Villamanta
DISABILITY RIGHTS LEGAL SERVICE

Response to the

National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026

10 July 2026

Contents

Introduction

> *"The truth is the NDIS has got way off track, it's grown far too big, it costs too much, and it's become a honey pot for shonks and rorters and that's why I've laid out this comprehensive plan." Minister Mark Butler, 14 June 2026*[1]

We thank the Community Affairs Legislation Committee for the opportunity to provide submissions on the *National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026* ('the Bill').

Villamanta Disability Rights Legal Service previously provided a discussion paper[2] to this Committee in which we objected to the two-week timeframe for consultation on the Bill. Now that the Committee has afforded additional time for consultation, we seek to provide a further response for the consideration of the Committee.

The Committee has received over four thousand submissions in relation to the Bill, each of which we trust will be considered carefully before the Committee makes its final report. Much has been said by NDIS participants, their supporters, and advocacy and legal organisations opposing the Bill and highlighting the unacceptable risk to participant safety it will cause. Likewise, Villamanta objects to the Bill being passed in its current form, which we made clear in our 1 June 2026 submission.

The Explanatory Memorandum to the Bill and the public statements of the government and Minister make clear that the key purpose of the Bill is aimed at achieving 'sustainability' of the Scheme in terms of substantial cost-reductions.

The Explanatory Memorandum (**EM**) identifies the key 'vulnerabilities' of the Scheme as the 'unforeseen' growth rate of the Scheme and fraudulent activity. The EM states the Bill "includes important changes to improve the quality of NDIS supports for participants and put the Scheme on a more sustainable footing, now and for future generations".

We do not believe that such substantial cost cutting can be achieved without significant risk to participant safety and wellbeing.

These submissions will focus on an analysis of the projected cost-savings from the Bill, referring to the treasury modelling provided by Senator Jenny McAllister to the Senate on 26 May 2026 ('the treasury modelling').[3]

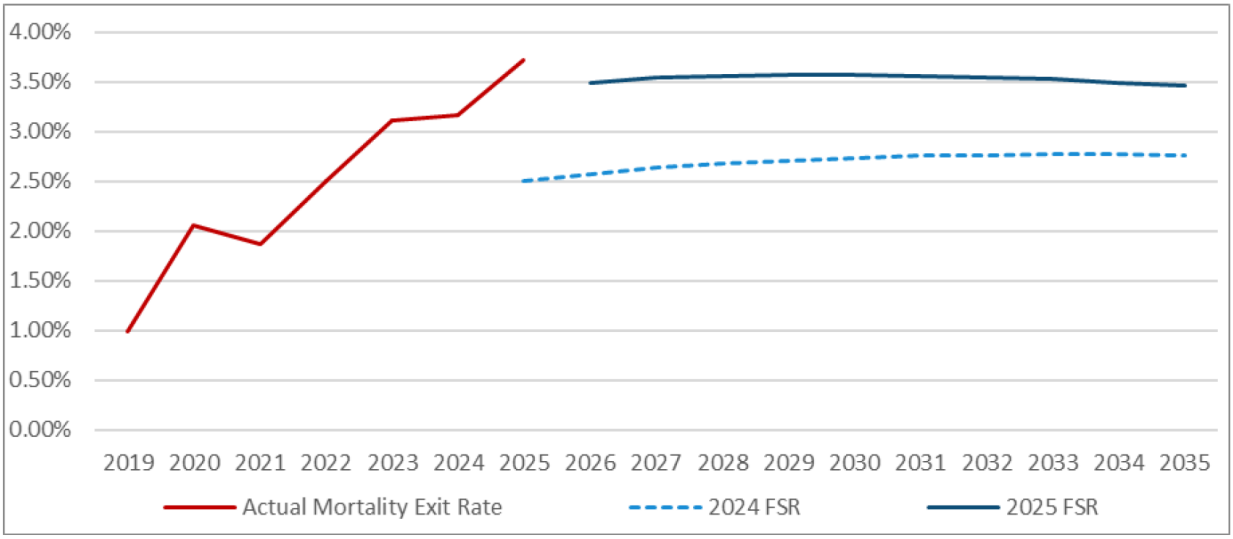
We draw two conclusions from this analysis: firstly, that while the Bill has been publicly touted as primarily addressing fraudulent activity, the vast majority of the projected savings come from reducing the supports available to disabled people, and secondly, that despite claims to the contrary, these savings cannot be delivered while maintaining the safety of participants and quality of the Scheme.

