

Budget Bulletin

2014–2015

The approaching financial year is a significant period for the Disability Services Commission. It will be a time when the State Government's commitment to individualised supports and services to people with disability, their families and carers will be recognised through State Budget allocations and a range of actions to support reforms.



Hon. Helen Morton MLC

In the 2014–2015 Budget, the West Australian Government will provide \$692 million to support people with disability, their families and carers. This is an increase of 8.2 per cent or \$52.8 million when compared with the previous year and includes indexation and growth funding. The State Government will also contribute a further \$33 million in growth towards the NDIS and My Way trial sites.

Budget overview

The Commission's Budget for 2014–2015 will be \$873 million and provide for ongoing services to people with disability. This includes contributions from the Commonwealth Government and other income sources. The increases in the Commission's Budget since 2005–2006 are illustrated in a graph on page 2.

The State's total growth funding in the Budget over the budget and forward estimates period (2014–2015 to 2017–2018) is \$180 million. This includes an allocation of \$25 million for 2014–2015. This funding will be provided to disability sector organisations to provide supports and services to a greater number of people with disability. In addition to this recurrent growth, a further one-off funding allocation of \$2.5 million for 2014–2015 has been provided to increase the Continence Management and Support Scheme.

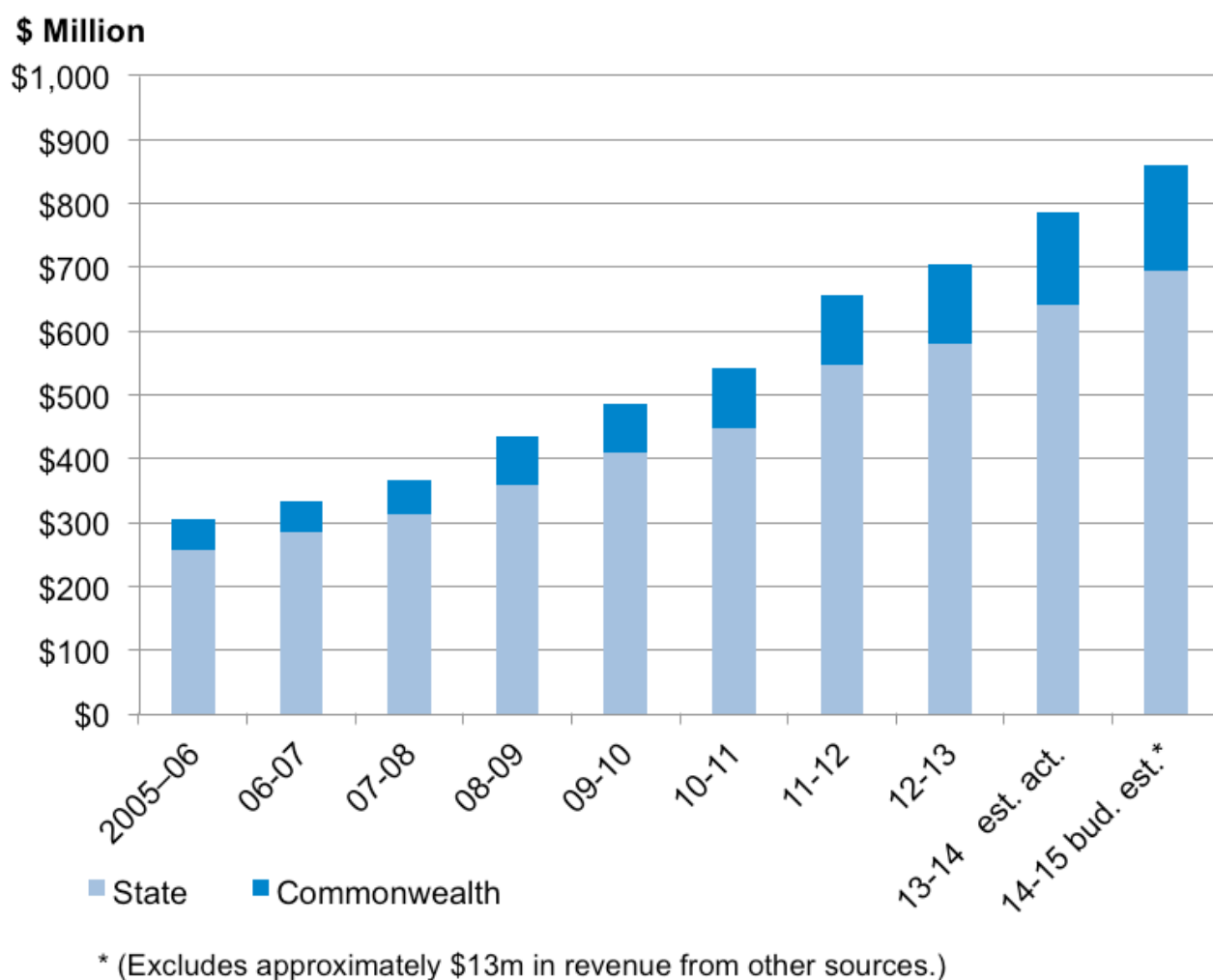
The focus of the 2014–2015 Budget is to ensure the Commission continues to deliver more services across WA through the disability sector. It will focus on areas of critical need, such as accommodation options and individual support packages, and will ensure people are able to access and participate in the life of the community.

