



**Operating Guidelines for certification bodies to verify compliance with the NSW Disability Services Standards**

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# Introduction

## Background

The disability service sector in NSW and across Australia has been moving towards developing a consistent approach to quality assurance to ensure that supports and services are delivered to a standard of quality that meets client and community expectations.

Ageing Disability and Home Care (ADHC), Department of Family and Community Services (FACS) is working closely with the sector to implement quality reform without increasing the regulatory burden for service providers. As part of this reform, ADHC has introduced new quality requirements in the Funding Agreement which means that every funded service provider is required to have a quality management system in place and have their compliance with the NSW Disability Services Standards (NSW DSS) verified once during the three year funding cycle (1 July 2015 to 30 June 2018).

## NSW Transitional Quality Assurance and Safeguards Working Arrangements

During the transition to the full National Disability Insurance Scheme (NDIS) existing NSW and Commonwealth quality and safeguards continue to apply until the new NDIS quality and safeguarding system is in place from 1 July 2018. The *NSW Transitional Quality Assurance and Safeguards Working Arrangements* outline the quality assurance requirements for disability supports by NDIS Registration Groups, available via <https://www.ndis.gov.au/providers/nsw-registering-provider.html.>

An overview is provided in **Appendix 2** of the *NSW Transitional Quality Assurance and Safeguards Working Arrangements*where the NDIS Registration Groups are separated into two parts, reflecting the level of risk associated with different support types:

* **Part A** which outlines the NDIS Registration Groups where compliance with NDIS Rules – rules for registered providers of supports, NDIA Terms of Business and other specific requirements is required; and
* **Part B** which outlines the Specialist Disability NDIS Registration Groups where compliance is with NDIS Rules – rules for registered providers of supports, NDIA Terms of Business is required, in addition to compliance with:
* NSW Disability Services Standards (NSW DSS) or relevant comparable standards. Comparable standards include National Standards for Disability Services, Attendant Care Industry Standards, Home Care Standards, Victorian Department of Human Services Standards and Queensland Human Services Quality Framework.
* Legislation, operational policies and guidelines that are outlined at **Appendix 1** of the NSW Transitional Quality Assurance and Safeguards Working Arrangements.

**Note:** these requirements are also reflected in the *NDIS Provider Toolkit Module 4: Guide to Suitability* available via https://www.ndis.gov.au/providers/nsw-registering-provider.html.

A flow chart summarising NDIS registration requirements within NSW appears at **Attachment 2.**

Arrangements for Existing ADHC funded service providers

Existing ADHC funded service providers transitioning to the NDIS are required to continue to comply with the terms of their Funding Agreement throughout the transition period (even if funding ceases in whole or part during the Agreement term) including all relevant legislation, operational policies and guidelines. Specific conditions that will continue for the duration of transition include:

* having a demonstrated commitment to person centred service delivery and establishment of arrangements to individualise client supports;
* demonstration of sound governance;
* having systems in place for ensuring probity in employment of all staff;
* meeting obligations for reporting of serious incidents; subcontracting of services, and meeting privacy obligations;
* requiring a quality management system and undertaking Third Party Verification (TPV) to confirm organisational performance against the NSW Disability Service Standards (NSW DSS) once during the term of the Funding Agreement (2015/16 – 2017/18);
* having a complaints management system;
* complying with all financial reporting and information disclosure requirements, and
* continuing to meet requirements of all relevant NSW legislation.

The NDIA will advise all current ADHC funded service providers delivering services in NSW that the organisation’s existing funding relationship with ADHC will lead to automatic approval of registration for the NDIS once the provider has:

* completed the National Disability Insurance Agency provider registration process and other requirements for registration as determined by the NDIA CEO;
* agreed to the *Terms of Business for Registered Support Providers*.

Arrangements for new providers of specialist disability supports

New service providers offering specialist disability supports during transition will apply directly to the NDIA for registration. New providers are those not funded by FACS-ADHC or a recognised Commonwealth administered program as determined by the NDIA.

All registered providers of supports are required to meet the *NDIS Rules – Rules for registered providers of supports* and *Terms of Business for Registered Support Providers*, relevant legislation, professional requirements and industry code of practice, where applicable.

Providers of specialist disability supports identified at **Appendix 2** **Part B** of the [*NSW Transitional Quality Assurance and Safeguards Working Arrangements*](https://www.ndis.gov.au/providers/nsw-registering-provider.html) will also be required to comply with relevant NSW legislation, NSW guidelines and operational policies requirements as listed (in **Appendix 1** of the *Working Arrangements*). To ensure the operation of a consistent quality assurance and safeguarding framework in NSW during transition, some providers of supports must demonstrate that they meet an appropriate standard of service quality and level of safeguards for NDIS participants.

The NDIA will specify as a condition of registration that a new provider(s) of specialist disability supports identified at **Appendix 2 Part B** of the *Working Arrangements* must provide evidence such as a copy of a verification certificate or similar to verify attainment of current independent third party verification against the NSW DSS or comparable standards. Comparable standards include National Standards for Disability Services, Attendant Care Industry Standards, Home Care Standards, Victorian Department of Human Services Standards and Queensland Human Services Quality Framework.