[1] ABC Insiders, Sunday 14 June 2026, Mark Butler on the proposed NDIS reform - ABC News
[2] Dated 1 June 2026, submission 277
[3] Tabled documents | Document 16585

> ***DAVID SPEERS, HOST:*** *Mark Butler, welcome to the program. Look, this was a serious charge and it was made repeatedly at those hearings. Will people die as a result of these changes?*
>
> ***MARK BUTLER, MINISTER FOR HEALTH AND AGEING, MINISTER FOR DISABILITY AND THE NDIS:*** *No, they won't, David.*[4]

We reiterate our evidence to the Committee that NDIS participants with high support needs are already dying at a higher rate than expected as described in the Figure below.[5]

Figure 16: Actual and projected crude mortality rate for SIL participants



To our knowledge there has been no explanation for the increased death rate, nor investigation as to what is driving the upwards movement in mortality. It is therefore impossible for the Minister to unequivocally state that people will not die as a result of the proposed changes, because the NDIA have not explained why people are dying now.

In our response below we will explain to the Committee why, in our experience working with NDIS participants for the past twelve years, we consider that the proposed changes pose a significant risk to the health, safety and wellbeing of NDIS participants, and why Treasury estimates do not make safe and responsible public policy without a thorough understanding of the downstream impacts and likely consequences.

These are not all the comments we would make on this Bill and its likely consequences. They are the comments we can make in the time available, while also responding to an unprecedented level of fear and anxiety from NDIS participants and their supports who have had funding cuts and other adverse decisions from the NDIA and are seeking assistance. Most of these callers will not find support as advocacy services have been at capacity for years now, with no increase in funding to respond to the ever growing demand.

[4] ABC Insiders, Sunday 14 June 2026, Mark Butler on the proposed NDIS reform - ABC News
[5] https://ndis.gov.au/media/8187/download?attachment, page 24

Social and community participation

SAVINGS MEASURE:[6]

Reset of Social Community and Civic Participation and Capacity Building – Daily Activities Budgets for all participants

Savings Timetable

2026-27	2027-28	2028-29	2029-30	Total
$1.1b	$3.7b	$4.1b	$4.3b	$13.2b

MEASURES IN THE BILL WHICH WILL ACHIEVE THESE SAVINGS

Support Determinations

This 'reset' in Social Community and Civic Participation (**SCCP**) funding is to be achieved by the implementation of section 34A which allows the Minister to set a percentage by which a category of funding is to be reduced. The Explanatory Memorandum makes clear that the Minister intends to use this power to reduce SCCP funding by 50% for all participants.[7]

Notably, after a support determination is made, the SCCP funding actually available to a participant will not match the amount shown in their plan. The wording of affected participants' plans will not change.[8] Instead, the participant will have to be able to understand that a determination has been made, it applies to them and to calculate the impact of the determination on their funding.

The application of a support determination on an individual participant's plan is not a reviewable decision.

SAFETY CONCERNS OF THIS SAVINGS MEASURE

The Addendum to the Explanatory Memorandum states that the Bill includes safeguards to ensure participants are not adversely affected by support determinations[9] beyond the requirement that the Minister consider the safety of participants.[10] These include:

- The application of a support determination being confined to specific support categories, and excluding certain subgroups of supports; and
- Participants can still request a reassessment of their plan; and
- The NDIA can initiate a plan reassessment where necessary to protect participant safety.

Further, the EM itself proposes the following workarounds:

- Using core funding to replace the reduced SCCP funding;[11] and
- Using shared supports to make SCCP funding more efficient;[12] and
- Drawing a distinction between "activities critical to a person's health and wellbeing" and SCCP.[13]

[6] All savings measure and savings timetables are derived from the Tabled document referenced above.
[7] EM, p 226
[8] S 34A(2) and (4)
[9] EM addendum, p 6
[10] S 34A(3)
[11] EM page 231
[12] EM page 203
[13] EM page 231

Support categories

The "safeguard" that a support determination can be confined to specific support categories and exclude others implies that the Minister, when making a determination, can know how all 766,000 NDIS participants use the supports in those categories.

That is clearly impossible based on how SCCP funding actually works.

Under the *National Disability Insurance Scheme Pricing Schedule 2026-2027* effective 1 July 2026, funding for the newly renamed 'Access Community, Social and Recreation Activities' is divided only by time of day, day of the week and intensity level.

There is simply no way for the support determination to target cutting SCCP funding for some activities over others. Any assumption that the NDIA holds such data and can make such decisions with any accuracy fundamentally mischaracterises the Scheme and its funding structure, as well as the data capabilities of the Agency.

As so many submissions have already said, the SCCP category is used for all manner of activities which occur outside of the participant's home. This will absolutely include attending medical appointments,[14] attending employment,[15] shopping for essential items, engaging in exercise and other health promoting activities, connecting with family and friends.

