

## **Overview of ILC to date (Information, Linkages and Capacity)**

The Information, Linkages and Capacity Building (ILC) strategy was developed as a key component of Tier 2 in a three-tiered National Disability Insurance Scheme (NDIS). Tier 3 provides individualised funding to eligible people with disability to purchase the supports they need. In contrast, Tier 2 was broadly conceived as helping to:

- connect ALL people with disability to their communities and to both disability and mainstream services,
- provide individual and mainstream service capacity building,
- enable people with disability to achieve economic and community participation goals, and
- provide relevant, useful and timely information.<sup>1</sup>

As part of Tier 2, ILC provided \$134M of grant funding per year for projects that were designed to “create connections between people with disability and the communities they live in. The projects aim to build the knowledge, skills and confidence of people with disability, and improve their access to community and mainstream services.”<sup>1</sup>

A more in-depth explanation of the ILC program can be found on the [DSS website](#), which includes a list of successful ILC projects to date. In October 2020, control of ILC transferred from the NDIA to DSS.

DSS has continued to administer the ILC program as per the investment strategy developed by the NDIA for the period 2019-2022.<sup>2</sup> With the current investment period closing, a new investment strategy is expected to be released by DSS within the next year to 18 months. The current NDIS Review can reasonably be expected to make recommendations pertaining to the future role, strategy and/or investments in ILC.<sup>3</sup> This may also impact the timing of any new ILC strategy release.

## **Underperformance of ILC to date**

In 2021, the Centre for Social Impact at Swinburne University of Technology was commissioned by DSS to undertake a gap and needs analysis of the ILC program for DSS. In summary, the report identified the ILC program as a “piecemeal”, “scattergun” and patchy “jigsaw” of funding that “undermines the achievement of ILC outcomes.”<sup>4</sup> This mirrors the widespread perceptions across the sector that ILC investments to date have failed to deliver the societal and community impacts that were hoped for.

More specifically, the findings from the CSI report include:

- There is a lack of projects in remote and very remote areas across all streams, in all states and territories.
- ILC projects have not been delivered to the most disadvantaged Local Government Areas (LGAs) in the country.

- LACs have not delivered community capacity building and linkages as intended.
- ILC grants have become the main investment in community capacity building and linkages and are therefore insufficient.
- There has been a contraction of services available to people with disability without NDIS funding.
- Disconnect between the societal/community change agenda of ILC and the current funding mechanism which promotes ‘scattergun’ funding.
- The ‘change’ activities require building of trust and ongoing/long term investments to address entrenched and complex issues. Short term, stop-start funding will inevitably fail to deliver the desired changes.
- Competitive grants program disincentivises collaboration, shared learning and partnering to replicate or scale successful initiatives.
- Short term funding leads to workforce and knowledge loss.<sup>4</sup>

The report authors also note several critical observations regarding the ILC strategy, namely:

- “The Tier 2 landscape has changed since the commencement of the ILC grants investment. After the initial focus of individualised funding via the NDIS, the focus is increasingly shifting to the supports available in Tier 2 via mainstream and community activities that must, therefore, adequately understand and cater to the needs of people with disability.”<sup>5</sup>
- Context affecting ILC includes LAC not delivering information, linkages and capacity building to people with disability as originally envisaged.
- There is also a noticeable contraction of LAC services to non-NDIS participants and a poor understanding of the critical need for this function in the post-NDIS environment.
- Need for improved investment governance through a more robust advisory structure.
- A closer focus on sustainability is required. and
- There are inherent problems with stop/start funding and the various impacts of withdrawing funding.<sup>6</sup>

Underpinning this, of course, has been the well-documented reduction of state and territory spending on disability services outside the NDIS. This is neither surprising nor unexpected given the long history of cost-shifting that occurs between different levels of government in Australia. But it is unhelpful and has had a significant impact on the balance of power and apparent viability of different types of organisations that are intrinsically important to the health of the overall disability ecosystem.

## **Western Australia prior to the NDIS**

In the two decades before joining the NDIS, Western Australia's disability sector exhibited a relatively healthy ecosystem. Collectively, it supported many people with disabilities and their families to learn about, explore and develop contemporary models of support. And it ensured that many of the people with high support needs received adequate and appropriate support.

Alongside an increasing trend towards individualising people's support funding, the innovative (mostly smaller and often peer-led or family-led) organisations in this ecosystem contributed to increased demand for different types of services. There were a range of capacity building grants to these peer-led, peak and capacity building focused organisations. A number of new providers emerged focusing on individualised services rather than congregate models. And a robust and largely effective LAC operated in ways that provided direct connection and oversight by government while also fulfilling some of the remit of what has become known as ILC.

A critical element of the success of LAC in WA was that local control, collaboration and decision-making were critical structural requirements for this innovation to be realised.<sup>7</sup> Local really meant Local! And it operated within a context of interconnected levels of state-wide policy and other regional and local initiatives. The loss of an effective LAC system in WA has magnified the failings of the ILC program.