The ADHC Systems Recognition Tool may assist providers to understand the extent to which their existing accreditations and systems meet the NSW DSS. The Recognition Tool is based on mapping by Joint Accreditation Systems of Australia and New Zealand (JAS-ANZ) of 12 industry standards in common use in the sector against NSW DSS at **Appendix 3** of the *Working Arrangements*.

The NSW Government and the NDIA take quality assurance and safeguards very seriously. Due to the different levels of risk associated with the delivery of specialist disability supports compliance with the NSW DSS or one of the comparable standards is essential to protect and promote the interests of NDIS participants.

The NDIA will not register a new provider until evidence of TPV against the NSW DSS or a current certification against a ‘comparable standard’ has been uploaded to the [NDIS myplace portal](https://proda.humanservices.gov.au/prodalogin/pages/public/login.jsf?TAM_OP=login&USERNAME=unauthenticated&ERROR_CODE=0x00000000&AUTHNLEVEL=&OLDSESSION=) via the ‘upload evidence’ tile.

All providers are responsible for undertaking the necessary arrangements to ensure that they can provide this evidence to the NDIA as part of the NDIS registration process.

Third party verifiers must be accredited either by the Joint Accreditation System of Australia and New Zealand (JAS-ANZ) or International Society for Quality in Health Care (ISQua).

NSW encourages third party verifiers to recognise any recent accreditation / certification of other industry standards and/or audit process undertaken by the organisation as part of assessing compliance.

Providers may also be required to provide the NDIA with a full copy of the audit report, if requested.

**Note:** A new provider that has **no** experience or track record in the delivery of a **specialist disability support** or experience in the provision of a similar service in an adjacent sector[[1]](#footnote-1) will **not** be able to demonstrate the requirements necessary to achieve third party verification against the NSW DSS or National Standards for Disability Services.

To achieve third party verification against the NSW DSS or National Standards for Disability Services, a service provider will be required to demonstrate that its practices and processes in delivering the services meet the Standards. Seeking direct feedback from consumers using the service is a critical element of the third party verification process.

During transition, new providers without relevant experience in the delivery of specialist disability supports are able to register to provide the supports outlined in ***Appendix 2 – Part A*** *of* [*NSW Transitional Quality Assurance and Safeguards Working Arrangements*)](https://www.ndis.gov.au/providers/nsw-registering-provider.html#safeguard) and build their experience in delivering disability supports.

New providers registering to deliver positive behavior support

New providers registering to deliver **positive behavior support** are required to:

* achieve TPV against the NSW DSS or a Comparable Standard, including demonstrating compliance with the NSW Behaviour Support Policy and **‘**[**Positive Behaviour Support Provider Declaration Statement’**](https://www.ndis.gov.au/providers/nsw-registering-provider.html) **(**ADHC policies and procedures are available via <https://www.adhc.nsw.gov.au/publications/policies>. The [Positive Behaviour Support Provider Declaration Statement](https://www.ndis.gov.au/providers/nsw-registering-provider.html) is available via <https://www.ndis.gov.au/providers/nsw-registering-provider.html>).
* agree and sign the [**Positive Behaviour Support Provider Declaration Statement**](https://www.ndis.gov.au/providers/nsw-registering-provider.html) attesting to the demonstration of defined criteria regarding qualifications and experience to deliver behaviour support in NSW; and
* submit the above evidence as part of the NDIS registration process.

**Note:** Third Party Verification (TPV) verifiers are required to confirm that the provider (including sole practitioners) meets the defined positive behaviour support criteria regarding qualifications and experience to deliver behaviour support services to NDIS participants in NSW and compliance with the NSW Behaviour Support Policy.

## Third Party Verification

Third party verification (TPV) is the process of an impartial and competent party reviewing evidence to establish that a service provider meets the NSW Disability Service Standards (NSW DSS) (available at <https://www.adhc.nsw.gov.au/sp/quality/standards_in_action>). As part of the evidence review, third party verification takes into account service providers’ accreditation or certification against other standards and quality management systems.

To remain on the National Disability Services (NSW) approved supplier list of third party verification bodies who can conduct TPV against the NSW DSS, certification bodies must meet the criteria for listing as an approved third party verifier, and continue to comply with the Third Party Verification (TPV) supplier Listing Conditions.

Third party verifiers or certifying bodies for NSW DSS and comparable standards must be accredited either by the Joint Accreditation System of Australia and New Zealand (JAS-ANZ) or the International Society for Quality in Health Care (ISQua).

National Disability Services (NSW) holds a list of third party verification bodies who can conduct TPV against the NSW DSS at the Industry Development Fund – Quality Resource List available via <http://www.industrydevelopmentfund.org.au/adhc-quality-requirements-resource-and-tpv-list>. Third party verification is not an accreditation system in itself and NDS is not an accrediting agency.

The aim of the verification process is to check that each service provider has adequate evidence in place to demonstrate the practice elements of the NSW DSS are met. For third party verifiers on the NDS list, NDS has undertaken a process to ensure that third party verifiers listed maintain their accreditation status as a certification body (which is an endorsement of a certification body’s competence, credibility, independence and integrity) and maintain their contractual rules of engagement to deliver third party verification.