It cannot possibly said that a reduction in SCCP funding will not put some, or many, participants "at risk of neglect, crisis or lack of essential functioning."[16] Being unable to attend medical appointments or purchase groceries, or personal hygiene items will not immediately cause a risk of neglect, crisis or lack of essential functioning, but over time they certainly will.

Is this really the bar? That funding should only be available to prevent neglect, crisis of lack of essential functioning? Is this the new expectation of quality of life for people with disability who rely on the NDIS for support?

Reassessments

Clearly the person who wrote the Addendum to the EM is not across the other changes to the NDIS that the Bill proposes, such as significantly narrowing the circumstances under which a participant can request a plan reassessment. The statement that this provides a safeguard to cutting SCCP funding is completely incorrect. It is shocking to us that such misinformation is being circulated by the government. No reassessment will be possible as a result of a support determination.

Support determinations are specifically not reviewable decisions.

To be even more clear, the Bill adds the following to the proposed section 34A:

(5) To avoid doubt, the determination has effect even if the result is either or both of the following:

(a) the funding provided under a participant's plan for a reasonable and necessary support is less than the total cost of the support;

[14] SCCP funding is the funding bucket utilised for participants to be assisted to attend essential medical appointments. If participants are restricted in attending medical appointments, this is likely to lead to deterioration in their health and potentially in their functional capacity, which will only increase the government's costs in the health system and the NDIS in the long-term.

[15] Anecdotally, we are aware of many participants who utilise SCCP funding to assist them in attending paid employment. This is different to supported employment where participants need ongoing support *at* their employment which is funded separately. If participants are unable or limited in their ability to attend employment, this will have significant flow-on effects to their financial security and wellbeing as well as the broader economy.

[16] EM p 32

(b) the funding provided under a participant's plan for all reasonable and necessary supports funded under the plan taken as a whole is less than the total costs of the supports.

It is not an unintended consequence of the Bill that NDIS participants will be left with inadequate supports; it is specifically included as an intended outcome.

Agency initiated reassessments where risk to safety

It is really a nice idea that the NDIA would be aware of risks to participant safety and be proactive and agile enough to initiate a plan reassessment to overcome these risks to safety.

In practice we receive calls from distressed NDIS participants and their supports on a daily basis, explaining the risks to their safety due to unexpected funding cuts, and all they are told is that they can request an internal review.

Participants and their supports tell planners about the safety risks during plan reassessments, and funding cuts still occur. Participants and their supports tell internal reviewers about the safety risks, about the fact they are hospitalised or injured, about the parent who has had to stop working, and the initial decision to reduce funding is still upheld. Participants and their supports tell the case manager and lawyer at the Administrative Review Tribunal for 12 – 18 months about the risks to safety, and they are asked for more evidence.

The level of concerted advocacy required to reduce the risk for participants means we can only escalate and advocate for situations of immediate risk, and not those of slow and consistent attrition. It is deeply distressing to our staff when we subsequently see those stories being reported on by the Coroner.

Again, we restate recent findings from the Coroners Court of Victoria.

In the case of Fiona,[17] when her condition deteriorated, she required equipment for mobility, absent which she was bedbound for months. The Service Manager provided a statement to the Coroner.

> *"It was very challenging to deal with the numerous failed applications for increased funding for Fiona. It was challenging to witness her deterioration at such a young age. We all knew what Fiona required and it was heartbreaking to see that the NDIA did not approve what she needed to improve those final months of her life. The approval of her funding being announced 2 weeks prior to her death was the final blow for me. I found this very difficult to accept."*

Fiona died on 9 June 2025 aged 48.

In the case of Lee,[18] the NDIA cut his funding in November 2024. Whereas previously he had been receiving 24 hour care, his funding was cut to 8 hours per day. After a fall in January 2025, Lee was taken to hospital. Although no injuries were found, he was not discharged from the hospital due to medical staff forming a view he could not be safely supported with only 8 hours of care. Although Lee's carer was trying to have his funding reinstated, Lee deteriorated quickly in hospital.

Lee died of pneumonia in hospital on 24 January 2025, aged 64.

In the case of Felicity[19] her guardian had sought funding for nursing support in the context of a pressure sore which became infected and resulted in hospitalisation and ultimately her death. The NDIA gave evidence that at the time the standard processing time for such requests was 110 days, but that this case was actioned within 55 to 70 days.