Disability reform agreement

On 5 August 2013 the Commonwealth and the WA governments reached an agreement for disability reform in WA. The agreement means that from 1 July 2014 the Commission, on behalf of the State Government, will implement the WA National Disability Insurance Scheme (NDIS) My Way trial sites under State legislation. At the same time, the National Disability Insurance Agency (NDIA), on behalf of the Commonwealth Government, will implement a NDIA NDIS trial site under Commonwealth legislation.

Services required to support people with disability in the trial sites for My Way, in the Lower South West and Cockburn-Kwinana, and for the NDIS in the Perth Hills have required the State Government to contribute a further \$33 million over the two year trial period.

Combined State and Commonwealth funding 2005–2006 to 2014–2015



State–Commonwealth contributions to disability funding

Financial year	State (\$million)	Commonwealth (\$million)	Combined (\$million)
2005-2006	245.9	48.6	\$294.5
2006-2007	275.0	50.6	\$325.6
2007-2008	304.9	52.5	\$357.4
2008–2009	349.6	75.5	\$425.1
2009–2010	391.9	77.6	\$469.5
2010–2011	434.4	94.4	\$528.8
2011–2012	533.6	110.3	\$643.9
2012–2013	579.2	126.7	\$705.9
2013–2014 estimated actual	640.7	145.9	\$786.6
2014–2015 Budget estimate	693.5	166.3	\$859.8

Note: The Commission receives a small amount of revenue from sources other than the State and Commonwealth governments. This revenue accounts for the discrepancy between the total budget of the Commission and the total when the State and Commonwealth contributions are added together.

Disability justice centres

Another key project supported by this year's Budget is the construction of WA's first disability justice centre, to be built in Caversham (on the border of Lockridge), and the ongoing implementation of a prison in-reach service. The disability justice centre will accommodate up to 10 people with intellectual or cognitive disability who have been charged with an offence but, because they are not able to understand the court process, have been deemed unfit to plea. The Mentally Impaired Accused Review Board will decide who will live in the centre, which is expected to open in May/June 2015.

Continence management scheme

The WA Government's Continence Management and Support Scheme (CMASS) has received a one-off \$2.5 million funding boost in 2014–2015 to assist people in the waiting list for funding for continence products. Previously new CMASS users could only access funding when an existing user left the scheme – this funding will significantly reduce the number of people waiting for funding.

Election commitment

Suitable accommodation for young people

In 2013 the State Government committed to support more suitable accommodation services for younger people with disability who are obliged to reside in aged care due to a lack of alternative options. Funding was allocated as part of the 2013 election commitment with expenditure commencing in 2014–2015. This year the State Government finalised the four year funding arrangement, providing \$3 million for expenditure in 2017–2018 for this initiative. The funding will provide purpose-built housing or enhance support arrangements for younger people with disability. The initiative will ensure young people with disability are better able to access living arrangements that meet their needs through the delivery of better whole-of-life outcomes, services and supports for the individual.

Allocation of general growth funds

In 2014–2015 the Commission will receive \$29.4 million in general growth funding which includes \$25.3 million from the State Government and \$4.1 million in growth from the Commonwealth Government. Growth funding refers to additional resources provided by government to meet expected increases in demand for general services and is used to support people who have not yet received funded services or who require additional services. The funding for the implementation of the WA National Disability Insurance Scheme (NDIS) My Way trial sites is provided in addition to this general growth funding.

