconomic decile based on the 2021 Australian Bureau of Statistics (ABS) Index of Education and Occupation (IEO) index classification. The annual result is calculated using the 2021 Socioeconomic Indexes for Areas (SEIFA) IEO decile data for the whole period. The 2022–23 annual result was calculated using the 2016 ABS SEIFA IEO decile data. We calculate the average annual plan budget for participants in the top 2 deciles divided by the average annual plan budget for participants in the bottom 2 deciles. This measure aims to ensure that plan budgets are reasonably consistent across different socioeconomic areas within Australia.

The measure compares the average annualised plan budget of active participants aged 0–64 without supported independent living (mix-adjusted for age profile) in the top 2 IEO deciles with the average annualised plan budget of active participants not receiving supported independent living (mix-adjusted for age profile) in the bottom 2 IEO deciles.² A result above 100% indicates that participants in higher socioeconomic areas have higher average plan budgets than those in lower socioeconomic areas.

² The method for jurisdictional reporting to accommodate the smaller sample sizes within the Australian Capital Territory uses the top 4 deciles and bottom 4 deciles.

Analysis

For the 2023–24 period, socioeconomic equity was 99.9% – 4.1% lower than the target. The result is below 100%, indicating that participants in higher socioeconomic areas have lower average plan budgets than those in lower socioeconomic areas.

The NDIS is a needs-based system that does not consider socioeconomic status when determining eligibility or funding. NDIA staff are trained to base planning decisions solely on the participant's support needs. Planning decisions are validated through internal quality checks and ongoing improvements.

Specialist NDIA planning teams work with participants who live in remote and very remote locations to support equitable planning decisions.

At present, the NDIA uses a number of controls to ensure the consistency of planning across all participants, including:

- delegation controls for participant plans outside of expected ranges
- pre- and post-quality checking
- targeted plan reviews for participants.

Participants receive a price-based loading to their plans to reflect higher operational costs. Remoteness is classified using the Department of Health and Aged Care Modified Monash Model.

2.3.3 Program 1.2 performance statement

Program 1.2

Agency costs

The NDIA's costs program ensures efficient and effective use of operating resources to implement our outcomes. It is the primary delivery mechanism for the implementation of the NDIS. The NDIA is responsible for assessing applicants to the NDIS and developing plans, for those who are eligible, based on insurance principles, and administering the payments made under Program 1.1 Reasonable and necessary supports for participants.

Key activity 2

Develop a high-performing NDIA for participants.

Why this matters

In 2023–24 the NDIA has focused on:

- delivering a quality experience in line with the Participant Service Charter, Participant Service Guarantee and Participant Service Improvement Plan
- developing a market with high-quality, competitive and innovative supports and services for participants
- enhancing sector and community sentiment and confidence through co-design, transparency and better communications
- enhancing the efficiency and effectiveness of the NDIA
- maintaining strong staff engagement and wellbeing through a time of transformation
- protecting the NDIS from noncompliant and fraudulent practices through a controlled environment.

To support this the NDIA has also continued to prioritise:

- ensuring people with disability are at the centre of improving the NDIS through its partnership in co-design
- improving the efficiency of NDIA’s operating capability through investment in underlying digital systems and processes, including continued enhancement of integrity controls
- increasing the consistency, transparency and rigour of our decision-making through clearer policies, operational guidelines and controls
- improving alternative dispute resolution processes for participants appealing NDIS decisions
- reducing the number of NDIS participants who remain in hospital when they are medically ready to be discharged and reducing the number of younger people in residential aged care
- identifying market gaps and barriers, including assisting communities in specific geographical locations, including remote and very remote, to strengthen local supply solutions
- protecting the NDIS from noncompliant and fraudulent practices
- increasing efforts to support children and young people in the NDIS. We are building a strong practice model to drive better outcomes, including reviewing how it is working with mainstream partners and providing a voice for children and their families in design and delivery of plans.