The action was not that funding was added. Despite the guardian and support co-ordinator following up multiple times, it appears the NDIA response was that they required further documentation to

[17] COR 2025 003184, real name not used out of respect for the individual and their family
[18] COR 2025 000483, real name not used out of respect for the individual and their family
[19] COR 2024 004908, real name not used out of respect for the individual and their family

approve this funding. While the coroner did not find that this contributed to Felicity's death it certainly contributed to the stress of all concerned and the inability for Felicity to return home rather than remain in hospital.

Felicity died on 19 August 2024, aged 45.

In the case of Sarah,[20] the coroner stated that "she was left isolated unable to even watch television. Her personal hygiene was ignored leading to a further decline in health, and according to E she had been left to sit in her own urine and faeces."

Her daughter reflected:

> *We did not receive the type of care and funding required and sadly mum's likely last conscious memories were not spent of her getting to go out on trips to have coffee at her favourite café, or visit her parent's graves like she had always."*

Sarah died in hospital on 20 December 2023, aged 58.

We have no confidence in the capacity of the NDIA to identify risk, respond to it appropriately, and conduct and implement a reassessment that reduces the risk in a timely manner. Any such suggestion is no safeguard whatsoever.

Use of core funding

The position that core funding, or activities of daily living, could be utilised to meet the shortfall in SCCP to attend appointments, employment or other essential activities means a participant will be forced to choose between attending work or a doctor's appointment and receiving other needed supports in the home which will have a very real impact on participant safety and wellbeing.

Shared supports

Sharing supports is plainly inappropriate for attending medical appointments or employment.

While the government has announced $200 million has been allocated to establish the Inclusive Communities Fund, very little information has been provided on when this will commence (given reset on SCCP funding will begin progressively from 1 October 2026) or how this will address the unmet needs created by the substantial cut in SCCP funding, particularly in terms of attending essential activities outside of the home.

The reality

In other words, a 'reset' on SCCP funding seeks to draw a distinction between "daily living activities critical to a person's health and wellbeing", and SCCP, which is not participant's reality in practice. Regardless, limiting participant's ability to leave the house even for purely social activities is likely to have a substantial negative impact on participants leading to social isolation, marginalisation and even suicidal ideation or deaths.

While cutting SCCP funding by 50% may be an easy budgetary mechanism to reduce costs, it will have very real and detrimental impacts on participants.

Those likely to be most effected

As the Explanatory Memorandum also states, SCCP funding is substantially higher amongst SIL participants who have higher needs.[21] This is precisely the population how is already experiencing unexplained high mortality rates.

A 50% cut to all participants will also have a disproportionate impact on certain types of people or people with certain kinds of disabilities. People with some disabilities have a greater need for SCCP

[20] COR 2023 007101, real name not used out of respect for the individual and their family
[21] EM page 226

funding due to the nature of their disability and they will be disproportionately impacted by reduction in this funding. This includes people with psychosocial disabilities, visual impairment, Downs syndrome or an intellectual disability, as confirmed by the impact statement to the EM.[22] The risk to safety and wellbeing of these participants of a 50% cut in SCCP funding is also correspondingly high particularly in terms of social isolation.

While section 34A allows the Minister to make determinations for certain classes of participants which could theoretically reduce potential harm, this power is not being utilised for the planned 50% cut to SCCP which will impact all participants.

Even if the Minister did intend to exclude certain disability groups from the determination, this would not be possible for the NDIA to accurately implement, given the loss of accurate data about participant impairment types.[23]

Potential for participants to accrue debts

As support determinations will not be written into NDIS plans, but participants expected to calculate the impact on their funding, this is likely to cause significant confusion about the funding available, particularly if there are multiple determinations in effect at one time.

We have seen an increase in participant's being pursued personally for debts to NDIS providers where there has been a gap in NDIS funding or the implementation of funding periods and subsequent changes to plans effectively removed access to funding without notice. These matters are making their way through the Magistrates Court, and causing severe distress to participants.

The potential for debts to providers is significantly increased by the proposed support determination power.

We note that this, the item creating the largest budget saving, does not in any way address the "honey pot for shonks and rorters" referred to by the Minister. We look forward to applauding the measures addressing this in future sections.