With increased flexibility, choice and control for individuals, there is less emphasis on programs and more emphasis on strategies developed in individual plans. The funding allocation framework now provides broad service parameters for the distribution of growth funds and reflects the pattern of growth to service areas established in the 2013–2014 Budget. The chart below provides a breakdown of 2014–2015 general growth funding by service area.

Accommodation supports

Demand for supported accommodation options for people with disability continues to be high. To support this demand and ensure these services increase, 38 per cent of growth funding has been allocated to this area.

Community-focused services

Community-focused services will receive an allocation of 24 per cent of growth funding. Services in this area to benefit will include support for people to live in the community, programs that provide alternatives to employment and supports for people transitioning from school.

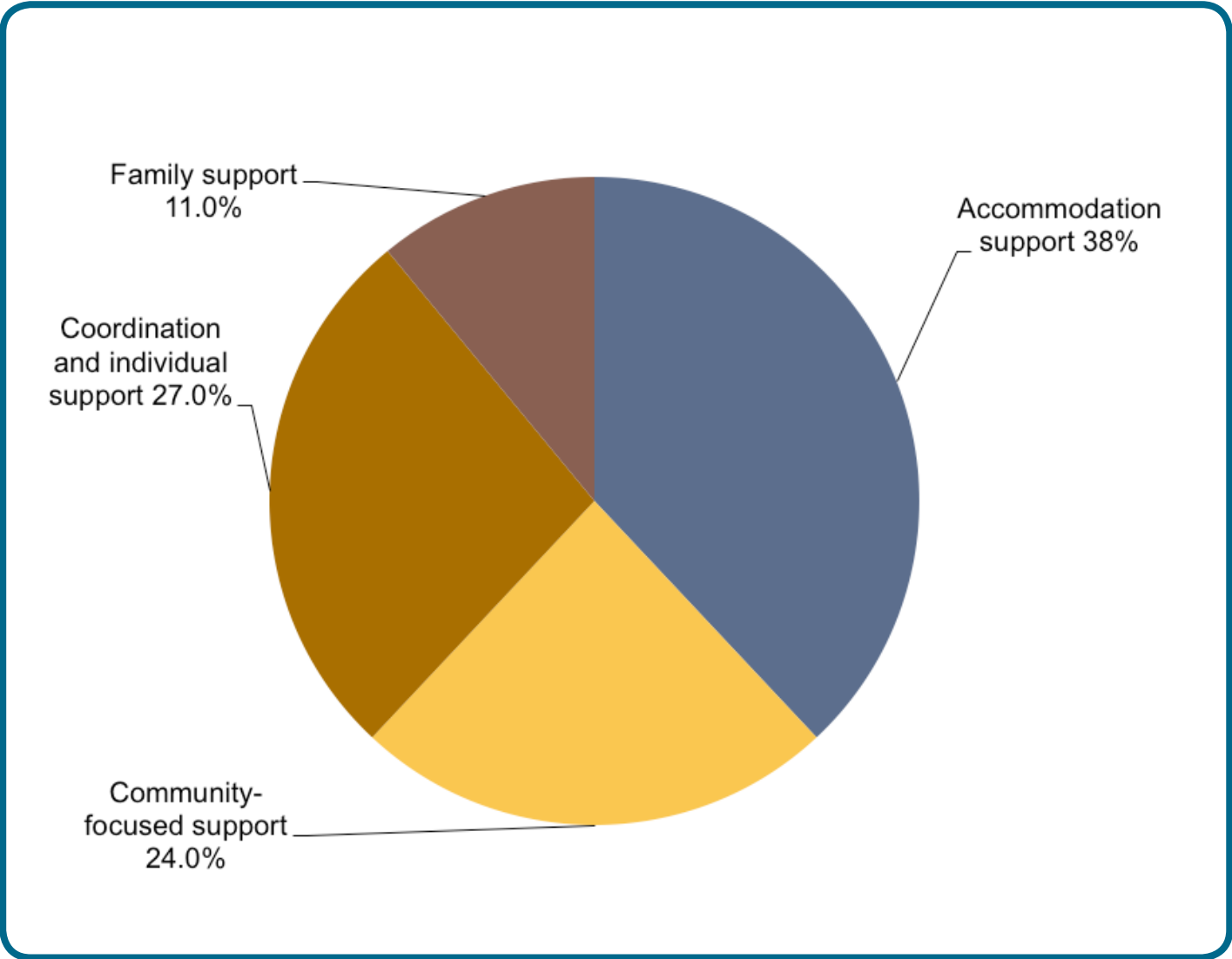
Coordination and individual support

Coordination and individual support is key to ensuring that people with disability receive the supports and services they need to participate in the community. This effort will receive 27 per cent of the growth funding.