## Purpose of this guide

This guide sets out the business rules for third party verification bodies to undertake verification activities for service providers in NSW who are funded by AHDC or seek registration with the NDIA to offer specialist disability NDIS Registration Groups until 30 June 2018.

This guide is intended to outline the requirements, and serve as a reference document, for verification bodies undertaking verification activities to enable a consistent approach to quality assurance across the NSW disability sector.

The service providers referred to in this guide are:

* those that receive funding under the NSW Disability Inclusion Act 2014 and the NSW Disability Inclusion Regulation 2014for programs administered by ADHC
* new service providers wishing to register with the National Disability Insurance Agency (NDIA) to deliver **specialist disability** NDIS Registration Groups under the National Disability Insurance Scheme (NDIS).

All ADHC funded service providers are required to comply with quality requirements in the Funding Agreement for Disability Service Providers (Terms and Conditions of Agreement). The quality requirements are also outlined in the [ADHC's Quality Policy](https://www.adhc.nsw.gov.au/__data/assets/file/0011/256835/Quality_Policy_for_ADHC_funded_services.pdf).

New providers (those not funded by FACS-ADHC or a recognised Commonwealth program as determined by the NDIA) wishing to deliver specialist disability NDIS Registration Groups under the NDIS are required to provide evidence of third party verification against the NSW DSS or one of comparable standards listed in the [*NSW Transitional Quality Assurance and Safeguards Working Arrangements*](https://www.ndis.gov.au/providers/nsw-registering-provider.html)*.*

The sector is diverse - some service providers have no formal quality management system or accreditation in place, while other providers have established quality management systems and may have accreditation or certification against other industry standards. This means the time required undertaking verification activities will vary, and verifiers will need to adopt a flexible approach when working with service providers.

The NSW DSS form the basis of ADHC’s approach to quality reform. However, there are a number of providers who are also funded to deliver a range of services that require compliance with other industry standards. In these cases, it is expected that the service providers will have already meet all or many of the NSW DSS requirements, and as such, may not need to undertake much additional work to demonstrate compliance with the NSW DSS.

ADHC engaged Joint Accreditation System of Australia and New Zealand (JAS-ANZ) to map 12 industry standards currently in use by the sector, against the NSW DSS so that where the standards share common components their existing accreditation can be used to demonstrate compliance with the NSW DSS. For more information visit <https://www.adhc.nsw.gov.au/sp/quality/adhc_systems_recognition_tool>.

Service providers will be supported to meet ADHC’s quality requirements with a number of resources. The following table provides a listing of the supports available to providers which may be accessed throughout the process of setting up a quality management system and achieving verification.

## Resources and supports

|  |  |
| --- | --- |
| **Resources / Supports** | **Description** |
| *It’s Your Business* (IYB) - Quality  Management Chapter | The quality management chapter of the IYB resource targets boards and senior managers who are implementing quality management systems, including quality improvement processes across their organisations. Refer <https://www.adhc.nsw.gov.au/__data/assets/file/0019/261217/Its_your_business_Chapter_10.pdf> |
| Access to the ADHC Quality website and guide | Online resources provided on the ADHC website including the most current policy, Standards in Action manual, fact sheets, a guide to quality KPIs and NSW Quality Framework, and an eLearning module that has been developed to assist service providers in understanding ADHC’s quality requirements, including the application of the NSW DSS. Refer <http://www.adhc.nsw.gov.au/sp/quality> |
| Support to meet ADHC Quality Requirements | Online resources provided on the Industry Development Fund website, including stages to achieving third party verification. Refer  <http://www.idfnsw.org.au/support-to-meet-the-adhc-quality-requirements> |

## Key contacts

NDS has appointed Engels Floyd and Associates to answer questions regarding TPV. This service is provided either over the phone or via e-mail as follows:

Sharon Floyd - 0422 586 219 or Jennifer Engels - 0417 554 736

Email address: engelsfloyd@gmail.com

For information about FACS-ADHC Quality Framework requirements, including Quality Framework Reporting (QFR), ADHC funded providers and verifiers can contact the Quality team by email via [ADHC-QualityTeam@facs.nsw.gov.au](mailto:ADHC-QualityTeam@facs.nsw.gov.au) or by calling 9377 6016.

For NDIS registration questions, the NDIS website is the primary source of [information for verifiers and providers](file:///\\BIZLINK\DHS\ADHC\USER1\EVANSS8.BIZLINK\AutoRecover\information%20for%20verifiers%20and%20providers) (https://www.ndis.gov.au/providers/ndis-providers.html). Third party verifiers and providers can also call **1800 800 110.**

# Undertaking third party verification activities

## Approach to undertaking verification activities

Third party verifiers are required to adopt a flexible and conversational approach with service providers, recognising that the experience of demonstrating compliance with standards will vary between organisations.

This means that while some service providers will have established quality management systems in place and already undertake external auditing, sometimes against a number of other standards, (generally medium to larger organisations), others may have a formal or informal ‘in house’ system or a collection of processes (generally smaller organisations).

It is expected that some service providers may initially engage with a third party verifier to gauge whether they have sufficient evidence/documentation to commence third party verification.

These service providers should be encouraged to have their quality management system in place prior to commencing third party verification as it should include a self-assessment of their compliance with the NSW DSS and this will simplify the process of gathering evidence for third party verification.