[22] EM p 229

[23] Annual Financial Sustainability Report page 207 which states "There have continued to be significantly more participants missing a primary disability in the system compared to previous years." (Annual Financial Sustainability Reports | NDIS)

Introduction of an objective test of substantially reduced functional capacity

SAVINGS MEASURE:

Introduction of an objective test of substantially reduced functional capacity

Savings Timetable

2026-27	2027-28	2028-29	2029-30	Total
$0b	$1.0b	$3b	$5.3b	$9.3b

MEASURES IN THE BILL WHICH WILL ACHIEVE THESE SAVINGS

Objective definition of functional capacity

Proposed section 9B implements a new definition of 'functional capacity' as a person's ability to undertake an activity without the assistance of modifications, other people or assistive technology, excluding, as far as possible, the person's personal and environmental circumstances.[24]

The Explanatory Memorandum states that this new definition is the first stage in reforms relating to standardising the notion of substantially reduce functional capacity, the second stage being the making of rules.[25]

The Bill gives the Agency the ability to make rules further defining the threshold for substantially reduced functional capacity and the method of assessment.[26] The Explanatory Memorandum states that a Technical Advisory Group will be established to consult and develop these rules.[27]

SAFETY CONCERNS OF THIS SAVINGS MEASURE

Given the substantial budgetary savings which has been projected to flow from the introduction of an objective test for substantially reduced capacity, we can infer that the government anticipates that it will lead to a substantial number of participants no longer meeting the eligibility criteria for access to the Scheme and being removed, or prospective participants who would have otherwise been able to join to Scheme in the coming years being unable to do so.

Despite this being projected as the second largest area for savings achieved by the Bill, we have received very little information to date as what the new rules on functional capacity will include and how they will affect participants and prospective participants. The Explanatory Memorandum states that this is because these changes are still subject to consultation and further work.[28] This is highly concerning given the substantial impact these changes are intended to have.

Other mechanisms for removal of participants from the Scheme

The Bill is likely to result in the reduction of adult participants by two other mechanisms. Firstly, tightening of the permanence test by specifying that a prospective participant must have undertaken 'all appropriate treatment' for an impairment to be considered permanent.[29] Secondly, exclusion of people who should be supported by other Schemes, such as where a person's impairment was

[24] Section 9B(1)
[25] EM page 14
[26] Section 9B(2)-(3)
[27] EM page 7
[28] EM page 237
[29] Section 24(5)(a)

caused by a motor vehicle accident or workplace injury and there are eligible for supports from alternate schemes due to this.[30]

Neither of these aspects of the Bill are listed in the treasury projections in the (presumably) top ten mechanisms of budgetary savings from the Bill despite being intended to be implemented by January 2028.[31] From the limited information available to us, we suggest the likely reason for this is that their impact is minimal or, at minimum, unknown.[32]

The impact statement to the Explanatory Memorandum states that the NDIA's unpublished internal modelling after the Federal Court's decision in *Davis* (which interpreted reasonable treatment in terms of determining the permanency of a condition) estimated a 'modest' impact on the number of participants.[33] Similarly, the impact statement to the Explanatory Memorandum states that excluding participants based on their eligibility for other support schemes will only apply to prospective participants, as current participants' access to supports outside of the NDIS is already considered in planning to prevent duplication of supports for the 1.1% in receipt of compensation, or the just over 3,000 participants who receive supports from a state-based scheme.[34] In both cases, the EM makes clear that the estimates of impacted people are uncertain and will require further actuarial modelling.[35]

For those participants who are removed from the Scheme (or prospective participants who would otherwise have met access but for the introduction of changes in the Bill), the government's position has been that foundational supports will provide for their needs.

Foundational supports do not yet exist.

This leaves us with serious concerns for the safety and wellbeing of these people who are being removed from the Scheme without any clear plan for how they will be alternately supported.

The question must then be asked, if the impacts are so uncertain or modest, or indeed, are already being satisfactorily dealt with under the Scheme for current participants as is the case for those receiving some support from alternate Schemes, why are these changes which may seriously impact and harm participants being implemented if the purported goal of the Bill is to maintain the sustainability of the Scheme?

We note that this item does not in any way address the "honey pot for shonks and rorters" referred to by the Minister. We look forward to applauding the measures addressing this in future sections.

[30] Section 25B
[31] EM p 256
[32] If this is the case, it is unclear why the government would be so determined to implement these measures so rapidly, given the level of distress and anxiety expressed by the disability community right now.
[33] EM p 219
[34] EM p 219-220
[35] EM p 237

New framework planning

SAVINGS MEASURE:

Lower growth due to implementation of new framework planning

Savings Timetable

2026-27	2027-28	2028-29	2029-30	Total
$0b	$0.3b	$1.1b	$2.5b	$3.9b

MEASURES IN THE BILL WHICH ACHIEVE THESE SAVINGS

The introduction of new framework plans was legislated in the 2024 amendments to the NDIS Act.

SAFETY CONCERNS OF THE SAVINGS MEASURE

The details of this process have still not been released.

