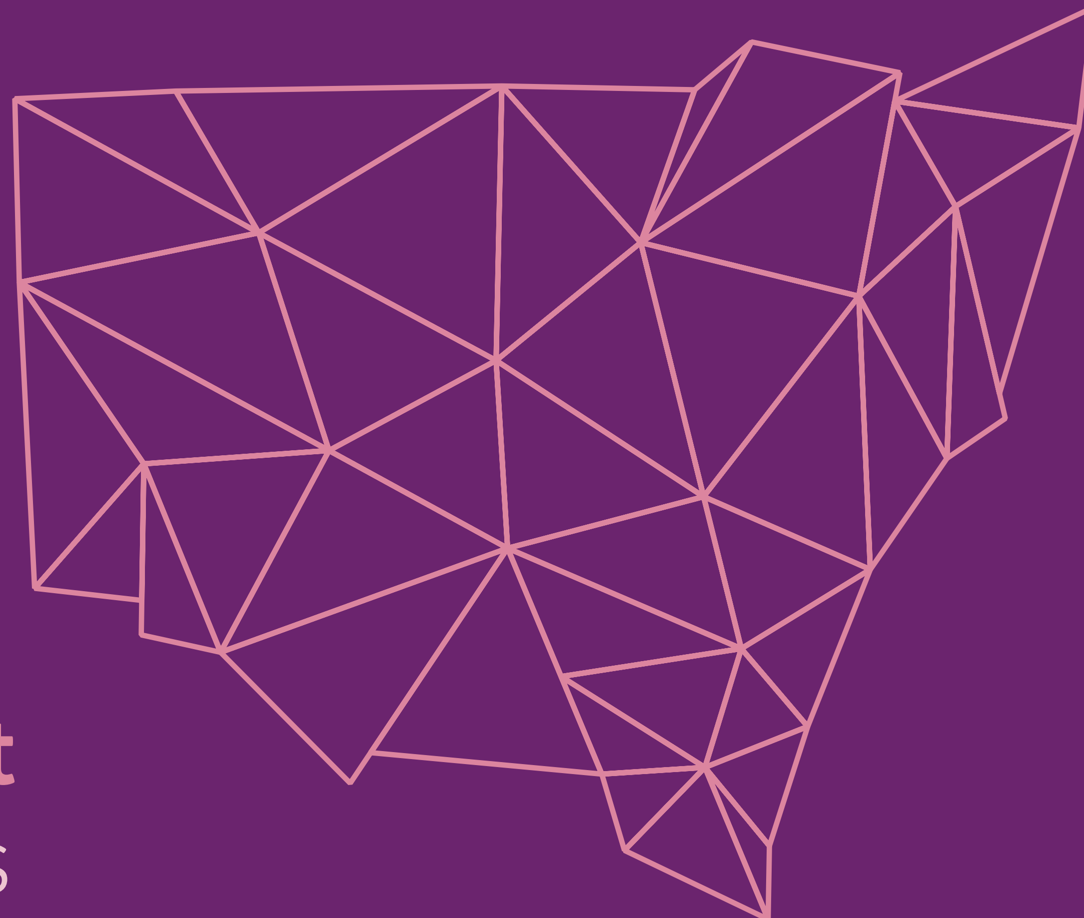
The NDIS market

New South Wales

31 December 2020



National Disability Insurance Agency

Background

The purpose of the National Disability Insurance Scheme (NDIS) is to provide reasonable and necessary funding to people with a permanent and significant disability so that they may access the supports and services they need to assist with achieving their goals. Participants receive individual budgets from which they choose the providers to support them.

This report provides the latest update to the New South Wales market report, using data as at 31 December 2020 (the previous report used data as at 30 June 2020). The report covers the key market metrics that the NDIA monitors across the 15 service districts within New South Wales.

Accompanying this presentation is the 31 December 2020 report on 'The NDIS Market' – which compares a number of market indicators across geographical regions and participant characteristics to identify "hot spots" where support provision is comparatively lower or higher than the rest of the NDIS market.

Note that the data in this report is taken over the period from the 1 April 2020 to the 30 September 2020. We allow a three month lag due to the delay between supports being provided and payments being made.

Summary of market monitoring key indicators

A deep dive into the NDIS market has been undertaken to better understand market "hot spots". The three key indicators included in this report are plan utilisation, provider concentration, and choice and control (see table on the right).

Indicators are presented both including and excluding participants in supported independent living (SIL).