As outlined in the *Quality Policy for ADHC funded service providers*, the verification process will take into account service providers’ self assessment, feedback from people with disability, their families and carers. Service providers are required to provide a list of stakeholders to the third party verifier, mainly people receiving services, willing to be consulted as part of the verification process. See ***Attachment 1 - Practice requirements.***

For service providers that are less familiar with external certification, an initial “desktop” review (review of paper-based and electronic records) may be an appropriate starting point. The results of this initial review would provide the basis for further discussions about what was needed to achieve verification. This means that third party verifiers will take a staged and flexible approach to undertaking verification activities.

Ultimately the outcome will be for the verification body to endorse verification by providing a verification certificate.

## 

## Key Performance Indicators

A set of 18 measurable, easy-to-use and outcomes-focused Key Performance Indicators (KPIs) have been developed to assist service providers to measure organisational performance against the NSW DSS. They can also be used by service providers when undertaking a self assessment against the NSW DSS.

The KPIs are listed alongside possible sources of evidence that service providers may wish to use to measure performance against a KPI.

Organisations can determine if and when they use the KPIs as some providers will take a graduated approach in implementing performance measures.

Consistent with the NSW Government’s commitment to reducing the administrative burden on service providers, it is expected that organisations will use existing documents, records of feedback and other information they already collect to measure performance against the KPIs. In some cases, a source of evidence may be the outcome or findings of accreditation, certification or assessment against another quality system or industry standard that a service provider already has in place.

Where a service provider is using the NSW DSS KPIs (refer [https://www.adhc.nsw.gov.au/sp/quality](https://www.adhc.nsw.gov.au/sp/quality/key_performance_indicator_kpi_guide), the third party verifier can refer to the evidence that the service provider has compiled. If the third party verifier concludes that there is not enough evidence to demonstrate compliance with the NSW DSS they can discuss with the provider any other sources of evidence (e.g. processes, systems, documents) that may be needed. When referring to evidence that has been collected for the KPIs, the focus for third party verification is on the systems, processes and activities a service provider has in place to measure outcomes rather than on whether the providers is achieving the targets that have been set.

# Evidence for third party verification

As the disability and Community Care Support Program (CCSP) sector in NSW is very diverse, there will be variation in the scope and types of evidence provided by service providers when they are undertaking TPV. Third party verifiers should be mindful of minimising the administrative burden on service providers in line with the NSW Government’s commitment to reduce the red tape burden for non-government organisations.

## Service providers with existing external certification

In situations where a service provider already undertakes external assessment against other standards by a third party verifier on the NDS list, it is appropriate and likely that the service provider will engage the third party verifier that they already know. In these cases, it is expected that there will be less work for both the third party verifier and the service provider, given the relationship that already exists and the third party verifier’s existing understanding and knowledge of the organisation’s systems and practices.

If a service provider’s existing certification or accreditation already involves an onsite review and consultation with people with a disability, their families and carers, it may not be necessary for the third party verifier to repeat these processes. In most cases, service providers with existing external certification will be required to present the outcomes or findings of current certification (against another industry or government standard) plus any additional evidence required to meet the NSW DSS.

Service providers and third party verifiers are being provided with an ‘*Accreditation Systems Recognition Tool’[[2]](#footnote-2)* based on the standards mapping conducted by JAS-ANZ which identifies how existing accreditation systems map to the NSW DSS and other evidence that may be required to meet the NSW DSS.

## Evidence that might be verified

The approach to verification should be discussed with the service provider prior to verification activities commencing. While the approach will differ for each service provider, as an indication, it might involve an assessment of the following evidence sources:

* + a suite of current documented policies and processes that together comprise the service provider’s management system.
  + records (paper and electronic) that demonstrate that the policies and processes are being implemented e.g. records of staff training, individual plans, complaints are recorded.
  + the service provider’s self-assessment, which may be based on KPIs and/or an off-the-shelf or tailored quality tool.
  + outputs from any off-the-shelf quality tools, where relevant.
  + an action plan that explains how (and when) the service provider will address any gaps in performance or areas for improvement identified during self-assessment.
  + evidence submitted of other management systems or accreditation systems and results of external assessments.
  + Annual Compliance Return (reporting requirement to ADHC), whereby the CEO or equivalent states that the service provider currently complies, and will continue to comply, with the requirements of the NSW DSS (**Note**: this evidence is not relevant to service providers not funded by ADHC).
  + feedback from service users (including families and carers) that the service provider has collected.
  + feedback from management and staff.
  + the results of interviews with consumers in their preferred format.
  + site visit to observe practice.
  + ‘on-site’ review including sighting evidence that a quality management system has been implemented.

# Outcome of verification activities

## Findings / outcome of verification decision

The potential outcomes of the verification process are as follows:

## How ratings are determined

Service providers are required to comply with all of the Practice Elements within each of the six standards (unless they are not applicable to the type of service being delivered or the target services users e.g. an element relating to children won’t apply to services that only deliver service to adults).