## **Finding a way forward for ILC**

At present, DSS oversees the funding for the ILC grants program, with state and territory governments complementing this through their strategies and funds. The Western Australian State Government, through the Office of Disability, oversees *A Western Australia for Everyone: State Disability Strategy 2020-2030* and an associated *Action Plan* with funding for access and inclusion initiatives. Other states and territories have their own Disability Strategies and Action Plans. In addition, all Australian governments have committed to progress achieving the goals of the Australian Disability Strategy.

With the current bilateral negotiations in progress with each state and territory, the recent change of Federal Government and the NDIS review, now is the time to reinvigorate and refocus the NDIS including the ILC program. 2023 is the year for action and change. It is timely therefore, to bring together some of WA's thought and practice leaders to consider alternative mechanisms and models for investing in ILC activities and achieving ILC goals.

Accordingly, the task of those who gather to discuss the future of ILC on the 31<sup>st</sup> March is to generate possible solutions that can be proposed to governments. The intent is to ensure a more effective ILC program in the future. Our hope is that the discussion will include some 'blue sky thinking' about alternative approaches to funding and delivering ILC.

In this regard, it is worth identifying some potentially useful resources that may help to prompt and direct our preparation, thinking and discussion.

The first of these is a recent Melbourne University Press publication called *The Careless State* by Prof Mark Considine.<sup>8</sup> This is an analysis of the successes, failures and issues associated with the use of market-based approaches to delivering social services across a number of sectors for the past 30 years. Chapter 6 addresses disability and the NDIS.

In the final chapter, Considine concludes that any benefits that were to be had from this approach have now been had and the model itself is exhausted and does not reliably result in effective or efficient services. This is especially the case for the most marginal groups of service users and recipients. He goes on to make numerous recommendations that are needed in order to eliminate a litany of repeated problems and crises that have characterised sectors as diverse as aged care and VET.

Considine suggests the following elements as being required components of a better future. We note them here for the purpose of stimulating thinking about how these might also apply to ILC.

- A more open system with greater transparency of service design
- Longer term and trusting relationships between providers and government
- Meaning that there is an increased, shared commitment to achieving meaningful outcomes and greater assurance of ongoing funding so long as outcomes are being achieved
- A requirement for increased collaboration between providers
- Sharing of knowledge and learning across systems so that successful approaches are disseminated more widely across the system
- Service users having active 'voice' in regard to their service design and delivery, not just 'choice' about which services to use
- All of which means that some solutions will be 'place based' and highly localised.

The second resource is a 2017 report by Newcastle University that overtly endorses a localised, systems-based approach. [\*A Whole New World: Funding and Commissioning in Complexity\*](#)<sup>9</sup> attempts to explicitly engage with the real complexity of the world we live in and the lives many people lead. "Welcoming the knottiness of the world feeds into a more equitable relationship between funders and communities – valuing learning and improving, rather than proving; asking what matters, not what's the matter; and putting people in the lead, instead of prescribing the solution."<sup>10</sup>

For our purposes, it is sufficient to provide just one further quote from this report to stimulate our thinking. It highlights the role and approach needed by government (and/or other funders) in order to generate and support a healthy ecosystem.

“Outcomes are created by people’s interaction with whole systems, not by particular interventions or organisations. Funders and commissioners working in this way take some responsibility for the health of the system as a whole, because healthy systems produce better outcomes. They take a system coordination role. They invest in network infrastructure which enables actors in the system to communicate effectively; they invest in building positive, trusting relationships and developing the skills of people who work in the system.”<sup>11</sup>

All this is underpinned by a realistic and unflinching acceptance of the complex messiness of the world as it is and rejects the idea of oversimplifying problems to make management and administration of social interventions easier.

Strengthening place-based approaches is consistent with other critical areas of DSS’s commissioning activity, such as “[Stronger Places/Stronger People](#)” and “[Communities for Children Facilitating Partners](#).” The key messaging from these initiatives includes “whole of community approach to support early childhood development” and supporting local project (“backbone”) teams to “facilitate local planning, inclusive engagement, measurement and evaluation, joint decision-making, governance and local action.”<sup>12</sup>

The third and final resource comes from closer to home. [See Me, Know Me: Building Trust and Sustainability in the NDIS](#)<sup>7</sup> contains recommendations about reforming the NDIS by three of WA’s key disability sector leaders over the past two decades. With a more restricted focus on ILC alone, it is appropriate to suggest that their three key proposals effectively require real engagement and system oversight by government, attention to building and maintaining an effective ecosystem and establishing and maintaining trusting relationships with people with disabilities and their families in the context of their local communities.

There are some common threads running through these three resources – and there are obviously many other resources that could be used to generate ideas and influence our thinking and discussion. Please use those that you have access to to inspire your thoughts and ideas. We invite you to join the discussion to share your ideas and to do so with an open heart and a willingness to listen closely to others.

## References:

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