Family support

A key focus for the Commission is to ensure people with disability are able to remain with family, and that families are supported in this role. Direct care services, respite and other family supports will receive 11 per cent of the growth funding.

Allocation of growth funding for 2014–15



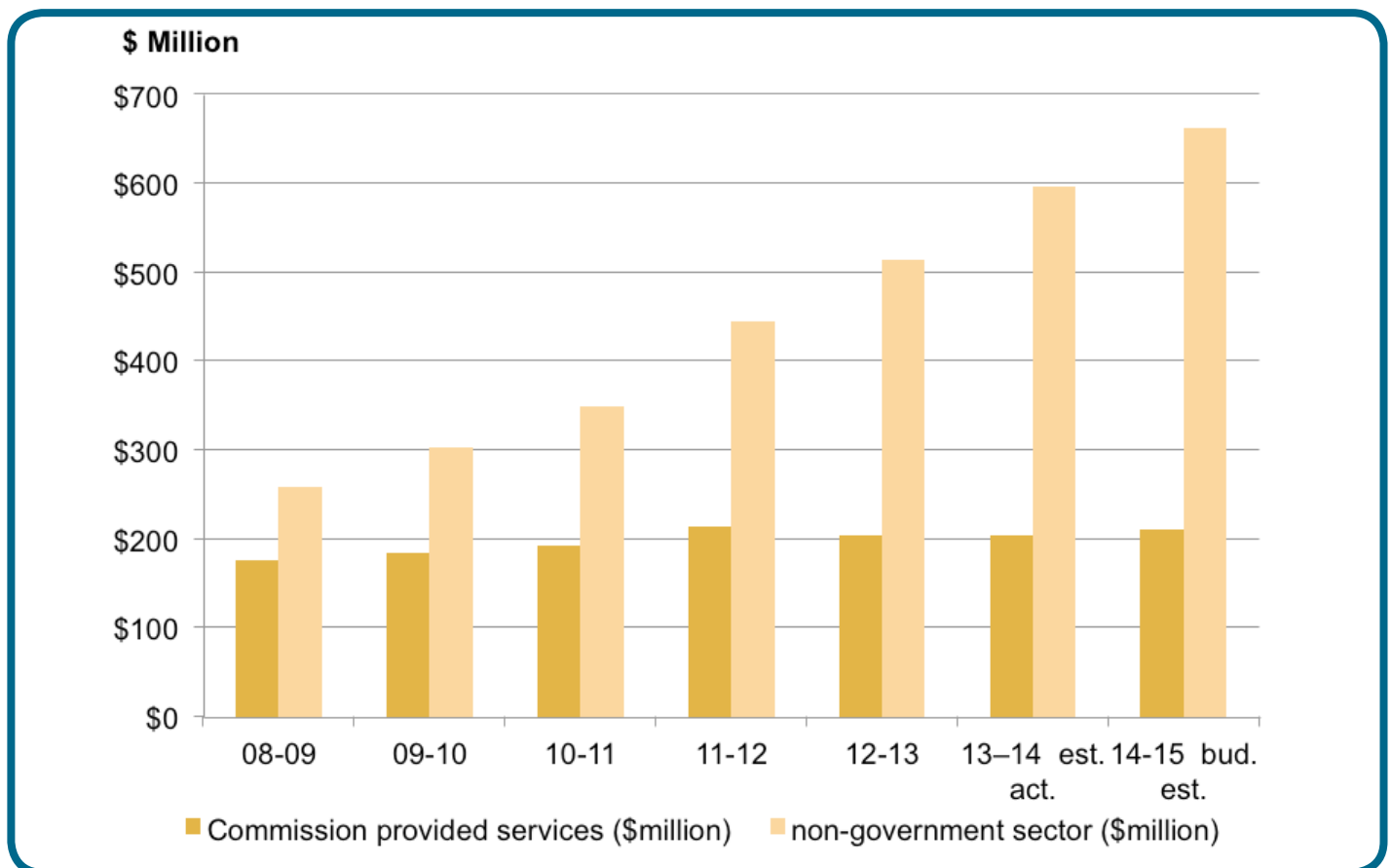
Cost of services

The Commission purchases an increasing proportion of specialist disability supports and services from WA's strong non-government service sector. The chart below shows the rapid shift from State Government provision of services to buying those services from the sector. Nearly 74 per cent of the Commission's Budget will flow directly to the non-government sector in 2014–2015.

