



The NDIS Market

31 December 2020

National Disability Insurance Agency

ndis

- Introduction
- Key insights
 - Plan utilisation
 - Provider concentration
 - Outcomes indicator on choice and control
- Service District hotspots
 - Outer Gippsland (VIC)
 - Murray and Mallee (SA)

Note that there are ten hotspots in total, two of which are covered in this report. The other eight hotspots have been covered in previous reports.

01.

Introduction

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 is the latest update (using data as at 31 December 2020) to the biannual report on the NDIS market. The previous report was released in September 2020 (using data as at 30 June 2020). The aim of this report is to support the purpose of the NDIS by comparing a number of market indicators across geographical districts and participant characteristics to identify “hot spots” where support provision is comparatively lower or higher than the rest of the NDIS market. This report is updated every 6 months.

As at 31 December 2020, the Scheme had just under 433,000 active participants with approved plans, residing across 80 service districts¹, which are all covered in this analysis.

Accompanying this presentation are dashboards showing the market indicators for each Service District and LGA (where the LGA has more than 10 NDIS participants), using data as at 31 December 2020.

¹ Bilateral agreements were signed between the Commonwealth government and the States and Territories; these agreements detailed the Scheme phase-in dates of the 80 districts, which are based on combinations of Local Government Areas (LGAs).

The NDIA has been taking more targeted action over the last 12 months to address market gaps.

The NDIA is progressing thin market trials in each state and territory, in liaison with state and territory governments and other key stakeholders. Learnings from these trials are informing an ongoing program of market interventions across Australia which targets the areas identified in this report.

Market intervention actions are flexible and tailored in response to local issues, and may include improving plan implementation, improving information signals, market facilitation, coordinated funding proposals, and if required, direct commissioning.

Most of the NDIA's current market intervention projects are in areas highlighted in this report. Market interventions are done at LGA level, and are targeted to specific communities, cohorts and/or support types within the LGA. As such, while there have been some promising early improvements in particular LGAs and communities resulting from market interventions, these are yet to reach a scale at which they are impacting the results reported at service district level in this report. We expect to see this impact build over time.

The NDIA undertakes regular market monitoring at a service district and LGA level to understand the impact of market interventions and to inform prioritisation for future market interventions.

Active participants, plan budgets and payments over time

The number of participants, plan budgets and payments has grown rapidly since scheme inception. This growth is expected to continue until the scheme reaches maturity, supporting an estimated 500,000 Australians.

	Trial years	2016–17	2017–18	2018–19	2019–20	2020-21 YTD*
Active participants	29,719	89,610	172,333	286,015	391,999	432,649
Total committed (\$m)	1,568.9	3,233.5	7,740.7	14,559.5	24,514.6	28,202.8
Total paid (\$m)**	1,161.0	2,185.5	5,431.5	10,384.8	17,147.4	9,824.3
% utilised to date	74%	68%	70%	71%	70%	

* Data provided is based on the Q2 2020-21 reporting. There is a lag between when support is provided and when it is paid – hence, payments will increase

** Total paid by year is based on the date the support was provided, and not on the date the payment was made for the support.

Payments by support category



The level of payments* vary between support categories, with the largest three being Core – Daily Activities, Core – Community and Capacity Building – Daily Activities

Support category	Trial years	2016-17	2017-18	2018-19	2019-20	2020-2021 YTD	2020-2021 % YTD
Core - Transport	25.3	101.3	245.3	421.4	593.3	328.8	3.7%
Core - Daily Activities	443.3	1,333.6	3,150.1	5,941.6	9,621.6	5,436.9	55.9%
Core - Consumables	8.6	13.2	58.2	135.7	287.0	193.2	1.7%
Core - Community	184.2	312.6	921.1	1,835.5	2,960.3	1,573.8	17.2%
Capital - Home Modifications	7.2	17.8	49.5	93.2	180.1	100.2	1.0%
Capital - Assistive Technology	46.2	44.6	163.3	280.5	571.0	292.3	3.4%
Capacity Building - Support Coordination	24.6	56.1	138.8	238.3	430.3	262.7	2.5%
Capacity Building - Social and Civic	8.5	19.3	28.5	49.5	79.2	43.8	0.5%
Capacity Building - Relationships	7.3	8.1	28.5	70.1	126.5	89.9	0.7%
Capacity Building - Lifelong Learning	0.7	0.1	0.1	0.1	0.1	0.1	0.0%
Capacity Building - Home Living	0.8	0.6	0.4	0.6	0.7	0.3	0.0%
Capacity Building - Health and Wellbeing	4.9	2.7	7.6	19.7	30.8	17.5	0.2%
Capacity Building - Employment	17.6	38.3	129.0	205.5	242.4	103.5	1.4%
Capacity Building - Daily Activities	157.8	194.4	452.3	941.6	1,826.6	1,236.3	10.7%
Capacity Building - Choice and Control	1.5	5.5	23.4	77.4	182.8	128.0	1.1%
Other	222.6	37.4	35.3	74.1	14.8	17.0	0.1%
Total	1,161.0	2,185.5	5,431.5	10,384.8	17,147.4	9,824.3	100%

* Total paid by year is based on the date the support was provided, and not on the date the payment was made for the support.

Key indicators for monitoring the NDIS market

Plan utilisation

For support provided between 1 April 2020 and 30 September 2020, 67% had been utilised nationally, based on data at 31 December 2020.¹ There are reasons why some participants are not utilising all of their plans – these include:

- More support was provided informally through family, friends and community
- Supports being put in plans “just in case” they are required
- Participants needing more support to implement their plans
- Providers needing more support to claim for supports provided
- Supports being unavailable in the market.

Significant insights can be drawn by understanding how utilisation differs from this national average (“the benchmark”) across service districts, participant cohorts, and support categories. In order to compare districts, the two biggest drivers of utilisation are accounted for in the national benchmark to allow like-for-like comparisons – these are:

- Whether or not a participant is in supported independent living (SIL) – with participants in SIL utilising more of their plan compared with those not in SIL (83% compared to 60%)
- The amount of time the participant has been in the Scheme – the longer the participant is in the Scheme the more they utilise their plan (46% for participants on their first plan compared with 75% for participants on their fifth plan).

Districts more than ten percentage points below or above the national benchmark indicate possible thin markets and markets that are doing relatively better than other districts. Some districts that differ substantially from the benchmark are analysed in more detail in this document, including looking at participant characteristics and support categories within the district.

¹ This allows for a three month lag between when support was provided and when it had been paid. Utilisation will increase as more payments for this support period are made.

Key indicators for monitoring the NDIS market

Market concentration

Understanding the distribution of payments to service providers in a district can indicate whether a small number of providers receive most of the payments from the NDIA, or whether a large number of providers are receiving the payments. The provider concentration metric is defined as the proportion of total provider payments made to the top ten providers that received the most payments in the exposure period.

A low provider concentration means that there is less risk in terms of the importance of a particular provider or group of providers to a district and a high provider concentration might suggest that there is insufficient competition in a district, and that further investment could be of benefit. Districts that have recently phased into the Scheme tend to have high concentration levels as providers are likely to still be entering the market.

Where only a small number of providers are receiving a large amount of the payments, the market is considered to be more concentrated and could mean that there is less competition in the district. On average across districts, 59% of payments go to the largest ten providers.

Note that when looking at market concentration, only the agency-managed part of the market was considered (which is approximately 56%). Participants with plan managers and participants who self manage are excluded, which leads to limitations with this measure.

Where only a small number of providers are receiving a large amount of the payments, the market is considered to be more concentrated and could mean that there is less competition in the district. On average across districts, 60% of payments go to the largest ten providers. In this analysis, some districts where more than 85% of payments are going to the ten largest providers are considered in detail, including by looking at participant characteristics and service categories.

Key indicators for monitoring the NDIS market

Choice and control

The NDIS outcomes framework survey looks into the proportion of participants reporting that they choose who supports them. This is determined for each district and measured against a national benchmark that takes into account the differences in the response rate arising from whether a participant receives SIL supports. Additionally, as a secondary measure, the survey also looks into the proportion of participants who report that the NDIS has helped with choice and control.

- Nationally, 52% of participants aged 15 years and over indicated that they choose who supports them, and 72% indicated that the NDIS has helped with choice and control.
- Over time, it is expected that these percentages will increase – however, understanding how different districts, participant cohorts, and support categories differ from this national average (“the benchmark”) provides insight into potential hot spots where investment might be required to better support participants.
- In particular, where districts are more than ten percentage points below or above this benchmark indicates possible thin markets and markets that are doing relatively better than other districts. Some districts that differ substantially from the benchmark are analysed in more detail in this document, including looking at participant characteristics and support categories within the district.

Summary of indicators across market segments

The key indicators have been calculated over the period from 1 April 2020 to 30 September 2020, using data available as at 31 December 2020, and are presented by:

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

On the dashboards (which can be downloaded from data.ndis.gov.au² website), the indicators are presented both including and excluding participants in supported independent living (SIL).

Key indicators¹

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 NDIA helps with choice and control

An appropriate benchmark³ is also presented for each indicator and market segment.

¹ Full definitions of each indicator, including the period over which they are measured, are provided in [Appendix A of the NDIS Market report](#) (under Appendices to The NDIS Market report section).

² The market reports can be found in <https://data.ndis.gov.au/reports-and-analyses/market-monitoring> under Dashboards.

³ The benchmark represents the national average, and for some indicators, is adjusted for the mix of participants within the market being analysed.

Each of the service districts has been allocated into one of three categories (based on size of total plan budgets) to allow for a fairer comparison of the indicators across districts

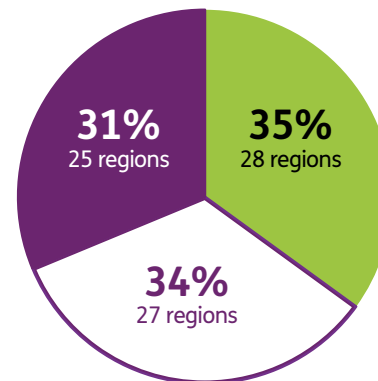
Prior analysis indicates that key indicators at the service district level may be correlated to the size of the particular service district (for example, provider concentration was generally higher for smaller districts).

To mitigate this effect, each service district has been allocated into one of three categories for comparison against other districts of similar size. The categories have been defined by the value of total plan budgets over the period from 1 April 2020 to 30 September 2020¹. The three categories are:

- Less than \$100m in total plan budgets
- \$100m to \$225m in total plan budgets
- Greater than \$225m in total plan budgets

The chart on the right shows the number and proportion of service districts that have been allocated to each category.

Allocation of service districts



- < \$100m in total plan budgets
- \$100m to \$225m
- > \$225m

¹ Note that in the June 2020 report, the category thresholds were \$75m and \$175m. Over time districts grow as more participants enter the Scheme, necessitating a periodic redefinition of the total plan budget categories.