The following table describes how the overall rating is determined.

|  |  |
| --- | --- |
| Rating level | How the overall rating is determined |
| Meets the NSW DSS | The organisation receives this rating if every standard is met. |
| Improvement required-met in part | The service receives this rating if further improvement is required for one or more standard to achieve compliance. That is, the organisation has partially met one or more standard. |
| Significant improvement required- not met. | The service receives this rating if significant improvement is required for one or more standard. That is, one or more standard is unmet. |

## Closing meeting with service providers

Third party verifiers are required to hold a closing meeting with management representatives and possibly people with a disability, their families and carers (as appropriate) to discuss the outcome of verification activities.

At the closing meeting, verifiers are required to present a summary of the verification findings for each specific NSW DSS, the overall outcome of the verification and any further action that may be required to meet the NSW DSS.

It is important that verifiers adopt a conversational approach with the service provider so they have the opportunity to clarify any issues and provide further feedback on the verification outcome and action plan, if required, prior to the final report being completed.

## Verification Certificate, Report and Action Plan for service providers

A Verification Certificate is to be provided to each service provider who meets the NSW DSS within 15 working days of the completion of verification activities.

In cases where further improvement is required by the service provider to meet the NSW DSS, the third party verifier will provide an action plan within 15 working days outlining the criteria to be addressed. On completion of the actions, service providers are required to have their full compliance with the NSW DSS verified by the third party verifier and obtain a Verification Certificate. This must occur within the term of the current ADHC Funding Agreement – that is, by 30 June 2018.

**ADHC funded service providers**

Existing ADHC funded service providers must provide a verification certificate once during the term of the current Funding Agreement (2015 – 2018) to ADHC via the Quality Framework Reporting (QFR) portal which is hosted by ORIMA Research.

Providers who fail to upload a valid TPV certificate to the QFR before 30 June 2018 may run the risk of having their NDIS registration revoked.

Verification certificates (or accompanying schedule) shall:

* include an issue date;
* identify the NDIS Specialist Disability Registration Groups (where relevant) assessed during third party verification; and
* cite the following in lieu of an expiry date for ADHC funded services: ‘*This certificate fulfills the obligations of the Department of Family and Community Services Funding Agreement (2015-2018).’*

**New providers**

New providers registering with the NDIS to offer Specialist Disability Registration Groups must provide a verification certificate at the time of registration with the NDIS, as per the *Frequently Asked Questions for providers registering to deliver supports under the National Disability Insurance Scheme (NDIS)* available via <https://www.ndis.gov.au/providers/nsw-registering-provider.html>

It should be noted that the outcome of third party verification may be made publicly available. Providers may also be required to provide the NDIA with a full copy of the audit report, if requested.

**Verification reports**

TPVs shall either use the TPV Report Template, (available from Engels Floyd & Associates), for written reports or their own report templates. However in each case reports shall include the following requirements:

* a brief description of the client;
* the scope of verification (including NDIS registration groups, sites sampled);
* the verification duration;
* an executive summary of the overall findings (conclusions) of the audit, including comments on the effectiveness of the client's policies, procedures and practices to ensure conformity with the standards and a summary of any findings;
* adequate evidence trails to support conformity or findings;
* positive and negative observations; and
* a description of the process of consumer engagement including the number and type of interviews with consumers.

Note: The NDIS requires a Verification Certificate for each legal entity registered as a NDIS provider.

|  |  |
| --- | --- |
| TPV Outcome | Action |
| 1. Meet the NSW DSS  The service provider can demonstrate compliance with the NSW DSS | Third party verifier provides service provider with a certificate of verification within 15 days of completion of the on-site review. |
| 2. Improvement required (met in part) improvements are required in order for the service provider to demonstrate that they meet the NSW DSS. | The third party verifier will discuss the outcomes of the verification with the provider.  They will provide an action plan within 15 days of completion of the on-site review.  The provider is required to address the outstanding issues and provide evidence to the third party verifier that required actions have been completed within three months.  Third party verifiers will check the actions have been completed and issue a certificate of verification within 15 days of receipt of the evidence. |
| 3. Significant improvement required (not met)  The service provider cannot demonstrate that they comply with the NSW DSS and will need to make significant improvements to achieve compliance. | The third party verifier will discuss the outcomes of the verification with the provider.  They will provide an action plan within 15 days of completion the on-site review.  The provider is required to address the outstanding issues and provide evidence to the third party verifier that required actions have been completed within six months.  Third party verifiers will check the actions have been completed and issue a certificate of verification within 15 days of receipt of the evidence. |

## Disagreements

It is expected that service providers and third party verifiers will work together to resolve any issues should they arise.

It is anticipated that there will be minimal disagreements given the conversational approach that is to be taken to verification activities and, in particular, the closing meeting provides an opportunity to discuss the outcome of verification activities and to clarify any issues that were identified during the audit.

Third party verifiers should also have a clause in their contracts with service providers specifying the complaints, disputes and appeals process.

In the event that a complaint or dispute does arise, the service provider and the third party verifier are encouraged to work together to resolve the issue(s).