In the detailed dashboards, the key indicators are presented by:

- Geographical region
- Support category
- Participant characteristics, including age, primary disability type, level of function, remoteness, Indigenous status and culturally and linguistically diverse (CALD) status

An appropriate benchmark is also presented for each indicator and market segment. The benchmark represents the national average, and for some indicators, is adjusted for the mix of participants within the market being analysed (for example, the proportion of SIL participants and the amount of time a participant has been in the Scheme).

Key indicators[1]

Indicator	Definition
Plan utilisation	Payments as a proportion of total plan budgets (or supports committed) for the period
Provider concentration	Proportion of total provider payments that were paid to the ten providers that received the most payments
Choice and control	Proportion of participants who report that they choose who supports them and that the NDIS helps with choice and control

[1] Indicators have been calculated over the period from 1 April 2020 to 30 September 2020, using data available as at 31 December 2020. Please note that in-kind data has been included in the plan utilisation metrics, but excluded from the provider concentration metric.

Summary of market indicators
by service district – New South Wales

Service district	Phase in date	Active participants with approved plans	Total plan budgets ($m)	Average plan budget ($)	Total payments ($m)	Average payments ($)	Utilisation
New South Wales							
Central Coast	1 Jul 16	7,585	245.66	32,388	174.44	22,998	71%
Far West	1 Jul 17	547	22.73	41,561	12.82	23,436	56%
Hunter New England	1 Jul 13	22,730	828.82	36,464	586.00	25,781	71%
Illawarra Shoalhaven	1 Jul 17	7,700	285.07	37,022	197.01	25,586	69%
Mid North Coast	1 Jul 17	5,222	183.33	35,106	125.07	23,951	68%
Murrumbidgee	1 Jul 17	5,778	194.83	33,719	131.19	22,706	67%
Nepean Blue Mountains	1 Jul 15	7,781	270.86	34,811	194.54	25,002	72%
North Sydney	1 Jul 16	9,200	396.14	43,059	293.42	31,894	74%
Northern NSW	1 Jul 17	6,119	224.74	36,728	158.01	25,823	70%
South Eastern Sydney	1 Jul 17	8,631	318.16	36,862	234.48	27,167	74%
South Western Sydney	1 Jul 16	17,572	570.74	32,480	433.72	24,682	76%
Southern NSW	1 Jul 16	3,790	120.65	31,833	79.11	20,872	66%
Sydney	1 Jul 17	7,244	258.72	35,715	181.35	25,034	70%
Western NSW	1 Jul 17	5,415	213.22	39,376	135.38	25,001	63%
Western Sydney	1 Jul 16	14,785	529.95	35,844	399.14	26,996	75%
New South Wales total		**130,108**	**4,664.04**	**35,847**	**3,335.90**	**25,639**	**72%**
National total		**412,543**	**14,645.49**	**35,501**	**9,871.32**	**23,928**	**67%**

In the 31 December 2020 report, there were 130,108 active participants with approved plans registered in New South Wales and 4,264 active providers[1]. Total plan budgets in New South Wales over the 6 months from 1 April 2020 to 30 September 2020 amounted to $4,664m. Total payments over the same period amounted to $3,336m, resulting in a utilisation rate of 72%. In the 30 June 2020 report, the equivalent rate for New South Wales was 73%, indicating a small decrease in utilisation overall.

[1] Providers of agency-managed participants only. Self-managed participants and participants with a plan manager can use unregistered providers, and hence the total number of providers supporting participants will be higher than 4,264.

Summary of market indicators

by service district – New South Wales cont.