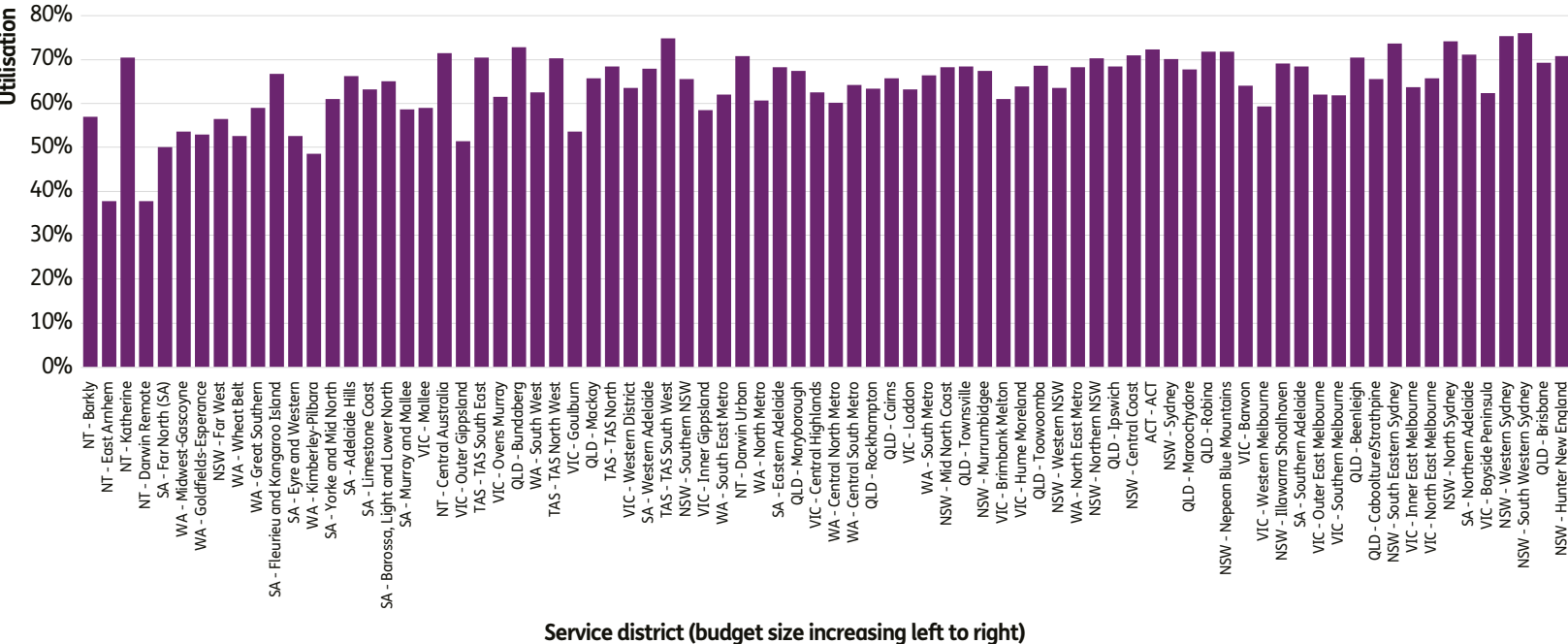
02.

Key insights

covering the period from April 2020 to September 2020

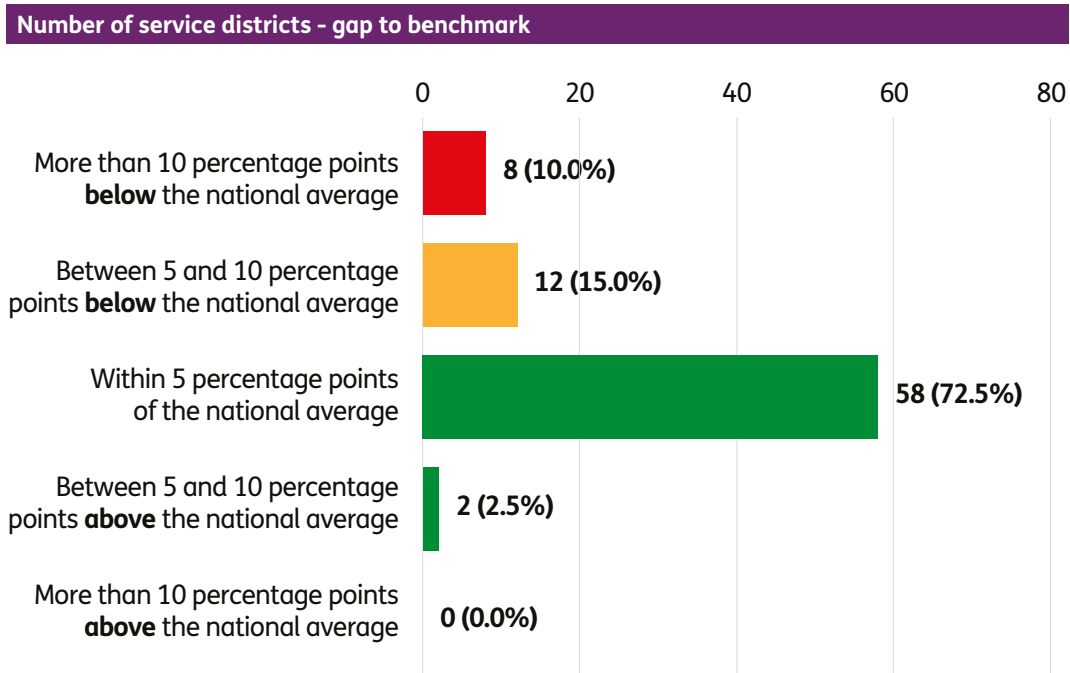
Analysis of utilisation against the districts ordered by budget size indicates some positive correlation

Ordering districts by budget size indicates that larger districts tend to have higher utilisation rates (see chart below).



The correlation coefficient is 0.51. A correlation coefficient above zero indicates that there is a positive relationship between size and utilisation rates – i.e. as budget size increases, so do utilisation rates for a district. The size of the co-efficient (between zero and one) indicates the strength of the relationship. A coefficient of 0.51 indicates a relationship, but the relationship is not overly strong.

Plan utilisation was more than 10% below the benchmark for eight service districts



The chart on the left shows the distribution of the gap between the plan utilisation indicator¹ and the benchmark², for each of the 80 service districts.

The benchmark represents the national average, adjusted for the mix of participants receiving SIL supports and the number of plans each participant has received.

As the chart shows, 2 districts had a utilisation rate that was 5 to 10% greater than their benchmark, whereas 8 districts had a utilisation rate more than 10% lower than their benchmark.

The majority (72.5%) of districts are within 5 percentage points of their benchmark.

¹ Calculated over the period from 1 April 2020 to 30 September 2020, using data available as at 31 December 2020

² Further detail on benchmarks is provided in Appendix B

The majority of districts more than 5% below the national average benchmark have annualised plan budgets of less than \$100m

Between 5 and 10 percentage points below national average

Region	State/Territory	Utilisation	Benchmark	Active participants	Annualised plan budget (\$m)
Far West	NSW	56%	66%	547	\$22
Goulburn	VIC	54%	62%	3,238	\$75
Central Highlands	VIC	63%	70%	4,530	\$117
Wheat Belt	WA	53%	60%	855	\$19
Goldfields-Esperance	WA	53%	60%	546	\$17
Limestone Coast	SA	63%	70%	1,227	\$45
Inner Gippsland	VIC	59%	65%	4,328	\$98
Western District	VIC	63%	70%	3,391	\$98
Barwon	VIC	64%	70%	8,493	\$271
Western NSW	NSW	63%	69%	5,415	\$239
Inner East Melbourne	VIC	64%	69%	8,394	\$270
Ovens Murray	VIC	61%	67%	2,912	\$65

More than 10 percentage points below national average

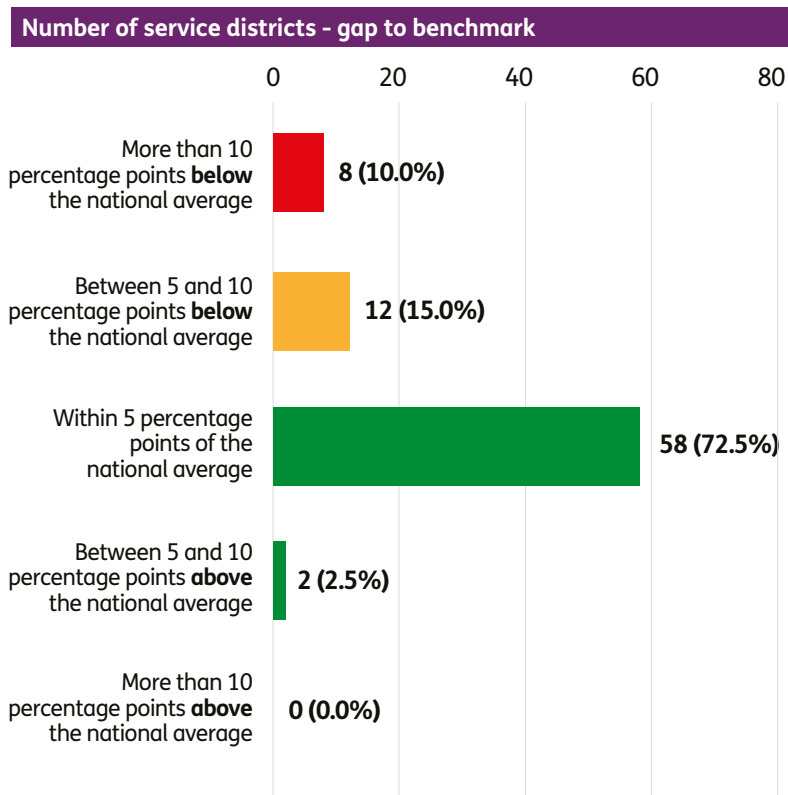
Region	State/Territory	Utilisation	Benchmark	Active participants	Annualised plan budget (\$m)
East Arnhem	NT	38%	62%	187	\$9
Darwin Remote	NT	38%	56%	352	\$12
Barkly	NT	57%	72%	161	\$10
Far North (SA)	SA	50%	65%	459	\$18
Eyre and Western	SA	53%	64%	1,148	\$38
Kimberley-Pilbara	WA	49%	60%	1,069	\$36
Outer Gippsland	VIC	51%	62%	1,939	\$47
Murray and Mallee	SA	59%	69%	1,525	\$56

- ‘National average’ on this context refers to the benchmark used for that district – which is the national average utilisation rate adjusted to reflect SIL category and plan number profile of the district in question.
- The tables above lists the districts that were between five and ten percentage points and more than ten percentage points below the national average.