The NDIA performance measures for key activity 2 act as a set when assessing achievement. This section provides analysis of performance for each performance measure from the NDIA Corporate Plan 2023–2027 along with a table for each measure that shows the result and the outcome. Outcomes are simplified to ‘achieved’, ‘partially achieved’ and ‘not achieved’. The analysis of performance gives detail about impacts on the achievement of key activity targets.

Analysis of performance

Participant Service Guarantee timeframes

Performance measure	2023–24 Target	2023–24 Result	2023–24 Outcome	2022–23 Result
Participant Service Guarantee timeframes met 95% of the time	80%	32.9%	Not achieved	64.7% ³

Why we measure this

This measure assesses the efficiency (proxy) of our services and effectiveness in implementing the Participant Service Improvement Plan 2022–23 (PSIP) (see PSIP 2022–23, p. 4).

How we measure this

We obtain our results for this performance measure by calculating the average of the results reported in the 4 quarterly reports to the Ministerial Council of when the PSG timeframes have been met. An individual PSG metric is considered to have been met overall if 95% or more of tasks being measured meet the target.

The national implementation of the new computer system affected quarter 2 2023–24 data, which was only available and calculated for October 2023. Results were rounded up to the nearest per cent if the gap to target was less than 50 cases (PSG 5 was the sole PSG that met this criterion).

Analysis

The NDIA started measuring performance against the PSG timeframes in 2020–21 before the Participant Service Charter and Guarantee legislation was passed in Parliament in April 2022 ([NDIA Annual Report 2020–21](#), p 125). Eight of 20 PSG timeframes are set out in the legislation. The 8 specified PSG timeframes below use the reported description of the service being guaranteed in the quarterly reports to the Ministerial Council:

1. Make an access decision, or request for more information, after an access request has been received within 21 days.
2. Allow sufficient time to provide information within 90 days.
3. Make an access decision after more information has been provided within 14 days.
4. Commence facilitating the preparation of a plan, after an access decision has been made within 21 days.

3 17 of 20 PSG timeframes available for the 2022–23 financial year.

5. Provide a copy of the plan to a participant, after a plan is approved within 7 days.
6. Decide whether to undertake a participant-requested plan reassessment, after the request is received within 21 days.
7. Amend a plan after the receipt of information that triggers the plan amendment process within 28 days.
8. Provide a copy of the plan to a participant, after the plan is amended within 7 days.

NDIA annual reports over 2020–2023 show we have made progress toward achieving the target. Our performance in 2023–24 has been impacted by the adaptation to the new computer system and processes, as well as the significantly higher than average number of participants seeking a review of their NDIS plans. Also, the NDIA received almost double the volume of requests from participants asking for a change to their NDIS plan. This increased volume has impacted the time it is taking to make access and planning decisions and has therefore affected the NDIA's ability to meet PSG timeframes in recent quarters.

With the national rollout of the new computer system in quarter 2 of 2023–24, data was not available on a single system to allow calculation of PSG metrics. The NDIA forecast impacts to data availability and advised the Commonwealth Ombudsman that results would not be reported for quarter 2 of 2023–24.

For quarters 3 and 4 of 2023–24, 10 out of 20 PSG measures were reported compared with the 17 out of 20 available in 2022–23 and quarter 1 of 2023–24. The NDIA has acknowledged in the quarterly reports for quarters 3 and 4 of 2023–24 that PSG performance is not achieving the guarantee in the areas of access, first plans, plan reassessments and reviewable decisions.

In the quarterly report for quarter 3 of 2023–24, the NDIA reported that in March 2024 it had implemented a remediation plan to address the timeframes and improve the participant experience and PSG performance measures. Also, system enhancements continue to be rolled out and will continue into the next financial year. We expect these enhancements will improve efficiencies and ensure that participant experience (satisfaction) improves. The NDIA expects that performance against some of the PSG measures will continue to be lower than anticipated into the 2024–25 financial year as we focus on remediating the backlog of participant-requested reviews.