## Notifiable Issues

Definition: ***Notifiable Issue - evidence or allegations of a serious health, safety or abuse risk, harm or risk of harm, financial impropriety, and/or professional misconduct.***

**Immediate Action**

***Existing FACS-ADHC funded service providers***

For service providers with a FACS-ADHC Funding agreement, if during an audit, evidence of a Notifiable Issue is found, the third party verifier is required to immediately inform:

* the governing body (e.g. Board, Management Committee) unless there is justifiable reason for not doing so, such as a risk of further harm to individuals or risk of compromising collection of evidence in subsequent investigations, and
* ADHC via the Quality team by email via [ADHC-QualityTeam@facs.nsw.gov.au](mailto:ADHC-QualityTeam@facs.nsw.gov.au) or by calling 9377 6016.

The ADHC Abuse and Neglect Policy and Procedures provide guidance around this issue and are available on the ADHC website via <http://www.adhc.nsw.gov.au/publications/policies>

***For new service providers who are yet to register with the NDIA (not FACS-ADHC funded)***

For new service providers who are not funded by FACS-ADHC and are yet to register with the NDIA, if during an audit evidence of a Notifiable Issue is found, the third party verifier is required to:

* immediately inform the governing body (e.g. Board, Management Committee) unless there is justifiable reason for not doing so, such as a risk of further harm to individuals or risk of compromising collection of evidence in subsequent investigations, and
* contact the appropriate agency depending on the issue, i.e.
  + NSW Police
  + the National Disability Abuse and Neglect Hotline service via Job Access, call (free call) 1800 880 052
  + Child Protection Helpline on 132 111.

***For existing NDIS registered providers (not FACS-ADHC funded)***

For existing NDIS registered providers who are not funded by FACS-ADHC and are undertaking TPV to expand their service offering under the NDIS, if during an audit evidence of a Notifiable Issue is found, the third party verifier is required to:

* Immediately inform the governing body (e.g. Board, Management Committee) unless there is justifiable reason for not doing so, such as a risk of further harm to individuals or risk of compromising collection of evidence in subsequent investigations, and
* contact the appropriate agency depending on the issue, i.e.
  + the NSW Ombudsman, call (free call) 1800 451 524
  + NSW Police
  + Child Protection Helpline on 132 111
  + National Disability Abuse and Neglect Hotline service via Job Access, call (free call) 1800 880 052.

***For all service providers***

In all cases, if an audit team finds evidence of a notifiable issue, the third party verifier shall:

* cease the audit,
* record all relevant details and supporting evidence, and
* immediately notify relevant bodies (as noted above).

The third party verifier is **not** responsible for resolving a Notifiable Issue, but shall report the evidence to AHDC (where the service provider is FACS-AHDC funded) or the appropriate agency as listed above for non-FACS-ADHC funded providers.

Verification cannot proceed until the service provider can produce evidence to the TPV of closure of the Notifiable Issue via records of investigations with the appropriate agency. The onus is on Service Providers to then re-engage the third party verifier to complete the verification process.

***Note: Reporting serious incidents of abuse and neglect***

*For FACS-ADHC funded, existing and new NDIA registered providers of disability supported group accommodation, centre based respite and centre based day program supports* ***must report*** *to the NSW Ombudsman all allegations and convictions of reportable serious incidents involving abuse and neglect of people with disability in their supported group accommodation services or respite and day program centres. The head of the organisation must notify the NSW Ombudsman within 30 days of becoming aware of the incident.*

*Failure of the Head of an organisation to report would also constitute a Notifiable Issue and the above Notifiable Issues process should be followed.*

*Please refer the New South Wales Transitional Quality Assurance and Safeguards Working Arrangements and* [*www.ombo.nsw.gov.au/reportable-incidents*](https://www.ombo.nsw.gov.au/what-we-do/our-work/community-and-disability-services/part-3c-reportable-incidents) *for further information.*

# References

## Legislation and related policy drivers

* *NSW Disability Inclusion Act 2014 (DIA)* and *Disability Inclusion Regulation 2014* can be found through the ‘browse’ function at[*http://www.legislation.nsw.gov.au*](http://www.legislation.nsw.gov.au/)
* *Funding Agreement* is available *at* [*http://www.adhc.nsw.gov.au/sp/funding\_and\_grants*](http://www.adhc.nsw.gov.au/sp/funding_and_grants%20%20) under *‘Funding and grants’* on the *‘For service providers’ page.*
* *‘Ready Together: a better future for people with disability in NSW’* is available at [*http://www.adhc.nsw.gov.au/about\_us/strategies/ready\_together*](http://www.adhc.nsw.gov.au/about_us/strategies/ready_together)
* *National Disability Insurance Scheme Bilateral Agreement* is available *at* <https://ndis.gov.au/about-us/governance/intergovernmental-agreements.html#NSW>.