The number of districts with an overall utilisation rate more than 10% below national average has not changed between June 2020 and December 2020

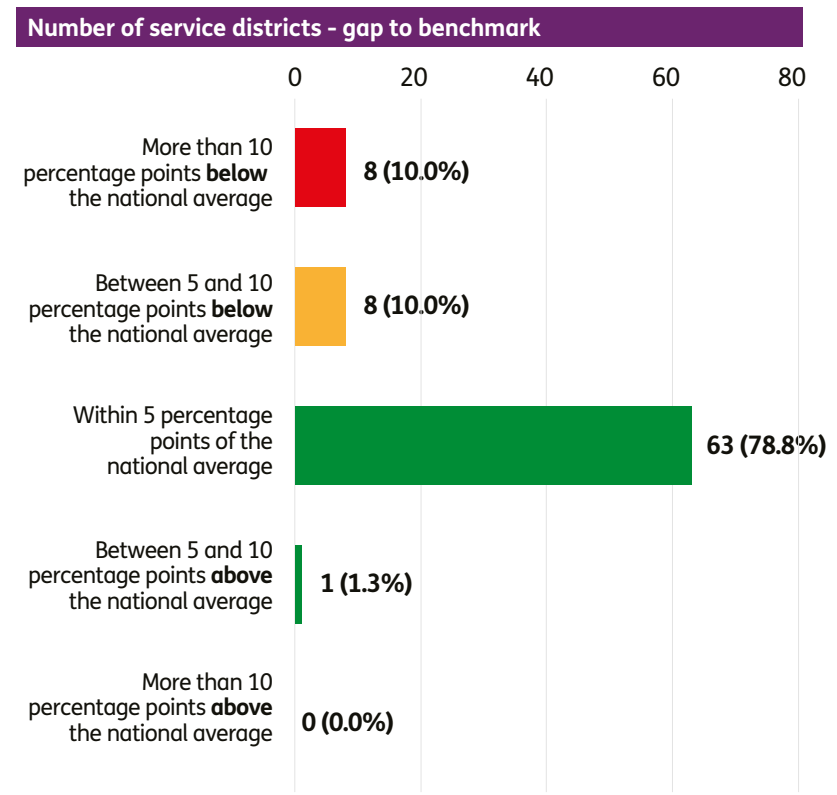
Utilisation

Service district gap to benchmark – December 2020



Utilisation

Service district gap to benchmark – June 2020



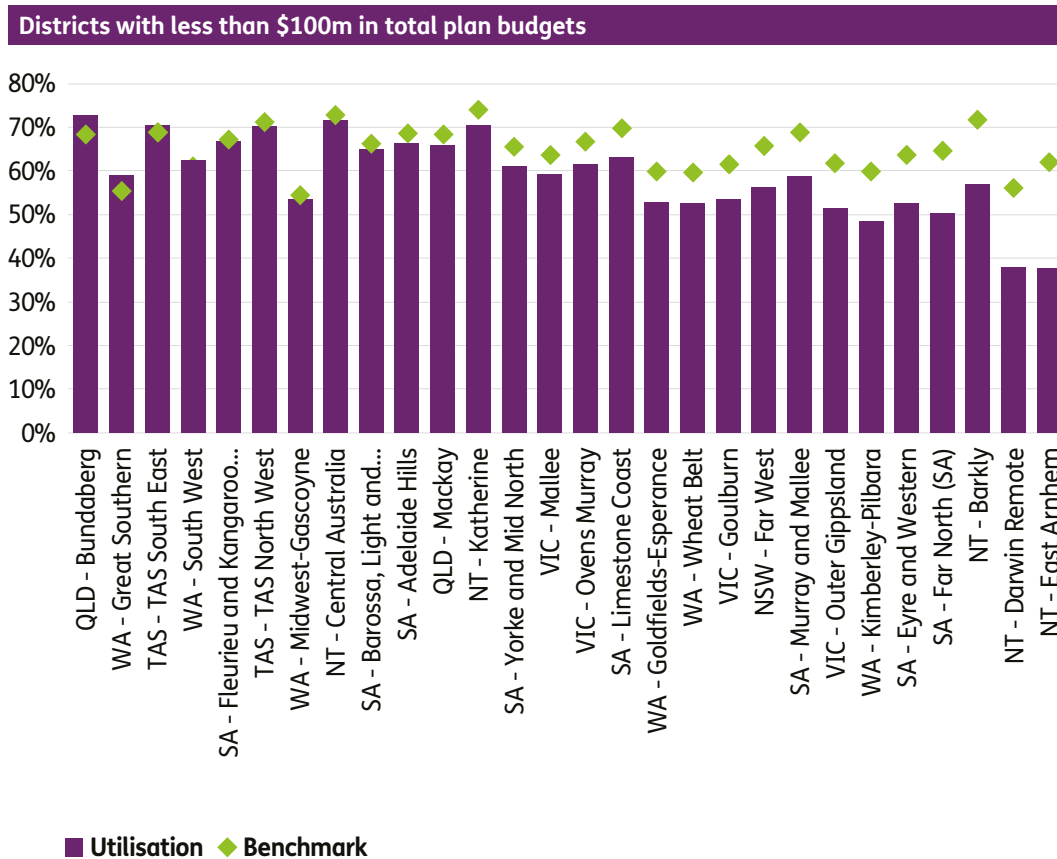
Overall utilisation rates have fallen slightly across Australia

National utilisation rate has fallen from 70% to 67%* between end of June 2020 and end of December 2020 and the benchmark charts (preceding slide) show that districts are shifting to levels of utilisation lower to benchmark.

- As shown in the charts on the preceding slide, at the end of June 2020 there were 16 districts with utilisation rates more than 5% below their benchmark. At the end of December 2020 this rose to 20.
- However, at the end of June 2020, one district had a utilisation rate of more than 5% above their benchmark. At the end of December 2020 this had risen to two.
- Overall this indicates that some regions are moving further from the benchmark.
- One district (Outer Gippsland) was less than 5% below the benchmark in June 2020, is now more than 10% below its benchmark in December 2020.

*The fall in utilisation is mainly driven by an increase in committed supports, rather than a drop in payments.

14 of 28 small districts were more than 5% below the utilisation benchmark.

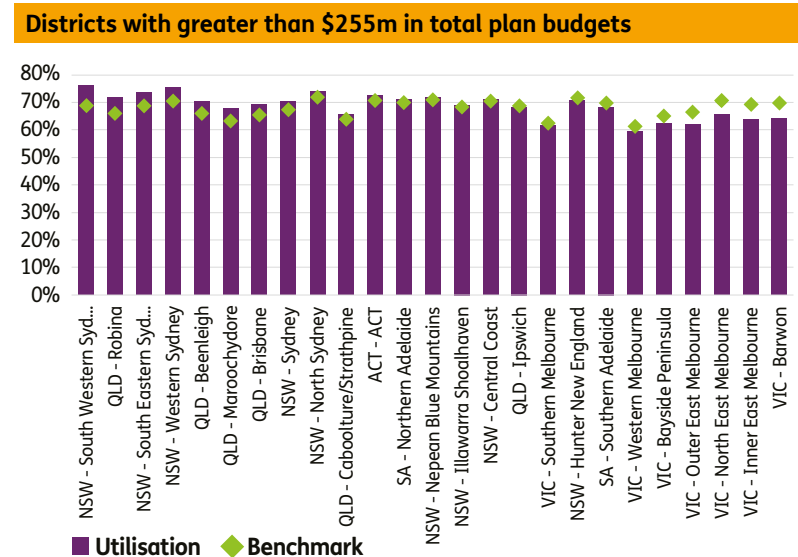
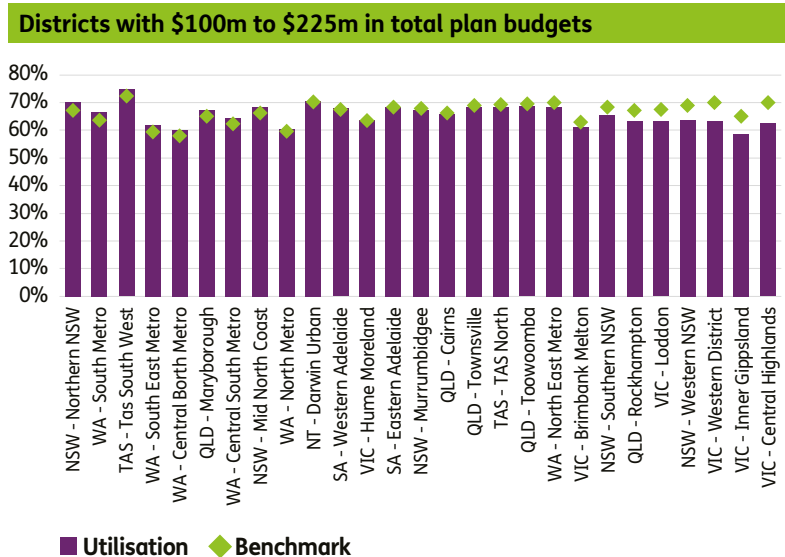


The chart on the left shows plan utilisation for each of the service districts that had less than \$100m in total plan budgets for the period – arranged in order of gap between utilisation rate and benchmark.

East Arnhem (NT) had a utilisation rate more than 24% below its benchmark.

The table on slide 15 lists the eight districts that are more than 10% below the benchmark.

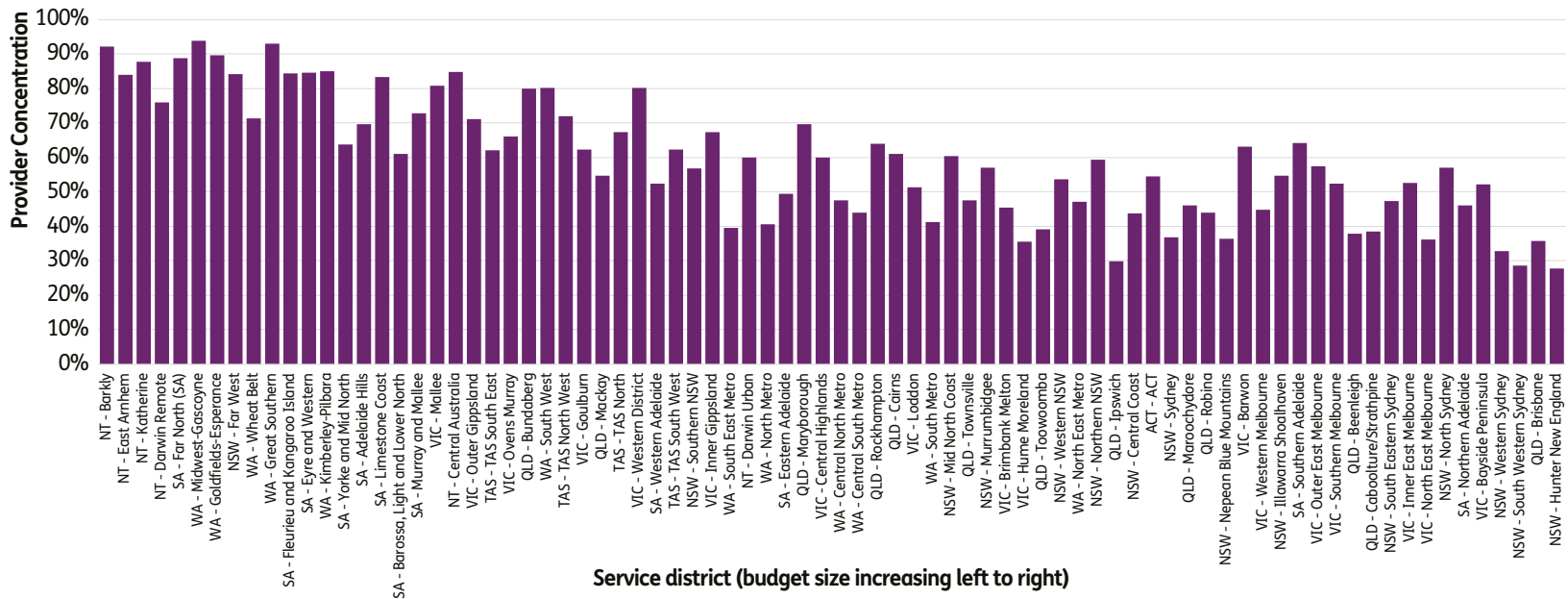
Plan utilisation for all districts with total plan budgets greater than \$100m were within ten percentage points of the benchmark