Significant savings are expected to be achieved by completely changing the way in which NDIS funding decisions are made, and yet the community has no real information about what is proposed, and no way of knowing whether it is safe, accurate or aligned with the original intentions of the NDIS. This does not contribute to community confidence in the governments assurances around their changes to the NDIS.

We note that this item does not in any way address the “honey pot for shonks and rorters” referred to by the Minister. We look forward to applauding the measures addressing this in future sections.

Limiting reassessments and ending rollovers

SAVINGS MEASURE:

Tightening the criteria around unscheduled reassessments requests and ending plan rollovers and stopping unspent funds being rolled over

Savings Timetable

2026-27	2027-28	2028-29	2029-30	Total
$0.3b	$0.6b	$0.9b	$1.4b	$3.1b

MEASURES IN THE BILL WHICH ACHIEVE THESE SAVINGS

Limitation on reasons for reassessment and who can request them

The Bill significantly limits the circumstances under which a participant can request a plan reassessment under section 48. Under proposed section 48A, a participant's plan reassessment request will only be considered where there have been "significant changes to the ongoing support needs" that arise from the impairment for which the participant met access (or early intervention).[36]

The Bill also limits requests for reassessment to participants and their nominees, potentially preventing participants who lack decision-making capacity and do not have a nominee from seeking a reassessment.[37]

Longer reassessment timeframe with no certainty

The Bill increases the time in which the NDIA has to consider the reassessment request from 21 to 90 days,[38] removes the deeming provision in the current section 48(4) which currently allows participants to seek internal review if they do not receive a response in the legislative time frame, and also gives the NDIA the power to, rather than consider the participant's reassessment request, simply move them to a new framework plan instead.[39]

Renewal rather than rollover

Proposed section 50A replaces plan rollovers with plan renewals in which on the 'end-date' of a plan, the supports in the previous plan are replicated in a new plan but without unused funding rolling over removing any one-off funding and subject to any support determinations in place.

SAFETY CONCERNS OF THIS SAVINGS MEASURE

Restriction on circumstances in which reassessment can be requested

The changes to plan reassessments represents a substantial limitation on participant's ability to request a change to the supports in their plan. The addendum to the Explanatory Memorandum states that despite the changes in the Bill, participants may continue to request changes to their plan at any time.[40]

[36] S 48. The 'significant change' can stem from both or either an alteration in the participant's functional capacity, (provided that alteration is significant, ongoing and relates to a disability which meets NDIS access eligibility) or where there is an unanticipated, significant and ongoing alteration in the participant's living, education or work arrangements or network of informal supports.
[37] S 48(2)
[38] S 48(3)
[39] S 32B(2A)
[40] EM addendum p 6

Being able to request a change is not the same as having the NDIA actually conduct a reassessment. In the last few months we have seen an unprecedented number of participants and their supports report to us that:

- NDIS funding was cut, for no apparent reason; and
- A review was requested, and this request was ignored for a very long time; and
- Upon receiving advice that the deeming provisions for both the reassessment and the internal review had passed, they have made an application to the Administrative Review Tribunal; and
- They have then been informed that the reassessment has now occurred (often a further cut) and they have no further appeal rights, because the appeal was solely about whether to conduct a reassessment or not. After many months of insufficient funding, they now have to back and start at the internal review stage again.

The circumstances for a reassessment specifically do not include the most obvious to NDIS participants: where the NDIA have either cut their funding,[41] or their needs changed sometime ago but the requested reassessment never occurred, and since then, the funding and their support needs have diverged considerably. For these individuals, the proposed restrictions on reassessment right pose significant safety risks.

Further, the requirement that the change be 'significant, ongoing, and unanticipated' creates a very high bar considering that participants are likely to experience many changes in their lives or capacity which lead to different support needs that may not necessarily be ongoing (such as a temporary but serious injury or illness) or unanticipated (such as the aging and subsequent reduced capacity to provide support of an informal support person).

Limitation of appeal review rights

Increasing the time which the Agency has to respond to a reassessment could be disastrous if a participant is actually in a crisis situation due to a significant, ongoing and unanticipated change to their circumstances, such as relying on additional supports to be discharged from hospital.

Ninety days for the Agency to even respond to the reassessment request means 3 months in hospital with their life entirely on hold for absolutely no reason, and that's assuming the decision is a positive one and they can then start arranging relevant supports. If it is a negative outcome, that's 3 months lost before they start the internal review process.

Further, removal of the deeming provision in the current s 48(4) means that if the Agency fails to make a decision within the 90-day-timeframe or ever, a participant has no recourse.