## Resource Documents

* *eLearning module – NSW Quality Framework for Disability Services* available at[*https://www.adhc.nsw.gov.au/sp/quality/supports\_and\_resources*](https://www.adhc.nsw.gov.au/sp/quality/supports_and_resources)
* The NSW DSS are outlined in the *Standards in Action* manual, available at <http://www.adhc.nsw.gov.au/sp> under ‘Quality’ on the ‘For service providers’ page.
* Information on the *Quality Framework for Disability Services in NSW* is available at <http://www.adhc.nsw.gov.au/sp/quality> under ‘Quality’ on the ‘For service providers’ page. Refer to the *Quality Policy for Funded Services* for detail on service provider requirements*.*
* *Key Performance Indicator (KPI) Guide* is available at [*http://www.adhc.nsw.gov.au/sp/quality*](http://www.adhc.nsw.gov.au/sp/quality) under *‘Quality’* on the *‘For service providers’* page.
* *ADHC Accreditation Systems Recognition Tool* is available at [*http://www.adhc.nsw.gov.au/sp/quality*](http://www.adhc.nsw.gov.au/sp/quality) under *‘Quality’* on the *‘For service providers’* page.
* ADHC Abuse and Neglect Policy and Procedures are available at [http://www.adhc.nsw.gov.au](http://www.adhc.nsw.gov.au/) under [Publications](http://www.adhc.nsw.gov.au/publications) on the [Policies](http://www.adhc.nsw.gov.au/publications/policies) page listed under “A”.
* NDIA NSW provider resources - *Transitional Quality Assurance and Safeguards Working Arrangements, Provider Tool Kit Module 4: Guide to Suitability, Frequently Asked Questions for providers registering to deliver supports under the National Disability Insurance Scheme (NDIS), Declaration Statement Positive Behaviour Supports for new providers registering to deliver positive behaviour supports* are available via <https://www.ndis.gov.au/providers/nsw-registering-provider.html>

# Definitions of key terms

***Quality management system*** – is the structure of procedures, processes and resources used by an organisation across the whole-of-business to best meet the needs of people with a disability. A quality management system typically includes: self-assessment and review of current practices and performance outcomes; feedback from individuals receiving services; identification of improvements; making improvements; and ongoing monitoring and continuous improvement, including systems for monitoring.

***Continuous improvement*** – refers to the ongoing effort to improve the delivery of services, and therefore, outcomes experienced by individuals.

***Key performance indicators (KPIs)*** – are the measures used to evaluate the success of particular activities and the extent to which expected outcomes are met.

***Third party verification*** *(TPV)* – in the context of ADHC’s quality reform, third party verification is the process of an impartial and competent party reviewing evidence to establish that a service provider meets the NSW DSS. As part of the evidence review, TPV takes into account outputs from service providers’ accreditation or certification against other industry standards. TPV is not an accreditation system in itself.

# Attachment 1 Practice requirements

## Verification team

Generally, the team shall comprise as a minimum, of two people and the TPV body will ensure the skills and knowledge of the team has an appreciation of the disability sector and the NSW Disability Services Standards (NSW DSS), and ideally relevant training.

The audit team shall include a technical expert who has demonstrated understanding of a consumer’s perspective, and a proven ability to communicate effectively with people with disability, families and carers. For example:

a) a person with lived experience of disability

b) a family member or carer of a person with disability

c) a person with at least two years’ work experience in the disability sector.

The role of the technical expert is primarily to plan and facilitate the effective input of people with disability in the audit process.

Note: This person may be engaged as a technical expert, who is provided with necessary or appropriate support, or, if appropriately qualified, as an auditor or audit team leader.

The following exceptions to a two-person team apply:

* where mutual recognition of existing accreditations/certifications of the Home Care Standards occurs and the verification is only a small percent of the total NSW DSS
* where the verification is for a sole trader, and
* in cases where the total consumer numbers engaged by the service are <10.

In the above instances a single member team is sufficient. The TPV shall justify reasons for a single member audit team in the audit report.

The audit team shall ensure that a service provider can demonstrate that people with a disability or their representative participate in service delivery decisions. As a minimum depending on the size of the service the following is required:

* 1. Conduct a desktop audit of evidence of consumer feedback;
  2. Review of the range of strategies used to capture and encourage the involvement of people with a disability or their representative;
  3. A technical expert is an active part of the verification team.

## 

## Ratings

The following rating criteria are to be followed:

Met: The service provider can show their practices and processes are consistently implemented in an effective manner and meet the NSW DSS.

Met in part: The service provider is able to provide evidence of consistent, documented practices and processes for some of the requirements. Further improvement is required for one or more standards to demonstrate the service meets the NSW DSS.

Not met: The service provider is not able to provide evidence of consistent, documented practices or processes. Significant improvement is required in one or more standards to demonstrate the service meets the NSW DSS.

## Audit duration

The on-site verification duration will depend on a number of factors. The third party verifier (TPV) shall have a procedure for determining the amount of verification time necessary, based on the following factors:

* Concurrent certification to more than one set of standards. There may be an opportunity to streamline the process if verification is occurring concurrently with certification against another set of standards, particularly the Home Care Standards, where verification is only a small percent of the NSW DSS
* current certification against another set of standards
* results of the self-assessments conducted by the service provider in the last 12 months
* the number of sites to be sampled and their location(s)
* the number and type(s) of ADHC funded programs delivered and/or Specialist Disability NDIS Registration Groups the service provider has registered to deliver
* the number of full time employees (FTEs)
* number of people receiving a service from the service provider
* types of disability of the people receiving a service from the service provider
* geographic location(s) of the people receiving a service from the service provider
* preferred method of engagement of the people receiving a service from the service provider (e.g. interview at home, by telephone, group setting)
* level and type of support needed by the people receiving a service from the service provider to enable them to participate in the verification including access to appropriate methods of communication

The TPV shall demonstrate that in planning the audit with the service provider it has undertaken a thorough analysis of the above factors and developed an appropriate process for engaging people with disability receiving a service from the service provider

Audit duration calculations shall be based on an 8 hour auditor working day including 1 hour for lunch, and exclude all activities other than auditing. The times are to be regarded as true minimums: planning, preparation, travel time and reporting shall not be included in audit duration.