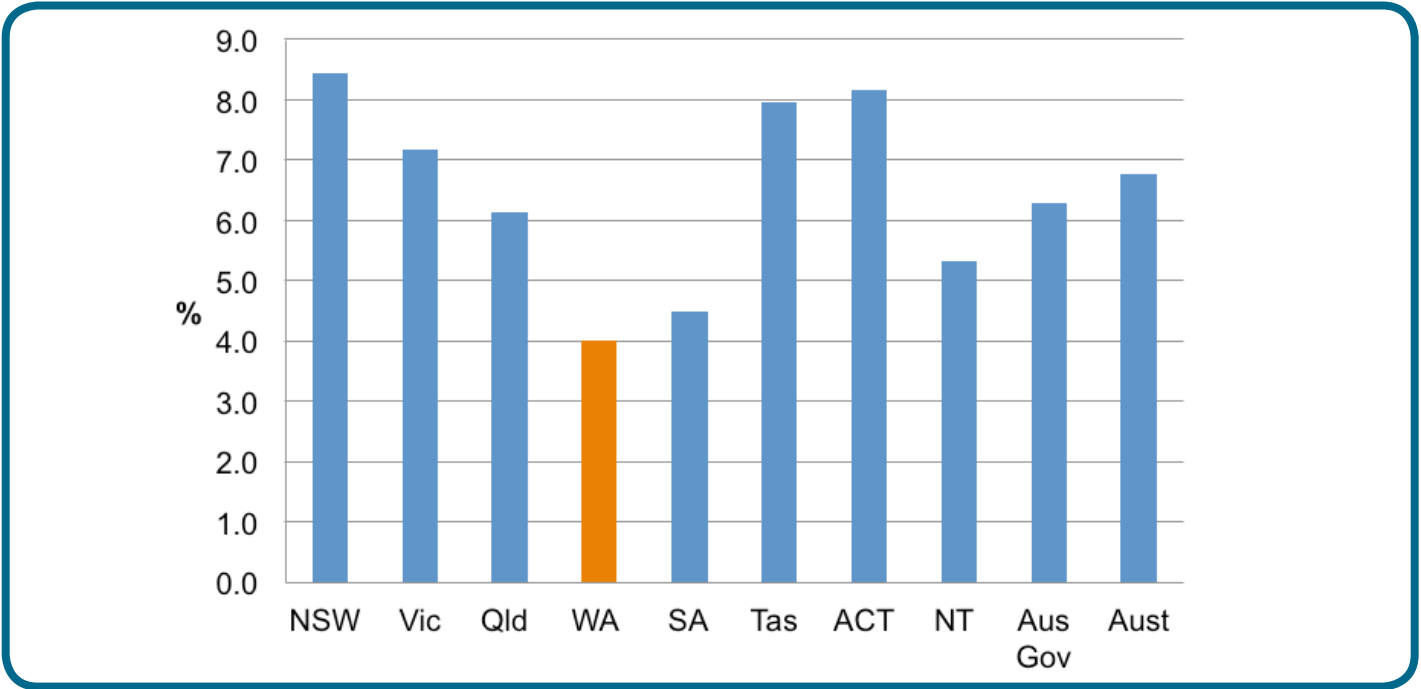
Total cost of services – 2008–2009 to 2014–2015

Financial year	Commission operational Budget (\$million)	External service providers (\$million)	Total (\$million)
2008–2009	\$176.3	\$257.7	\$434.0
2009–2010	\$183.5	\$302.9	\$486.4
2010–2011	\$192.98	\$348.17	\$541.2
2011–2012	\$213.47	\$444.00	\$657.5
2012–2013	\$221.1	\$496.8	\$717.9
2013–2014 estimated actual	\$221.8	\$578.8	\$800.6
2014–2015 Budget estimate	\$229	\$644.4	\$873.4

Total cost of services (2008–2009 to 2014–2015)



Administrative expenditure as a proportion of total expenditure – by state and territory



Western Australia has been shown to have the lowest administrative costs as a proportion of total expenditure of any state or territory for the provision of disability services. At 4 per cent, Western Australia is 2.8 per cent lower than the national average indicated in the Report on Government Services for 2012–2013.