The ability to freely request a plan reassessment in response to a change in one's life and receive a timely response (which is reviewable if a participant does not agree), is essential to the safe functioning of the NDIS. Plan reassessments are commonly requested in an array of different life circumstances including but not limited to: when a participant is leaving hospital following a period of injury or illness, changes in family dynamic, the unavailability, incapacity, illness or death of informal supports, moving to a new area, changes to employment or study, deterioration in functional capacity or the onset of new impairments. In many cases, is the NDIS is not responsive to changes, a person will be left without essential supports risking their safety, life and/or deterioration of their capacity. As such, while it may save money to refuse, delay or simply ignore participant's plan reassessment requests, **the result of this will be that many participants are left in dangerous situations.**

[41] We are hearing reports of everything from 20% to 80% cuts to either certain categories, or funding overall, including cuts to crucial items like Specialist Disability Accommodation, which has the potential to cause homelessness for participants with high physical support needs.

Impact on certain participants

The changes in the Bill mean that only a participant or their nominee are entitled to request a plan reassessment.

Many participants do not have anyone close enough to them to act as their plan nominee and are also, due to their disability, unable to engage with the NDIA or request a plan reassessment themselves. Such participants now currently rely on their support coordinator to make reassessment requests but these changes in the Bill prohibiting this would leave such participants without any means to request a reassessment. This could leave some of the most vulnerable participants without any recourse if their support needs change and substantially risking their safety and wellbeing.

We note that this item does not in any way address the “honey pot for shonks and rorters” referred to by the Minister. We look forward to applauding the measures addressing this in future sections.

Reasonable and necessary

SAVINGS MEASURE

Strengthen guidance around what is reasonable and necessary with a focus on outcomes of the participants.

Savings Timetable

2026-27	2027-28	2028-29	2029-30	Total
$0.1b	$0.6b	$1b	$1.2b	$2.9b

MEASURES IN THE BILL WHICH WILL ACHIEVE THESE SAVINGS

The Bill introduces a number of measures restricting what supports will be considered reasonable and necessary to be funded under the NDIS. The Bill makes clear that a key consideration when determining the funding of supports is consideration of the Scheme's sustainability with changes to the guiding principles for making participant's plan contained in sections 17A and 17B and removing section 31.

Directly arising from impairment

The Bill strengthens the requirement that a funded support must be related to the impairment for which a participant met the eligibility requirements for the Scheme by amending section 34(1)(aa) to make clear that to be reasonable and necessary, a support must address needs 'directly' related to the impairment for which they met the disability access requirements. This is emphasised by the inclusion of section 17B(2)(a) which makes clear that the purpose of the NDIS is to fund supports to meet disability support needs that arise directly from impairments in relation to which participants meet the disability requirements.

The Bill also repeals the note from section 32L(6) which states that a participant's needs arising from an impairment which meets the disability access requirements may be affected by the impact of another condition which may not meet the access requirements.

Stronger value for money test

The Bill expands on what is meant by 'value for money' in section 34(1)(c) by including sections 34(1A)-(1C). The inclusion of these sections would mean that in determining whether a support is reasonable in necessary in terms of whether its value for money, a decision maker must consider whether there are cheaper alternatives, but *not* whether these cheaper alternatives will have the same outcome as the higher cost alternative as is the case in the current rules.

Enhanced evidentiary requirements for whether a support is effective and beneficial

The Bill includes directions on how a decision-maker should consider whether a support is 'effective and beneficial' for the purposes of section 34(1)(d). Section 34(1E) would establish an order of consideration of evidence which the decision-maker must undertake, such that the highest level of evidence to be considered first is that which is 'published, peer-reviewed and generalisable', and the lowest level of evidence to be considered last is 'evidence as to outcomes for the participant'.

Greater reliance on family and community supports

The Bill also clarifies section 34(1)(e) in what a decision maker should consider in determining what is reasonable to expect families, carers, informal networks and the community to provide. Subsections 34(1G-(1J) deal with child participants and establishes the presumption that parents are responsible for providing substantial care and support for their child. Section 34(1K) provides that when considering 34(1)(e) and whether a support is reasonable and necessary, the decision maker should consider whether the participant relying on informal supports would expose them to a material risk of harm, abuse or neglect which cannot be mitigated through informal or lower cost supports, as well as

the desirability of maintaining and strengthening the participant's connections to informal supports rather than replacing them with funded supports.

Safety Concerns of this Savings Measure

The amendments in relation to clarifying what supports will be considered reasonable and necessary represent a potentially substantial restriction on what supports will be funded, hence the lower costs of the Scheme. As stated in the impact statement to the Explanatory Memorandum, due to the tightening of the reasonable and necessary support criteria, people are likely to have their funding reduced.[42] Contrary to how these changes are framed in the treasury modelling, this is not likely to result in better outcomes for participants.