Service districts	Phase in date	Active participants with approved plans	Registered active providers	Participants per provider	Provider concentration	Outcomes indicator on choice and control	Has the NDIS helped with choice and control?
New South Wales							
Central Coast	1 Jul 16	7,585	746	10.2	44%	55%	76%
Far West	1 Jul 17	547	94	5.8	84%	50%	80%
Hunter New England	1 Jul 13	22,730	1,326	17.1	28%	61%	73%
Illawarra Shoalhaven	1 Jul 17	7,700	539	14.3	55%	56%	73%
Mid North Coast	1 Jul 17	5,222	326	16.0	60%	55%	77%
Murrumbidgee	1 Jul 17	5,778	414	14.0	57%	51%	73%
Nepean Blue Mountains	1 Jul 15	7,781	929	8.4	36%	53%	73%
North Sydney	1 Jul 16	9,200	922	10.0	57%	45%	76%
Northern NSW	1 Jul 17	6,119	400	15.3	59%	52%	73%
South Eastern Sydney	1 Jul 17	8,631	958	9.0	47%	44%	73%
South Western Sydney	1 Jul 16	17,572	1,648	10.7	29%	44%	64%
Southern NSW	1 Jul 16	3,790	362	10.5	57%	57%	79%
Sydney	1 Jul 17	7,244	1,137	6.4	37%	45%	74%
Western NSW	1 Jul 17	5,415	473	11.4	54%	49%	67%
Western Sydney	1 Jul 16	14,785	1,500	9.9	33%	46%	71%
New South Wales average		**8,673**	**785**	**11.0**	**49%**	**–**	**–**
New South Wales total		**130,108**	**4,264**	**–**	**–**	**50%**	**72%**
National average		**5,154**	**471**	**10.3**	**59%**	**–**	**–**
National total		**412,543**	**9,969**	**–**	**–**	**52%**	**72%**

State-wide, 50% of respondent participants said that they chose who supported them and 72% said that the NDIS helped with choice and control. The comparative figures from the 30 June 2020 report were 49% and 71% respectively, indicating a small improvement in responses.

Key indicators
New South Wales

Key indicators can be used to understand how further investment might improve regional markets. Here we look at the different indicators and provide some commentary by service district:

Utilisation:

The highest level of utilisation was seen in South Western Sydney (76%) and the lowest in Far West (56%). While Western Sydney exhibited the highest utilisation in the 30 June 2020 report, this district is now the second to the highest with 75% level. Far West was also the lowest level of utilisation in the previous report (at 61%). There could be a number of reasons for the lower utilisation in Far West, including insufficient provider capacity to provide supports to participants.

While utilisation increased by one percentage point in Sydney (from 69% to 70%), utilisation remained unchanged in Nepean Blue Mountains (72%), South Eastern Sydney (74%) and South Western Sydney (76%), utilisation in the other eleven districts has decreased compared to the 30 June 2020 presentation, with the largest drop observed for Far West (from 61% to 56%) and Murrumbidgee (from 72% to 67%).

Provider concentration:

The highest level of provider concentration was 84% in Far West and the lowest was 28% in Hunter New England. Generally, the lower the concentration, the more competitive the market is likely to be as payments are going to a range of different providers. As Hunter New England has been in the Scheme since inception and has the most participants out of all the New South Wales service districts, a low provider concentration can be expected. High market concentration in Far West, further indicates that there could be insufficient provider capacity in this district.

The same districts exhibited the highest and lowest levels of provider concentration respectively in the 30 June 2020 report (and in the 31 December 2019 report) – provider concentration has remained unchanged in Far West and Hunter New England, compared to the 30 June 2020 presentation.

Key indicators
New South Wales cont.

Outcomes indicator on choice and control:

In Hunter New England, 61% of participants responded that they chose who supports them, however in South Western Sydney and South Eastern Sydney, 44% of participants responded that they had that choice. This compares to a national total of 52%. Participants in districts with a lower level on the outcomes indicator may thus benefit from increased choice (or more information on their ability to choose).

The proportion of participants responding that they chose who supported them in Hunter New England has increased by one percentage point from 60% in the 30 June 2020 report, and the proportion in South Western Sydney and South Eastern Sydney response has increased by one and two percentage points respectively (from 43% and 42% in the 30 June 2020 report). The national total has increased by one percentage point (from 51%) since the 30 June 2020 report.

Has the NDIS helped with choice and control?:

80% of participants in Far West (the highest in the state) responded that the NDIS had helped with choice and control over support provision, compared with 64% in South Western Sydney (the lowest in the State). The national total is 72%, indicating that participants in South Western Sydney may benefit from greater assistance in choosing their supports and services.

In the 30 June 2020 report, 76% of participants in Far West responded that the NDIS had helped with choice and control over support provision, compared with 62% in South Western Sydney – indicating a slight improvement in this metric. The national total has increased by one percentage point from 71% since the 30 June 2020 report.