- The above charts show plan utilisation for each of the service districts that had \$100m to \$225m and greater than \$225m in total plan budgets for the period. None of these districts had plan utilisation of more than 10% below the benchmark or more than 10% above the benchmark.
- For districts with \$100m to \$225m in total plan budgets, Northern NSW showed the highest utilisation above benchmark (utilisation rate of 70%, benchmark of 67%) and Central Highlands in Victoria showed the lowest utilisation below benchmark (utilisation rate of 63%, benchmark of 70%).
- For districts with greater than \$225m in total plan budgets, South Western Sydney in New South Wales showed the highest utilisation above benchmark (utilisation rate of 76%, benchmark of 69%) and Barwon in Victoria showed the lowest utilisation below benchmark (utilisation rate of 64%, benchmark of 70%).

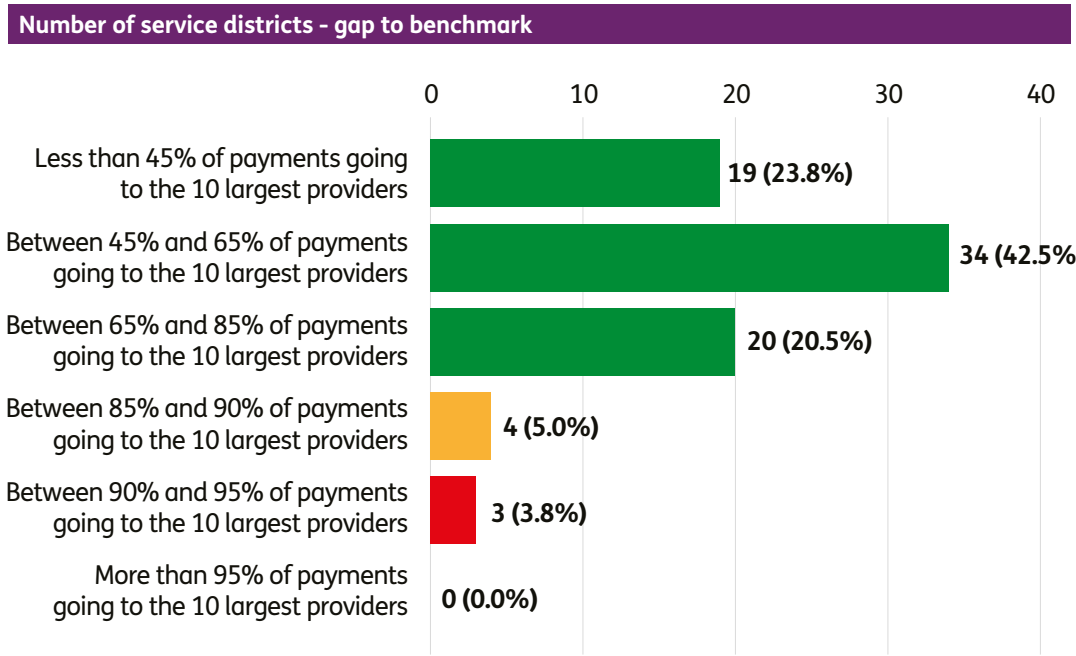
Provider concentration tends to fall as total budget increases

Ordering districts by budget size indicates that larger districts have lower provider concentration (see chart below). Districts with large budgets are likely to be populous districts (e.g. urban areas) and these tend to have a larger number of providers.



The correlation coefficient is -0.73. A correlation coefficient below zero indicates that there is a negative relationship between size and provider concentration – i.e. as budget size increases, provider concentration decreases. The size of the co-efficient (between zero and one) indicates the strength of the relationship. A coefficient of -0.73 indicates a moderately strong relationship.

Provider concentration was above the benchmark of 85% for seven service districts, all with total plan budgets below \$100m



The chart on the left shows the number of service districts that have provider concentration¹ above or below the benchmark, as well as the size of the gap. The benchmark² has been set at 85% for all districts.

Overall, seven out of 80 districts (8.8%) were above the benchmark. 19 out of 80 districts (23.8%) were more than 40% below the benchmark.

¹ Calculated over the period from 1 April 2020 to 30 September 2020, using data available as at 31 December 2020
² Further detail on benchmarks is provided in Appendix B

The majority of districts above the provider concentration benchmark were in NT and WA

Between 90% to 95% of payments going to the 10 largest providers					
Region	State/Territory	Provider concentration	Benchmark	Active participants	Annualised plan budget (\$m)
Midwest-Gascoyne	WA	94%	85%	711	\$39
Great Southern	WA	93%	85%	840	\$53
Barkly	NT	92%	85%	161	\$18

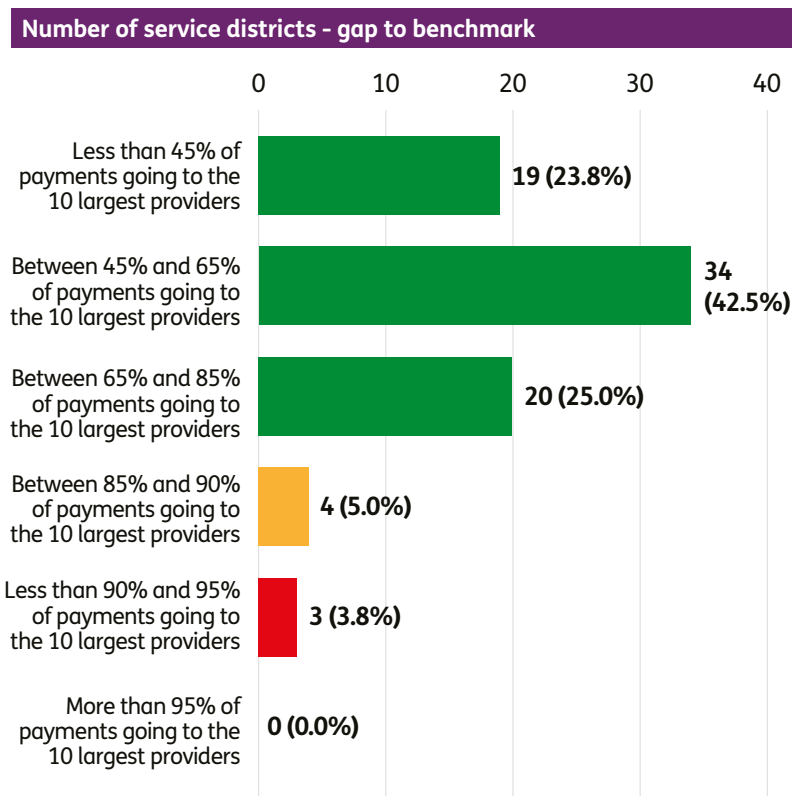
Between 85% to 90% of payments going to the 10 largest providers					
Region	State/Territory	Provider concentration	Benchmark	Active participants	Annualised plan budget (\$m)
Goldfields-Esperance	WA	90%	85%	546	\$40
Far North	SA	89%	85%	459	\$37
Katherine	NT	88%	85%	177	\$31
Kimberley-Pilbara	WA	85%	85%	1,069	\$83

- The table above lists the districts that were above the provider concentration benchmark.
- As the table shows, four of the seven districts are in the Western Australia, two are in Northern Territory, and one in South Australia.
- All of the districts have less than \$100m in total plan budgets (annualised)

Districts with provider concentration of between 90-95% has decreased compared to June 2020, indicating more providers in some districts