Directly arising from impairment

The strengthening of the requirement that a support be directly related to the impairment for which a participant met the disability access criteria is a rejection of the whole-of-person approach that was meant to be the basis of the NDIS. People are complex and various conditions they might have will interact with each other and with their environment. It is not always possible to identify the specific impairment which necessitates a specific support, however these changes require participants to satisfy the Agency of this before a support will be funded and are likely to lead to participant's not being funded for necessary supports.

As stated in the impact statement to the EM, people with chronic disease, especially First Nations people, are likely to be disproportionately impacted by these changes.[43] The EM states that participant's needs arising from conditions not recognised as impairments meeting access criteria under the NDIS will be met by the health system, which forces participants into disputes about causation, impairment, and system responsibility, often ending up being trapped between systems. This risk vulnerable people, like First Nations people, falling through the cracks. Indeed, as stated by the impact statement to the EM, the changes have the potential to affect Closing the Gap outcomes.[44]

These changes are particularly problematic given that many participants do not know the impairment which the NDIS considers they met access to the Scheme for. We have heard many cases of participants who have had previously recognised impairments disappear or be end-dated from the record, a fact which is often only discovered when reasonable supports are denied and a Freedom of Information Request is made for their documents.

In many cases, the Agency will not recognise the impairment again despite proof that it was end-dated and will require the participant to re-prove that their permanent and previously recognised impairment meets the access eligibility requirements.

Stronger value for money test and enhanced evidentiary requirements for whether a support is effective and beneficial

These changes in the Bill plainly have the potential to result in lower-quality supports for participants and is far from the individualised supports participant's were promised under the NDIS.

Codifying the rules on value for money except for the requirement to consider whether the lower-cost alternative will have the same outcome means that participants may be funded for supports which, while potentially lower-cost, do not meet their needs and are at best useless and at worst contribute to a deterioration in their functional capacity.

Likewise, the amendments which give primacy to peer-reviewed published evidence over the evidence of a participant of what works for them, is likely to result in the funding of supports which are not meeting a participant's needs and are inappropriate for them.

[42] EM page 234
[43] EM page 235
[44] EM page 236

Greater reliance on family and community supports

The changes in the Bill which place a greater expectation on family, informal and community supports are likely to negatively impact both participants and their support people.

As acknowledged by the impact statement to the EM, we know that women are far more likely to be carers and so these changes are likely to have a disproportionate impact on women.[45] Likewise the greater emphasis on what support is reasonable to expect parents to provide to their children will inevitably result on a greater reliance on mothers particularly. These changes have the potentially to have substantial flow-on effects to women who will be forced to take on greater caring responsibilities or even leave the paid workforce to care for their disabled child or loved one.

For participants, it is telling that the Bill only requires the decision-maker to *not* consider the desirability of relying on informal supports where there is a material risk of harm, abuse and neglect, which even then, the decision maker is directed to consider whether this material risk of harm could be mitigated with lower cost alternatives. The risk of harm, abuse and neglect is a very low-bar for when informal supports would be considered inappropriate, and does not bode well for participant's wishing to build or exert their independence and have choice and control of their supports and life without reliance on family or informal supports when that is not of their choosing.

We note that this item does not in any way address the "honey pot for shonks and rorters" referred to by the Minister. We look forward to applauding the measures addressing this in future sections.

[45] EM page 236

Plan management and support co-ordination

Savings Measure

Plan management and support co-ordination reforms

Savings Timetable

2026-27	2027-28	2028-29	2029-30	Total
$0.0b	$0.2b	$0.6b	$0.6b	$1.4b

Measures in the Bill Which Achieve these Savings

Commissioning support coordination

The government will commission support coordination functions as a new support coordination and connection service by mid-2028.[46]

Plan management provider registration and prohibition on providing other services

The Bill aims to reduce the size of the plan management market by mandating that plan managers may only be registered where they have a deed of arrangement in place between the plan manager and the Agency under sections 73EA and 73EB.

The Bill would also prevent plan management providers from providing other NDIS services under section 73F(2) to prevent conflicts of interest.

Safety Concerns of this Savings Measure

We broadly support measures to improve accountability of support coordinators and plan managers, and to prevent them acting with the clear conflicts of interest which we currently experience as being highly problematic. Whilst we have concerns about the method for determining which providers will be available to specific cohorts, there is insufficient information available to comment with any specificity.

This measure may actually assist with dealing with the “honeypot for shonks and rorters” who we would actually call criminals and fraudsters, and about whom we have made many complaints over the years. About half of these have been registered providers, most of whom still are.

[46] EM p 212