Summary of market indicators
by support category – New South Wales

Support category	Active participants with approved plans	Registered active providers	Provider concentration	Total plan budgets ($m)	Average plan budget ($)	Total payments ($m)	Average payments ($)	Utilisation	Outcomes indicator on choice and control	Has the NDIS helped with choice and control?
Core										
Consumables	103,310	978	41%	91.88	889	56.05	543	61%	50%	73%
Daily Activities	103,451	1,999	30%	2,300.17	22,234	1,848.49	17,868	80%	50%	73%
Community	103,378	1,250	22%	924.64	8,944	548.46	5,305	59%	50%	73%
Transport	103,804	185	40%	133.49	1,286	139.69	1,346	105%	50%	73%
Core total	**104,697**	**2,556**	**26%**	**3,450.18**	**32,954**	**2,592.70**	**24,764**	**75%**	**50%**	**73%**
Capacity Building										
Choice and Control	50,929	546	42%	36.07	708	34.46	677	96%	51%	73%
Daily Activities	125,167	2,549	24%	646.31	5,164	384.30	3,070	59%	49%	73%
Employment	11,560	328	38%	78.06	6,753	46.29	4,004	59%	42%	74%
Health and Wellbeing	10,235	484	39%	16.91	1,652	7.94	776	47%	51%	78%
Home Living	421	40	74%	0.34	807	0.06	138	17%	57%	66%
Lifelong Learning	29	7	100%	0.05	1,568	0.02	639	41%	37%	73%
Relationships	18,746	417	41%	68.77	3,669	37.46	1,998	54%	19%	73%
Social and Civic	16,914	601	30%	41.68	2,464	13.22	782	32%	45%	69%
Support Coordination	49,032	958	21%	107.37	2,190	80.28	1,637	75%	43%	74%
Capacity Building total	**128,187**	**3,020**	**19%**	**995.57**	**7,767**	**604.04**	**4,712**	**61%**	**50%**	**73%**
Capital										
Assistive Technology	30,953	868	48%	159.84	5,164	98.96	3,197	62%	60%	76%
Home Modifications	10,220	370	32%	58.44	5,719	40.19	3,932	69%	39%	79%
Capital total	**34,618**	**1,034**	**35%**	**218.28**	**6,305**	**139.15**	**4,020**	**64%**	**56%**	**76%**
All support categories	**130,108**	**4,264**	**23%**	**4,664.04**	**35,847**	**3,335.90**	**25,639**	**72%**	**50%**	**72%**

This slide shows the breakdown of the market indicators by support category in New South Wales.

- Daily Activities (Core and Capacity Building) and Community supports are the supports with the highest level of committed supports and payments. Provider concentration is low for these supports indicating that at the State level a relatively competitive market amongst providers exists.
- The position has not markedly changed since the 30 June 2020 or 31 December 2019 reports.

Note: 'Core – Transport' shows a utilisation above 100% due to the fungibility of core supports. This refers to the ability of participants to use their funding flexibly between different core support types.
Note: The sum of individual support categories do not equal the totals exactly due to a very small amount of missing information.

Appendix: Summary of market indicators

by support category – New South Wales – SIL/SDA only

Support category	Active participants with approved plans	Registered active providers	Provider concentration	Total plan budgets ($m)	Average plan budget ($)	Total payments ($m)	Average payments ($)	Utilisation	Outcomes indicator on choice and control	Has the NDIS helped with choice and control?
Core										
Consumables	8,810	457	54%	13.75	1,560	7.26	824	53%	16%	80%
Daily Activities	8,859	764	39%	1,167.91	131,833	1,084.78	122,450	93%	16%	80%
Community	8,814	673	26%	222.91	25,290	142.92	16,216	64%	16%	80%
Transport	8,848	75	51%	12.58	1,421	10.82	1,223	86%	16%	80%
Core total	**8,861**	**1,204**	**37%**	**1,417.14**	**159,930**	**1,245.79**	**140,592**	**88%**	**16%**	**80%**
Capacity Building										
Choice and Control	2,756	221	45%	2.16	785	2.11	764	97%	18%	78%
Daily Activities	8,625	1,018	33%	39.91	4,627	22.73	2,635	57%	16%	80%
Employment	1,280	134	43%	10.11	7,897	6.41	5,010	63%	24%	84%
Health and Wellbeing	1,749	173	46%	2.29	1,312	1.05	603	46%	13%	82%
Home Living	15	3	100%	0.02	1,147	0.00	209	18%	33%	75%
Lifelong Learning	1	0	0%	0.00	670	0.00	0	0%	0%	0%
Relationships	5,921	227	47%	26.21	4,427	17.24	2,912	66%	11%	79%
Social and Civic	430	111	46%	2.28	5,310	0.62	1,439	27%	25%	77%
Support Coordination	8,820	459	25%	23.42	2,655	18.68	2,118	80%	16%	80%
Capacity Building total	**8,867**	**1,346**	**22%**	**106.40**	**12,000**	**68.84**	**7,764**	**65%**	**16%**	**80%**
Capital										
Assistive Technology	3,467	319	64%	19.15	5,522	12.02	3,466	63%	16%	80%
Home Modifications	5,478	127	51%	33.91	6,190	21.69	3,959	64%	13%	81%
Capital total	**6,309**	**419**	**41%**	**53.05**	**8,409**	**33.71**	**5,343**	**64%**	**14%**	**81%**
All support categories	**8,873**	**1,999**	**35%**	**1,576.60**	**177,685**	**1,348.34**	**151,960**	**86%**	**16%**	**80%**