Participant satisfaction

Performance measure	2023–24 Target	2023–24 Result	2023–24 Outcome	2022–23 Result
Participant satisfaction	76%	68.5%	Partially achieved	74.9%

Why we measure this

This measure was included under key activity 2 to assess the effectiveness of the PSIP. The PSIP is a commitment to improve the participant experience and is a contributing factor to participant satisfaction performance, which has a target of 76%.

How we measure this

We obtain our results for this performance measure by calculating the weighted average result of the percentage of ‘good’ and ‘very good’ responses to the participant satisfaction survey question about a participant’s experience across the stages of the NDIS pathway. In December 2023 we made changes to the participant satisfaction survey to align it with the new computer system and to better support measurement against the PSG engagement principles. The new survey questions were mapped against the old questions to ensure results remained comparable.

Analysis

The result for participant satisfaction has decreased 6.4% from 74.9% reported in the NDIA Annual Report 2022–23.

The PSIP has 51 commitments, 35 of which have been delivered. Of the 35 delivered, 6 occurred in 2023–24.

There are 16 open commitments. These could have contributed to the decrease in participation and the fact that our target of 76% was not met.

Seven of our commitments are affected by the NDIS Review reform agenda – they are being reviewed to determine if they should be closed. These commitments were primarily to do with the participant experience in access and planning activities and support for implementing participants’ plans.

Eight commitments are on track for delivery based on the current target date. One commitment is delayed due to the implementation of our new computer system.

The timeline for the delivery of the 19 reform initiatives that came out of the NDIS Review could affect participants’ experiences of the NDIS in the future. Some of our commitments will no longer be relevant in the context of the future direction of the NDIS.

General community sentiment and confidence in the NDIA

Performance measure	2023–24 Target	2023–24 Result	2023–24 Outcome	2022–23 Result
General community sentiment and confidence	70%	65.3%	Partially achieved	66.3%

Why we measure this

This measure assesses the effectiveness of our public engagement.

How we measure this

We obtain our results for this performance measure by calculating the average of the 12 monthly results from a survey of brand sentiment measures – reputation, trust, support and positivity towards the NDIA. The survey was conducted independently by Hall & Partners and received 10,000 responses in 2023–24.

Analysis

Confidence, awareness and sentiment measures are tracked and reported on under this measure.

In 2023–24 awareness of the NDIS increased, and more people in the general community gained an understanding of the role of the NDIS.

Sentiment during this period remained broadly stable, with some fluctuations toward the end of the financial year.

Positive perceptions of the NDIS that consistently scored highest were ‘essential’ and ‘improving lives’. Negative perceptions were ‘complex’, ‘confusing’ and ‘bureaucratic’.

In 2023–24 the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability final report and the NDIS Review’s ‘Working together to deliver the NDIS’ guide made recommendations to improve the NDIS. The NDIA also committed to continue to work with people with disability and the disability community to ensure the right changes are made. These factors, together with associated media coverage, may have impacted the results.

Staff wellbeing and staff engagement

Performance measure	2023–24 Target	2023–24 Result	2023–24 Outcome	2022–23 Result
Staff wellbeing	70%	75%	Achieved	73%
Staff engagement	76%	77%	Achieved	77%

Why we measure this

The measures of staff wellbeing and engagement assess the effectiveness of internal activities.

How we measure this

We obtain our results for these performance measures from the results of the annual Australian Public Service (APS) Census, conducted by the Australian Public Service Commission.

Analysis

In 2023–24 the NDIA initiated several new wellbeing support initiatives. For example, we:

- extended employee assistance program services to labour hire workers
- established an escalation process for workers in severe distress
- undertook clinical psychology and proactive wellbeing checks in high-risk teams/branches
- undertook capability uplift programs, including Mental Health First Aid training, Conversations about Suicide and the SES Integrity Masterclass
- started a pilot program for Senior Executive Service (SES) leaders to champion leadership at NDIA sites to drive greater connection between staff and SES leaders across the NDIA
- delivered live webinars on mental health to support staff knowledge
- expanded the employee assistance program services to include a warm handover, critical escalation process and additional instant counselling.