Note: 5: Where a technical expert is engaged, they are counted as a member of the audit team, however his or her time does not count toward duration unless they are an appropriately qualified auditor or audit team leader.

## Size of sample

In all audits, the central office shall be visited at least once, in addition to the sites sampled. The sample guide for non-central office sites to be visited per audit is:

* the size of the sample shall not be less than the square root of the number of full-time and part-time sites (y= ), rounded to the upper whole number.

## Site sampling methodology

In considering the sample size, the site selection criteria should include:

* results of self- assessments by the service provider or previous audits by the TPV
* significant variations in the size of the sites and number of people with disability
* the ADHC funded programs delivered/ Specialist Disability NDIS Registration Groups the service provider has registered to deliver
* geographical location and dispersion
* whether sites are operated by subcontractors
* outreach sites.

Where possible, at least 25 per cent shall be selected at random. Taking into account the criteria mentioned above the remainder shall be selected so that the differences among the sites are as large as possible.

## Consumer involvement

Seeking direct feedback from consumers is a critical element of the verification process and the process followed should be described in the report including where evidence from a current accreditation process is relied upon.

TPVs shall ensure that wherever possible, consumers have been offered the opportunity to participate in the audit process. However, it is not usually practicable for all consumers to provide direct feedback, and for this reason a sampling approach is normally required to ensure appropriate levels and types of feedback during the audit.

This can occur in a number of ways independent of the service provider who is expected to provide a list of clients or their representatives willing to be consulted as part of the verification process.

1. The TPV shall sample people accessing each ADHC funded service stream/ program and/or Specialist Disability NDIS Registration Group delivered by the service provider.
2. Any consultation with stakeholders should take into account what works best for the person in terms of consultation method, location/time and support. Providing feedback is voluntary.
3. The interview sample size for people accessing services is 25% of the square root of the number of people receiving services, rounded up.

**Example:**

*90 people receiving the services of a service provider. The square root of this figure, rounded up, is 10.*

*25% of 10 is 2.5, which rounded up is 3 interviews of people accessing services.*

1. Irrespective of the sample sizes derived from applying the formula at clause 2, the TPV shall aim to interview **at least 2 people** accessing services per site and per ADHC funded program and/or Specialist Disability NDIS Registration Group. Where this cannot be achieved, the TPV shall document the justification in the audit report.
2. Feedback provided by people accessing services shall remain anonymous and will be de-identified in the audit report. An exception to this would be in the case where the feedback raises a concern with the auditor which becomes a notifiable issue, whereby the feedback shall be reported to the service provider (if there is no immediate threat to consumers), FACS-ADHC (if an FACS-ADHC funded provider) and the person accessing the service identified. See Section 4 – Notifiable issues.
3. The TPV should aim to have face to face individual contact or group interviews with 50% of the proposed sample of people accessing services. Where remote interviews (e.g. telephone, video conference etc.) are necessary, TPVs shall be mindful of the possibility of others accessing the conversations, and shall take steps to ensure confidentiality is maintained. If the 50% ratio cannot be achieved (e.g. refusals or clear preference by people accessing services for another consultation method), the TPV shall clearly document its justification for the sampling approaches used. The remaining 50% may be sampled using a combination of other methods including:
   1. written survey
   2. casual or informal conversation based on a chance meeting, which may not require a consent (e.g. service provider walk- around). Note: the TPV should not rely on this method for more than 25% of the total sample
   3. other innovative ways to involve people accessing services.
4. The TPV shall consider feedback to the service provider from people accessing services and how the service provider responded (e.g. to complaints).
5. Auditors shall not interview children and young people unless it is part of a family interview.
6. If a service provider has existing accreditation that involves consultation with people with disability, their families and carers (e.g. the Home Care Standards or accreditation in an adjacent sector such as mental health, aged care, out of home care, health, community services or community housing, it may not be necessary to repeat these processes during third party verification.
7. Feedback provided by people receiving services through another auditing or assessment process[[3]](#footnote-3) may also be used for third party verification. It will be up to the third party verifier to determine whether the feedback is sufficient and whether the processes in place by service providers are adequate. Justification shall be documented in the TPV audit report.

Attachment 2 Flow Chart - NDIA registration process and evidence requirements in NSW

1. **Note:** New providers with experience in adjacent sectors such as mental health, aged care, out of home care, health, community services or community housing can refer to the ADHC Systems Recognition Tool to see the extent to which their existing accreditation and systems meet the NSW DSS. Third party verification (TPV) will ensure any gaps have been met, and consumer feedback can be drawn from the adjacent services where similar type services have been provided. [↑](#footnote-ref-1)
2. <https://www.adhc.nsw.gov.au/sp/quality/adhc_systems_recognition_tool> [↑](#footnote-ref-2)
3. Refers to people with a disability, their families and carers who provided feedback in the last 12 months   [↑](#footnote-ref-3)