This slide shows the breakdown of the market indicators by support category in New South Wales, for participants with Supported Independent Living (SIL) and / or Specialist Disability Accommodation (SDA) supports.

- Daily Activities (Core) supports have the highest level of committed supports and payments. Provider concentration is low for these supports indicating that at the State level a relatively competitive market amongst providers exists.
- Utilisation for these supports is materially higher than for the participant population in general.

Note: The sum of individual support categories do not equal the totals exactly due to a very small amount of missing information.

Appendix: Summary of market indicators
by support category – New South Wales – non-SIL/SDA only

Support category	Active participants with approved plans	Registered active providers	Provider concentration	Total plan budgets ($m)	Average plan budget ($)	Total payments ($m)	Average payments ($)	Utilisation	Outcomes indicator on choice and control	Has the NDIS helped with choice and control?
Core										
Consumables	94,500	936	40%	78.14	827	48.80	516	62%	54%	72%
Daily Activities	94,592	1,888	31%	1,132.26	11,970	763.71	8,074	67%	54%	72%
Community	94,564	1,198	23%	701.73	7,421	405.54	4,289	58%	54%	72%
Transport	94,956	158	42%	120.91	1,273	128.87	1,357	107%	54%	72%
Core total	**95,836**	**2,427**	**27%**	**2,033.04**	**21,214**	**1,346.91**	**14,054**	**66%**	**54%**	**72%**
Capacity Building										
Choice and Control	48,173	542	42%	33.91	704	32.36	672	95%	54%	73%
Daily Activities	116,542	2,463	25%	606.40	5,203	361.57	3,103	60%	54%	72%
Employment	10,280	313	39%	67.96	6,611	39.88	3,879	59%	44%	72%
Health and Wellbeing	8,486	452	40%	14.62	1,723	6.89	812	47%	60%	77%
Home Living	406	38	78%	0.32	795	0.05	135	17%	58%	66%
Lifelong Learning	28	7	100%	0.04	1,600	0.02	661	41%	39%	73%
Relationships	12,825	390	36%	42.56	3,319	20.22	1,577	48%	25%	67%
Social and Civic	16,484	581	30%	39.40	2,390	12.60	765	32%	46%	68%
Support Coordination	40,212	937	20%	83.95	2,088	61.60	1,532	73%	51%	72%
Capacity Building total	**119,320**	**2,923**	**20%**	**889.16**	**7,452**	**535.20**	**4,485**	**60%**	**54%**	**72%**
Capital										
Assistive Technology	27,486	828	47%	140.69	5,119	86.94	3,163	62%	67%	75%
Home Modifications	4,742	273	31%	24.54	5,174	18.50	3,901	75%	70%	76%
Capital total	**28,309**	**918**	**39%**	**165.23**	**5,837**	**105.44**	**3,725**	**64%**	**67%**	**75%**
All support categories	**121,235**	**4,095**	**23%**	**3,087.45**	**25,467**	**1,987.56**	**16,394**	**64%**	**54%**	**71%**

This slide shows the breakdown of the market indicators by support category in New South Wales, for participants without Supported Independent Living (SIL) and / or Specialist Disability Accommodation (SDA) supports.

- The results are similar to the results when all participants are considered (slide 8) – the majority (93%) of participants in New South Wales do not have SIL or SDA supports, so the patterns of support category spending is similar to that of the New South Wales participant population overall.

Note: 'Core – Transport' shows a utilisation above 100% due to the fungibility of core supports. This refers to the ability of participants to use their funding flexibly between different core support types.
Note: The sum of individual support categories do not equal the totals exactly due to a very small amount of missing information.

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