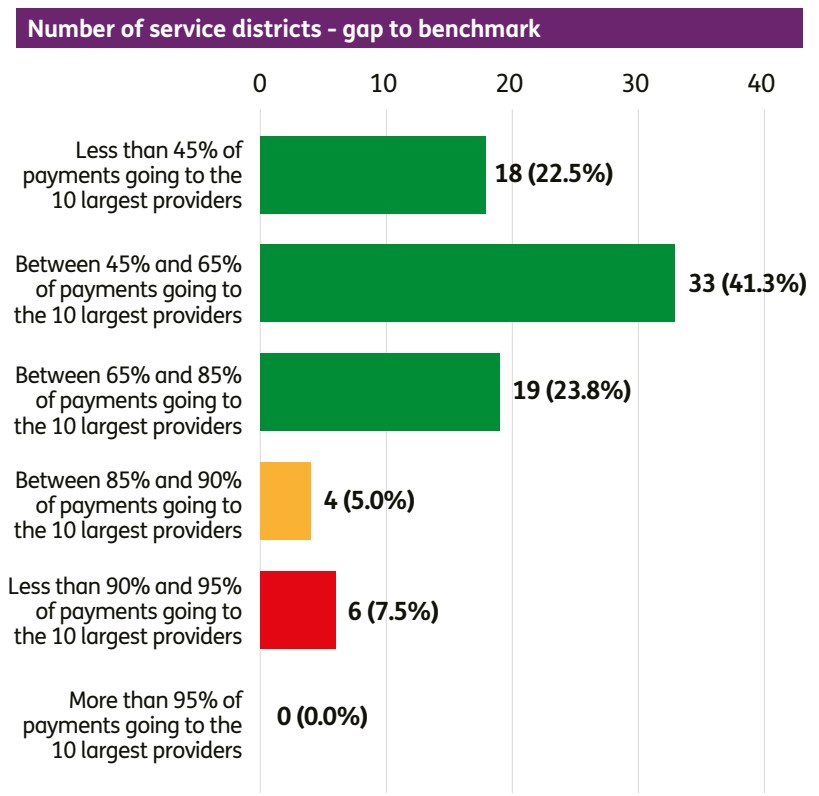
Provider concentration

Service district gap to benchmark – December 2020



Provider concentration

Service district gap to benchmark – June 2020

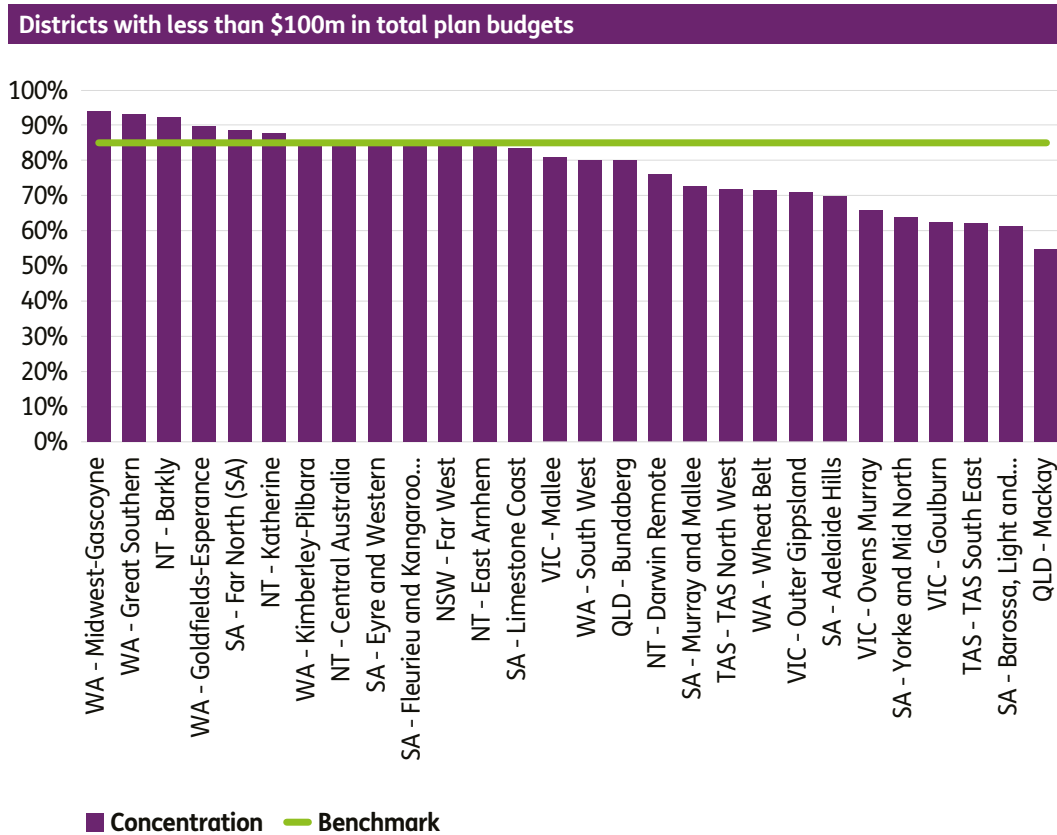


Provider concentration has remained relatively stable compared to June 2020

The average level of provider concentration across districts in Australia has fallen from 60% to 59%. Overall this indicates a slight improvement since the June 2020 NDIS Market Report.

- As shown on the charts on the preceding slide, the number of districts above the benchmark (85% of provider payments made to the top ten providers that received the most payments in the exposure period) has fallen from ten (out of 80) to seven (out of 80).
- East Arnhem (NT), Central Australia (NT), and Fleurieu and Kangaroo Island (SA) are districts with provider concentration above benchmark in June 2020 which are now below the benchmark.
- The number of districts below the benchmark has increased from 70 to 73 (out of 80).
- The proportion of the overall split (between '65% to 85%', '45% to 65%' and 'below 45%' of payments goes to top ten providers) has not significantly changed compared to June 2020.
- Similar results in June and December 2019 indicate that provider concentration is a relatively stable metric.

All the districts above the provider concentration benchmark had less than \$100m in total plan budgets



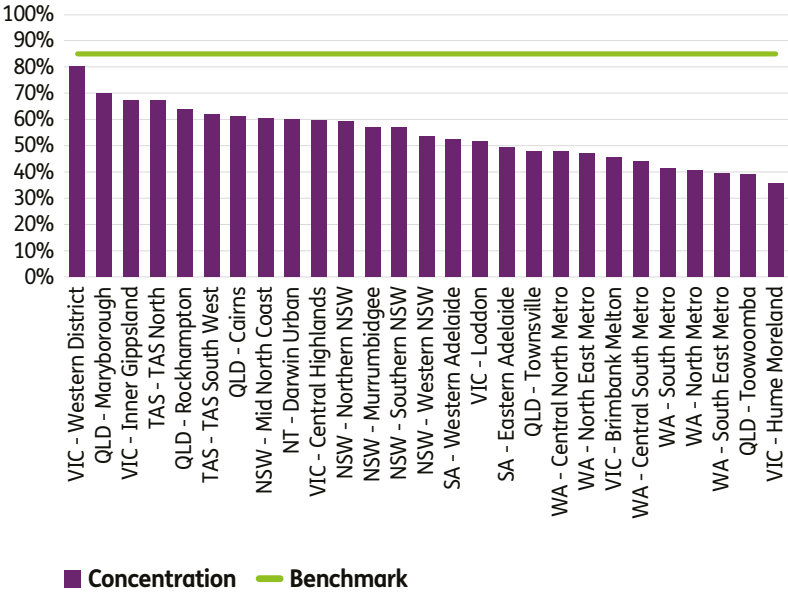
The chart on the left provides further insight into each service district with less than \$100m in total plan budgets over the period.

The service district with the highest provider concentration is Midwest-Gascoyne followed by Great Southern – both in Western Australia. At 94% and 93%, respectively, these are districts with the highest concentration across all service districts in Australia.

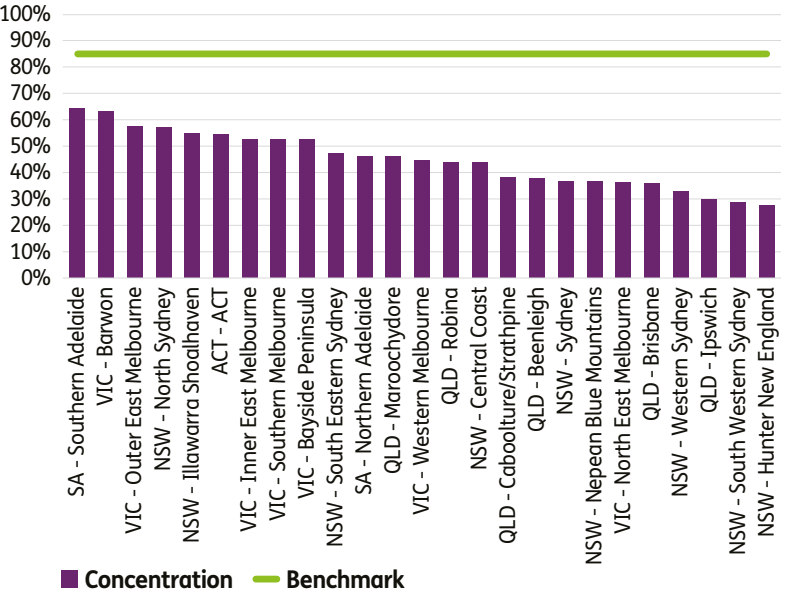
These districts are relatively new to the analysis and have been in Scheme for a year and a half as at 31 December 2020.

All districts with more than \$100m in total plan budgets had provider concentration below the benchmark

Districts with \$100m to \$225m in total plan budgets

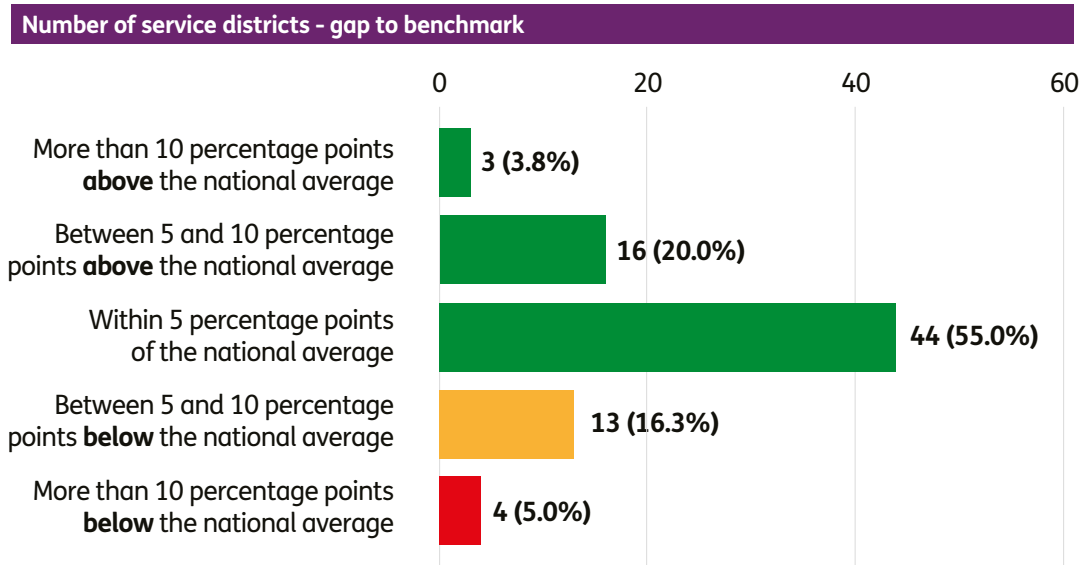


Districts with greater than 225m in total plan budgets



- While all of the districts display levels of provider concentration below the benchmark, there are still markets where investment could be beneficial. Comparison of the two charts also shows that provider concentration tends to be greater in the smaller districts.

The outcomes indicator on choice and control for four districts was more than 10% below the benchmark



The analysis shows that the proportion of participants that reported that they do not choose who supports them was more than 10% below the benchmark for four districts.

The chart on the left shows the distribution of the gap between the outcomes indicator on choice and control¹ and the benchmark², for each service district. The benchmark represents the national average, adjusted for the mix of SIL participants.

The indicator in respect of four districts was more than 10% below the benchmark: Darwin Remote (NT), Katherine (NT), East Arnhem (NT) and Goldfields-Esperance (WA).

The indicator for three districts was more than 10% above the benchmark: Barkly (NT), ACT (ACT), and Barwon (VIC). Limestone Coast (SA) which was more than 10% above the benchmark in June 2020 is now just 9% above the benchmark.

¹ Calculated as at 30 September 2020, using data available as at 31 December 2020.

² Further detail on benchmarks is provided in Appendix B.