Staff with disability and Senior Executive Service staff with disability

Performance measure	2023–24 Target	2023–24 Result	2023–24 Outcome	2022–23 Result
Staff with disability	19%	23.2%	Achieved	20.8%
Senior executive staff with disability	12%	22.6%	Achieved	20.8%

Why we measure this

These measures assess the effectiveness of the NDIA’s internal diversity and inclusion activities to ensure the NDIA represents participants and people with disability. The measure supports a high-performing NDIA by enabling staff to use their lived experience and understanding of participant needs to inform how the NDIA delivers the NDIS.

How we measure this

We obtain our results for this performance measure from the annual APS Census, conducted by the Australian Public Service Commission.

Analysis

The NDIA has increased representation of staff with disability by:

- continuing to partner with the Australian Network on Disability on the [Stepping Into Internship Program](#). Under the program, the NDIA hosts students with disability for paid internships (often leading to ongoing roles with the NDIA after graduation)

- continuing to partner with the Australian Network on Disability to maintain our Disability Confident Recruiter accreditation. The accreditation demonstrates the NDIA’s commitment to inclusive recruitment practices that maximise access and remove barriers for all candidates with disability, including our internal candidates
- ensuring external recruitment advertisements for SES roles and candidate packs provide information on access to reasonable adjustments that are available for equitable participation in the recruitment process and to enable applicants to fulfil the requirements of the role. People with disability continue to be encouraged to apply for SES roles through the RecruitAbility scheme and, in some cases, designated roles recruited through affirmative measures.

The Australian Network on Disability has recognised the NDIA as an industry top performer in the network’s Access and Inclusion Index, which recognises the consistent improvements being made across the NDIA based on previous learnings.

NDIA spend (Program 1.2) compared to estimates and NDIA spend (Program 1.2) as proportion of NDIS spend (Program 1.1)

Performance measure	2023–24 Target	2023–24 Result	2023–24 Outcome	2022–23 Result
NDIA spend (Program 1.2) compared to estimates	100%	96.7%	Achieved	103%
NDIA spend (Program 1.2) as proportion of NDIS spend (Program 1.1)	6.0%	5%	Achieved	5.2%

Why we measure this

These measures assess the effectiveness of NDIS projections and the efficiency of the NDIA in delivering the NDIS (Program 1.1 Reasonable and necessary supports for participants).

How we measure this

We measure NDIA spend compared with estimates by calculating actual NDIA costs (accrual basis) for the financial year divided by projected NDIA costs in the 2022–23 Annual Financial Sustainability Report (AFSR), published in the Mid-Year Economic and Fiscal Outlook 2023–24.

We measure the efficiency of the NDIA by calculating NDIA costs (Program 1.2) as a percentage of NDIS costs (Program 1.1) for the financial year (accrual basis).

Analysis

There was one key driver of NDIA spend being lower than provided for in the Social Services Mid-Year Economic and Fiscal Outlook 2023–24. This was because of timing

differences associated with the delivery of 2023–24 Budget measures – a total of \$280 million was allocated in the 2023–24 budget for reform initiatives; however, \$146 million was allocated for spending in later years, with a further underspend of around \$30 million being recorded (a total of \$176 million). This was partially offset by additional spend overall in the NDIA business-as-usual budget. Additional funding provided in the Mid-Year Economic and Fiscal Outlook 2023–24 and 2024–25 Budget (for 2023–24) does not impact this metric.

The Social Services Portfolio Budget Statements 2024–25 set out the anticipated expenditure for Program 1.2.

The Program 1.2 expenditure estimate for the 2024–25 Budget is \$2.7 billion, followed by \$1.7 billion each financial year until 2027–28.

NDIA spend as a portion of NDIS spend remains below the 7–10% benchmark set by the Productivity Commission. The 5.0% figure recorded for this year is slightly lower than last year (5.2%).