The majority of districts more than 10% below the outcomes indicator benchmark were in NT

More than 10 percentage points below benchmark					
Region	State /Territory	Outcomes indicator	Benchmark	Active participants	Annualised plan budget (\$m)
Darwin Remote	NT	36%	56%	352	\$32
Katherine	NT	27%	45%	177	\$31
East Arnhem	NT	45%	56%	187	\$24
Goldfields-Esperance	WA	42%	53%	546	\$40

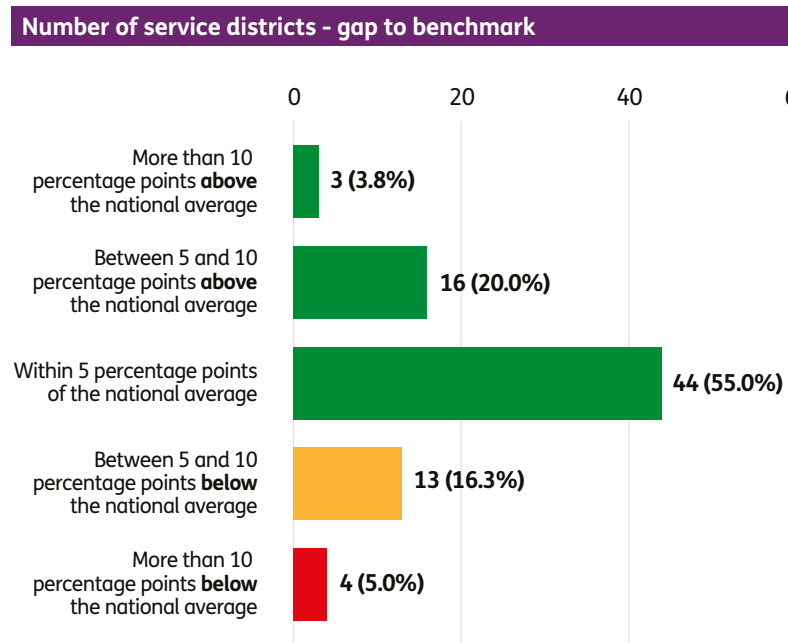
Between 5 and 10 percentage points below benchmark					
Region	State /Territory	Outcomes indicator	Benchmark	Active participants	Annualised plan budget (\$m)
South Western Sydney	NSW	44%	52%	17,572	\$1,141
Central Australia	NT	37%	46%	551	\$120
South Eastern Sydney	NSW	44%	52%	8,631	\$636
Sydney	NSW	45%	53%	7,244	\$517
Central North Metro	WA	44%	51%	3,817	\$287
Wheat Belt	WA	48%	55%	855	\$46
TAS South East	TAS	46%	51%	1,994	\$141
Brimbank Melton	VIC	48%	54%	6,558	\$390
Western Sydney	NSW	46%	51%	14,785	\$1,060
Inner East Melbourne	VIC	45%	50%	8,394	\$701
Southern Melbourne	VIC	49%	54%	10,111	\$604
North Metro	WA	48%	53%	4,479	\$265
North Sydney	NSW	45%	50%	9,200	\$792

- The table above lists the districts that were below the outcomes indicator benchmark. A number of Service Districts within Sydney are below the outcomes indicator benchmark.

The number of districts that are within five percentage points of the benchmark has risen from 39 to 44 between June 2020 and December 2020

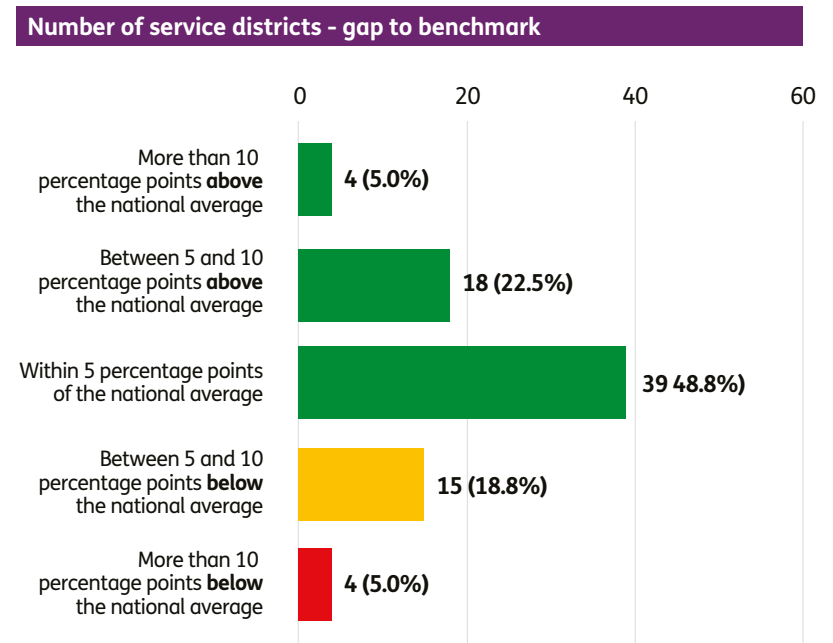
Outcomes indicator

Service district gap to benchmark – December 2020



Outcomes indicator

Service district gap to benchmark – June 2020

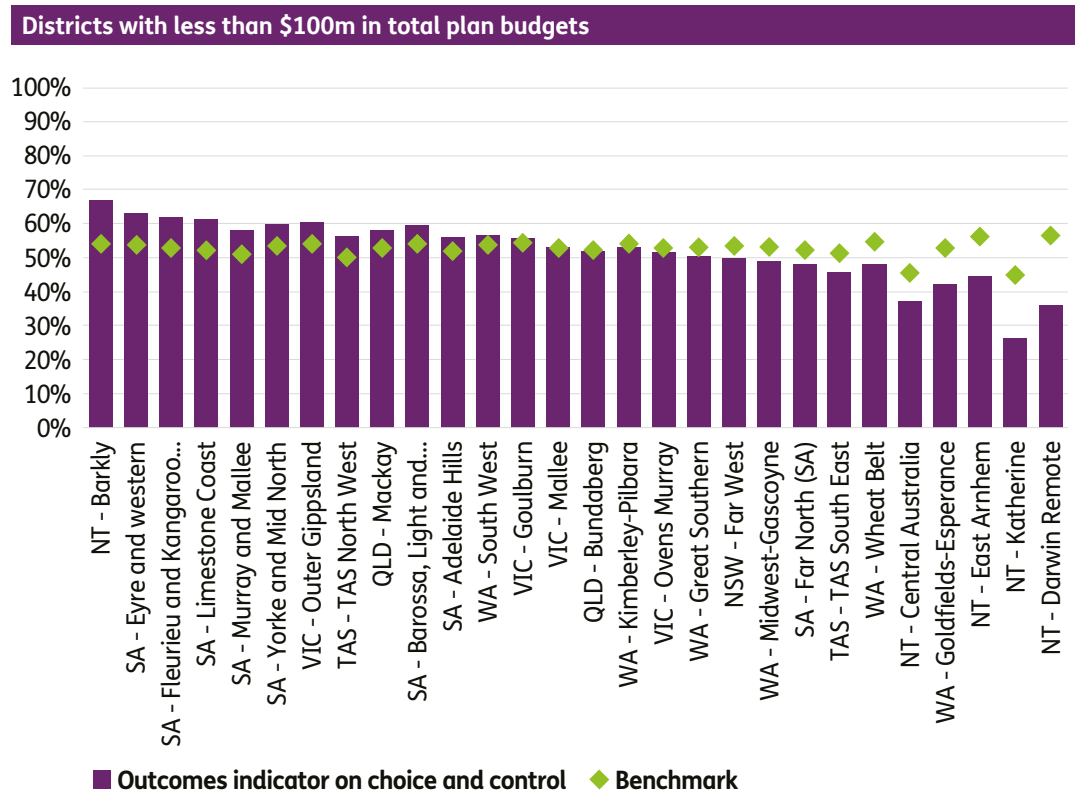


The outcomes indicator on choice and control has increased slightly compared to June 2020

The nationwide response to the Outcomes indicator on Choice and Control has risen from 51% to 52%. Overall this indicates a slight improvement compared to June 2020.

- As shown on the charts on the preceding slide, the number of districts greater than five percentage points **below** the benchmark has fallen from 19 to 17 (out of 80).
- Limestone Coast (SA) which was more than 10% above the benchmark in June 2020 is now just 9% above the benchmark.
- Overall, the number of districts greater than five percentage points **above** the benchmark has dropped to 19 in December 2020 from 22 in June 2020.
- The number of districts **above** the benchmark has remained the same – 44 (out of 80).
- The number of districts greater than ten percentage points **above** the benchmark has decreased from 4 to 3.
- As mentioned previously, the three districts are Barkly (NT), ACT (ACT), and Barwon (VIC). Limestone Coast (SA) which was more than 10% above the benchmark in June 2020 is now just 9% above the benchmark.

The districts more than 10% below the benchmark had less than \$100m in total plan budgets



The chart on the left shows the outcomes indicator on choice and control for each of the service districts that had less than \$100m in total plan budgets for the period.

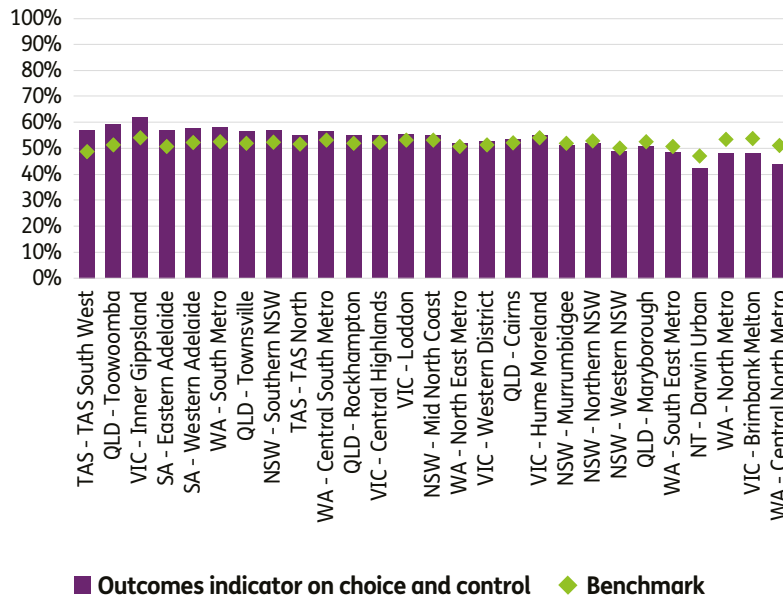
The districts more than 10% below the benchmark are Darwin Remote (NT), Katherine (NT), East Arnhem (NT) and Goldfields-Esperance (WA).

These were also the regions with the largest gap below benchmark in the June 2020, December 2019, and June 2019 reports.

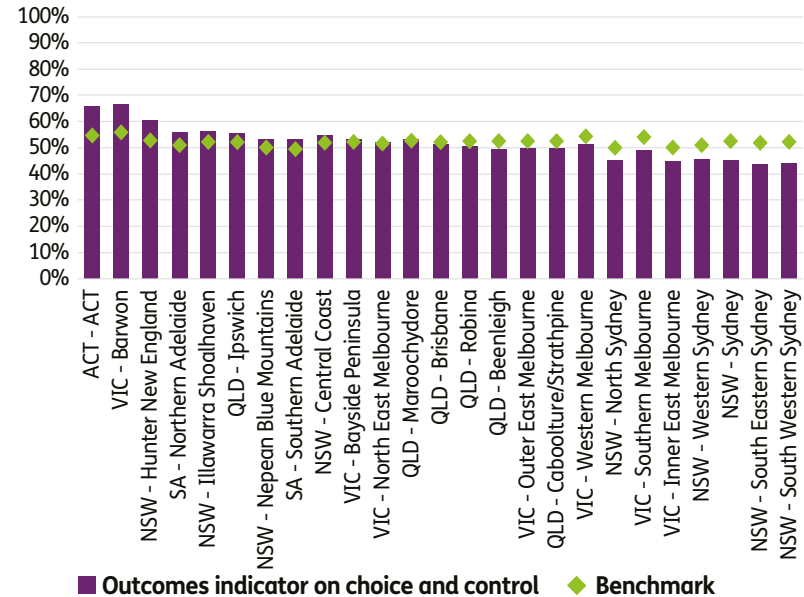
Darwin Remote (NT) is covered in more detail in the December 2019 report. Katherine (NT), and Goldfields-Esperance (WA), and East Arnhem (NT) are covered in more detail in the June 2020 report.

The outcomes indicator on choice and control was more than 10% above the benchmark for two districts with more than \$225m in total plan budgets

Districts with \$100m to \$225m in total plan budgets



Districts with greater than \$225m in total plan budgets



- The above charts show the outcomes indicator on choice and control for each of the service districts that had \$100m to \$225m and greater than \$225m in total plan budgets for the period.
- None of these districts had an outcomes indicator on choice and control of more than 10% below the benchmark. The two districts from these categories that had an indicator that was more than 10% above the benchmark, were the ACT and Barwon (VIC) districts.

03.

Service district hotspots

Hotspots are districts that score relatively worse against one or many corporate target metric benchmarks compared with other districts

Review and analysis of hotspots allows us to understand the characteristics of districts where the NDIS market may not be functioning well as other districts.

Hotspots in general are chosen based on where that district sits in relation to its benchmarks. Key identifiers are:

- Utilisation rate more than ten percentage points below benchmark.
- More than 95% of payments go to the top ten providers (provider concentration)
- Outcomes indicator on choice and control is more than ten percentage points below benchmark.

The following districts have been identified as hotspots for the reason(s) shown:

Katherine (NT)	low choice and control outcomes indicator score
Goldfields-Esperance (WA)	low choice and control outcomes indicator score
East Arnhem (NT)	low utilisation and low choice and control outcomes indicator score
Darwin Remote (NT)	low utilisation and low choice and control outcomes indicator score
Barkly (NT)	low utilisation
Far North (SA)	low utilisation
Eyre and Western (SA)	low utilisation
Kimberley-Pilbara (WA)	low utilisation
Outer Gippsland (VIC)	low utilisation
Murray and Mallee (SA)	low utilisation

In this report, we have covered Outer Gippsland and Murray and Mallee. The other hotspots were covered in the June 2020 and December 2019 reports (see next slide for details).

Hotspots identified in the December 2019 and June 2020 NDIS Market report

The June 2020 NDIS Market report covered ten hotspots. Of these, nine hotspots were chosen according to similar criteria as set out in the preceding slide (i.e. poor performance relative to benchmark) and one was chosen for strong performance against the corporate target benchmarks.

The following eight districts, covered in detail either in the December 2019 or June 2020 report, have remained hotspots in December 2020 for the same reasons identified previously. They are not covered in this report to avoid repetition.

December 2019 report	June 2020 report
Goldfields-Esperance (WA)	Katherine (NT)
Darwin Remote (NT)	East Arnhem (NT)
Eyre and Western (SA)	Barkly (NT)
Kimberley-Pilbara (WA)	Far North (SA)

The following districts were identified as a hotspot in the June 2020 report - either due to low choice and control outcomes indicator, or high provider concentration, or that it is a district performing well in relation to benchmarks. They are no longer considered as hotspots in this December 2020 report due to improvements relative to benchmarks.

- Great Southern (WA)
- Midwest-Gascoyne (WA)
- Central North Metro (WA)
- South East Metro (WA) – this district was chosen as example of a service district that is performing well
- Limestone Coast (SA)

Market interventions addressing hot spots



The NDIA is progressing market interventions in the majority of the identified hot spots:

Katherine (NT)	Market intervention is underway focusing on assistive technology and home modifications.
Goldfields-Esperance (WA)	Market intervention will commence soon across all support types.
East Arnhem (NT)	Market intervention will commence soon for social, community and civic participation supports.
Barkly (NT)	Market intervention is underway across all supports.
Far North (SA)	Market intervention is underway focusing on support coordination and core supports in the Anangu Pitjantjatjara Yankunytjatjara (APY) lands. Market intervention is being explored for the LGA of Roxby Downs.
Eyre and Western (SA)	Market intervention is being considered.
Kimberley-Pilbara (WA)	Market intervention is being explored in the LGA of Derby West Kimberley.
Outer Gippsland (VIC)	Market intervention is underway for inner and outer Gippsland focusing on capability building improved relationships supports.
Murray and Mallee (SA)	Market intervention is being explored for the LGAs of Loxton Waikerie, Southern Mallee, Berri and Barmera.

Service district hotspots

Outer Gippsland (VIC)

Plan utilisation in the Outer Gippsland (VIC) region was below benchmark for all of the major support categories

Outer Gippsland (VIC): Utilisation by support category					
Support category	Active participants with approved plans	Total plan budgets (\$m)	Total payments (\$m)	Utilisation	Benchmark
Core					
Consumables	1,870	1.55	0.86	55%	59%
Daily Activities	1,873	25.17	16.31	65%	65%
Community	1,871	16.91	5.12	30%	60%
Transport	1,872	1.51	1.35	90%	59%
Core total	1,876	45.14	23.64	52%	63%
Capacity Building					
Daily Activities	1,878	8.65	3.75	43%	56%
Employment	105	0.57	0.16	28%	57%
Health and Wellbeing	80	0.11	0.02	19%	59%
Home Living	30	0.02	0.00	4%	57%
Relationships	102	0.48	0.10	20%	64%
Social and Civic	318	0.81	0.18	22%	56%
Support Coordination	874	1.89	1.15	61%	59%
Capacity Building total	1,927	13.68	6.41	47%	57%
Capital					
Assistive Technology	422	2.55	1.33	52%	62%
Home Modifications	157	0.56	0.41	74%	75%
Capital total	483	3.11	1.74	56%	64%
All support categories	1,939	61.92	31.79	51%	62%

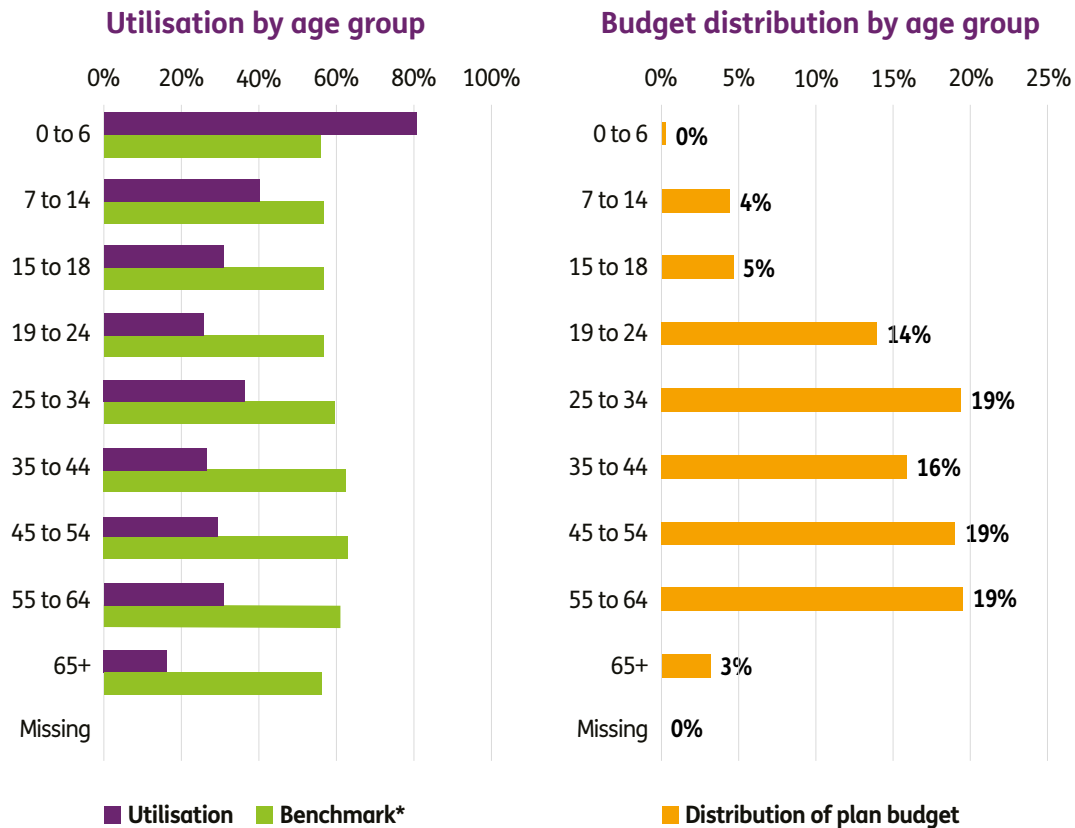
Plan utilisation was lower than benchmark across most of the major support categories.

Core – Community and Capacity Building – Daily Activities are the second and third largest support categories, respectively, and utilisation of these supports was very low relative to benchmark which contributed to the overall utilisation result.

Note: only the major support categories are shown

Utilisation for participants in the Outer Gippsland (VIC) region was below benchmark across nearly all age groups for Core-Community support

Outer Gippsland (VIC): Core-Community



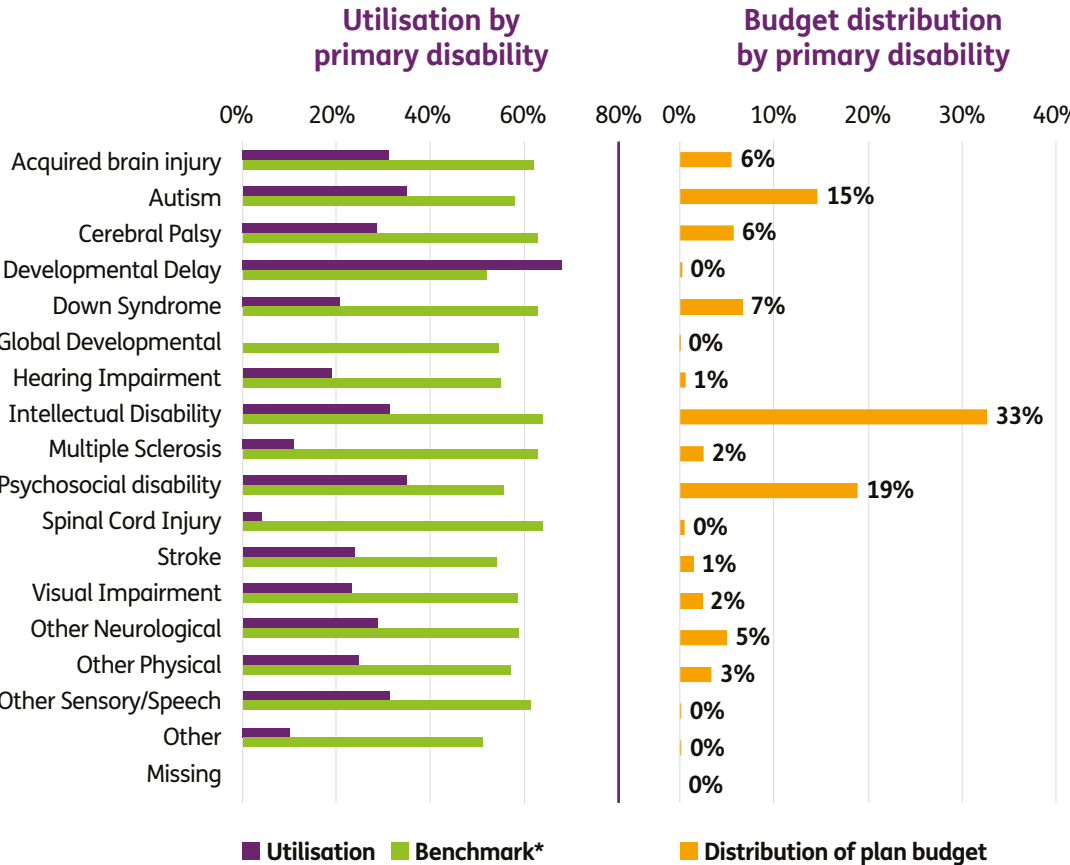
Utilisation for Core – Community was below benchmark across all age groups except for the 0 to 6 age group. The gap was largest for the over 65 age group which was 71% below benchmark.

The overall utilisation result is significantly driven by the 45 to 54 age group which is 54% below the benchmark but contributes 19% to the budgets of Core – Community.

*The benchmark is the national average, adjusted for the mix of SIL/SDA participants .

Utilisation is low for all disability groups, expect for developmental delay

Outer Gippsland (VIC): Core - Community



Approximately 33% of the Core – Community plan budgets was allocated to participants with an intellectual disability, 19% to participants with psychosocial disability and 15% to participants with autism.

The utilisation rate for these disability groups was low relative to benchmark, although there was a gap for almost all disability groups (other than developmental delay).

*The benchmark is the national average, adjusted for the mix of SIL / SDA participants.

Service district hotspots

Murray and Mallee (SA)

Plan utilisation in the Murray and Mallee (SA) region was below benchmark for all of the large support categories

Murray and Mallee (SA): Utilisation by support category					
Support category	Active participants with approved plans	Total plan budgets (\$m)	Total payments (\$m)	Utilisation	Benchmark
Core					
Consumables	1,377	1.02	0.33	32%	64%
Daily Activities	1,380	29.10	20.12	69%	72%
Community	1,380	7.35	2.23	30%	66%
Transport	1,367	0.87	0.74	85%	65%
Core total	1,385	38.34	23.42	61%	71%
Capacity Building					
Daily Activities	1,509	7.58	3.60	47%	61%
Employment	89	0.64	0.50	78%	66%
Health and Wellbeing	62	0.10	0.01	14%	64%
Home Living	6	0.00	0.00	12%	58%
Relationships	105	0.59	0.21	35%	74%
Social and Civic	46	0.14	0.01	6%	59%
Support Coordination	634	1.23	0.64	52%	65%
Capacity Building total	1,517	11.01	5.64	51%	63%
Capital					
Assistive Technology	338	1.72	1.02	59%	64%
Home Modifications	117	0.66	0.29	44%	77%
Capital total	383	2.38	1.31	55%	67%
All support categories	1,525	51.73	30.37	59%	69%

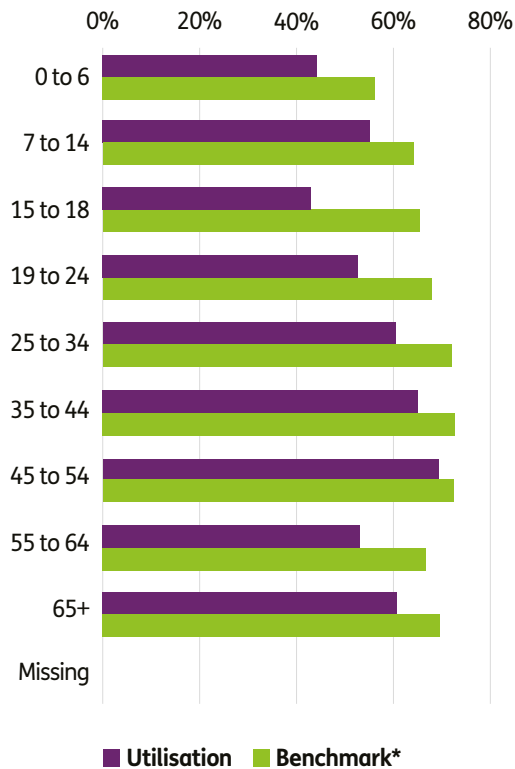
While plan utilisation was below the benchmark for all support categories, Capacity – Daily Activities and Core - Community supports are the second and third largest support categories and had utilisation over the period that were very low relative to the benchmark. These two support categories are key drivers to the overall utilisation result.

Note: only the major support categories are shown

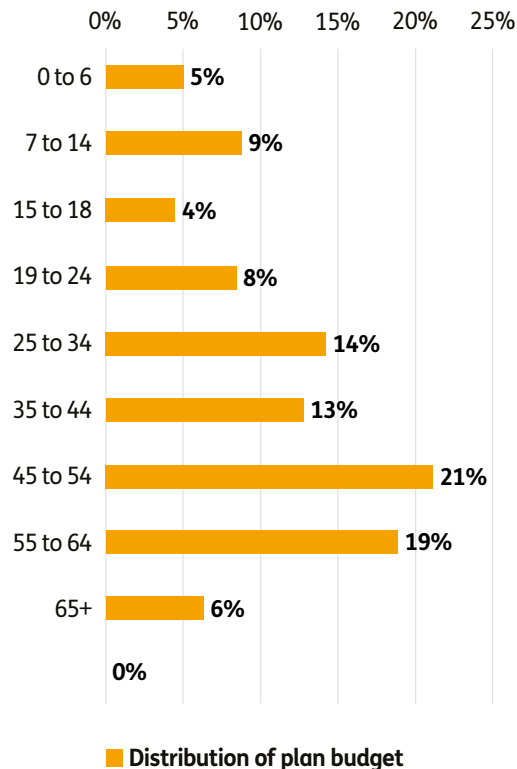
Utilisation for participants in the Murray and Mallee (SA) region was below benchmark for all age bands

Murray and Mallee (SA): All support categories

Utilisation by age group



Budget distribution by age band



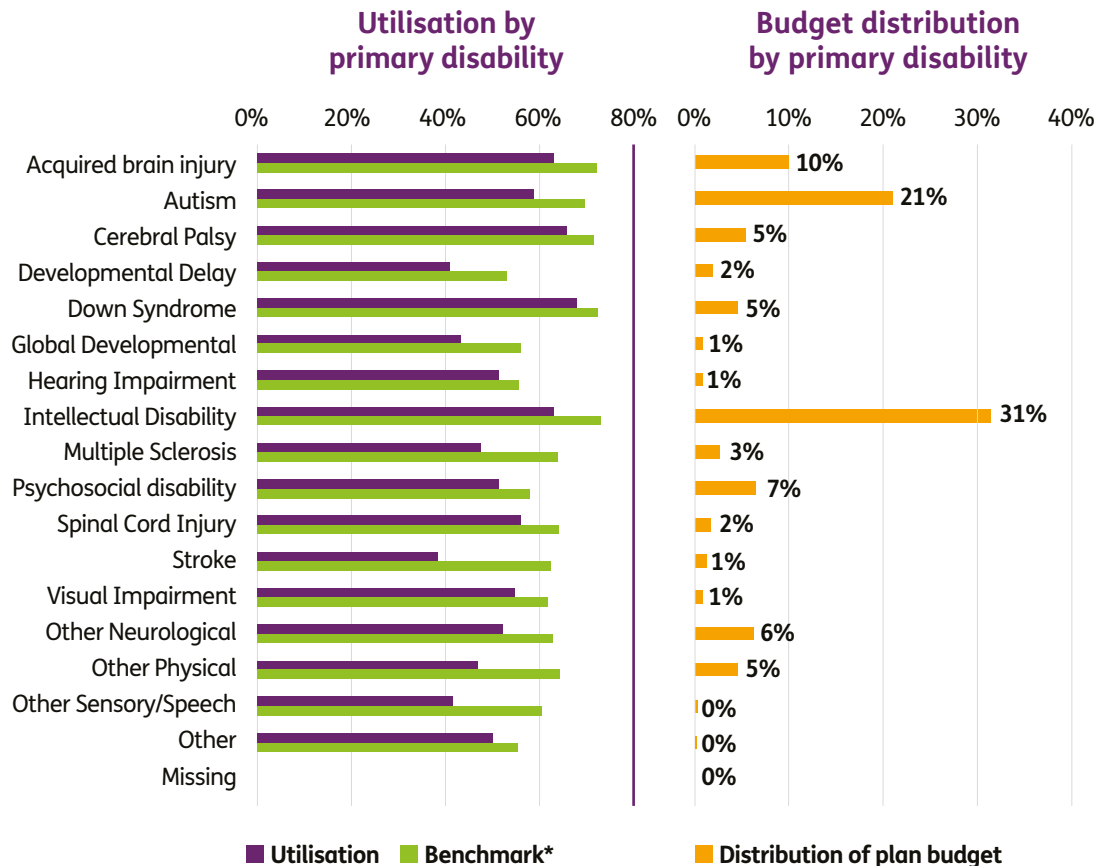
Utilisation is lowest for participants aged between 15 and 24, noting that these participants represented 12% of plan budgets.

Utilisation is also relatively lower for participants aged 55-64, and participants in this age group represent 19% of plan budgets.

*The benchmark is the national average, adjusted for the mix of SIL/SDA participants.

Participants with intellectual disability and psychosocial disability are key areas of focus for the Murray and Mallee (SA) region

Murray and Mallee (SA): All support categories



Utilisation was below the benchmark for all disability types.

Participants with intellectual disability and autism are the two largest primary disabilities in Murray and Mallee (SA) and approximately contribute a combined 52% of plan budgets for the region.

Utilisation rates for these two disabilities is 10 percentage points and 11 percentage points below their benchmarks, respectively.

*The benchmark is the national average, adjusted for the mix of SIL/SDA participants.



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