

Submission

To Joint Standing Committee on the National Disability Insurance Scheme

Topic Integrity of the National Disability Insurance Scheme

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About

We are an inclusive not-for-profit organisation working alongside more than 80,000 South Australians each year and have been creating positive change for South Australian communities for more than 120 years. We advocate for systems change across diverse social justice issues to shape public and social policy that delivers better outcomes for marginalised communities.

We support those in need to find the courage to move forward through enriching their lives and uniting the communities in which they live. By tackling the deep-seated challenges that affect people's lives, we are working to create systemic change and brighter futures for all South Australians.

NDIS Support Services

Uniting Communities offers personalised NDIS support through one-to-one services that help individuals build independence, engage with their community, and achieve personal goals. Support workers assist with daily living, social participation, and skill development, tailoring services to each person's unique needs and preferences.

Individualised Living Options Service

Uniting Communities' Individualised Living Service provides tailored support for people with disability to live independently in their own homes. The service is designed around each person's goals, preferences, and lifestyle, offering flexible assistance with daily routines, decision-making, and community engagement. It promotes autonomy and wellbeing through respectful, person-centred care.

Law Centre

Uniting Communities Law Centre provides free legal help to people experiencing disadvantage across South Australia. We understand that dealing with the legal system can be confusing and daunting and staff in the Uniting Communities Law Centre assist people to work through these challenges. The qualified team provides support with information, advice, representation, referrals, or community legal education.

Disability Advocacy Service

Uniting Communities' Disability Advocacy Service (DAS) provides free, independent support to help people with disability understand and assert their rights. The service assists with NDIS-related issues, including appeals, by offering legal advice, advocacy, and referrals. Delivered through the Uniting Communities Law Centre, DAS is a multidisciplinary team of lawyers and advocates. Beyond appeals, DAS also supports people outside the formal NDIS process—for example, assisting those denied access to reapply, providing information and advice on navigating the NDIS system, and linking individuals to broader community supports.

Submission to parliamentary inquiry into the Integrity of the NDIS

Uniting Communities thanks the Joint Standing Committee on the NDIS for inquiring into the Integrity of the NDIS. Despite recent efforts to address the increasing prevalence of fraud within the scheme, integrity concerns persist. We acknowledge the passage of the *National Disability Insurance Scheme Amendment (Integrity and Safeguarding) Bill 2025* and other measures recently announced by the federal government; however, further action is required to address the complexity of the system. System integrity can only be strengthened by addressing both fraud and systemic failures, as poor processes and practices create the conditions in which fraud, misuse, and neglect can occur.

A primary driver of fraud and neglect in the system is the over reliance on participants as the primary enforcement mechanism, requiring participants to identify, report, and challenge failures even where they lack the capacity, information, or support to do so. Instead, integrity must be strengthened across the sector by increasing accountability and regulatory oversight of non-registered providers, through the NDIA and the NDIS Quality and Safeguards Commission.

Uniting Communities supports the decision to delay the introduction of the new planning framework and to extend mandatory registration for high risk service types. However, we are concerned that some recent reform announcements have occurred without adequate engagement with state governments, and that funding reductions have been signalled ahead of the establishment of nationally consistent foundational supports.

Uniting Communities has also contributed to a number of recent consultations on safeguarding, including the framework planning consultation and the disability safeguarding framework, with submissions available on [our website](#).

Our key recommendations:

- **Strengthen NDIS integrity by reducing reliance on participants as the primary enforcement mechanism and embedding greater system-level oversight and accountability of non-registered providers, to detect and address fraud and non-compliance earlier.**
- **Increase independent oversight of currently unregistered providers, including audits and independent service visitations, consistent with themes emerging from the Disability Safeguarding Framework consultation.**
- **Partner with registered NDIS providers to strengthen accountability and quality assurance across service delivery.**
- **Ensure any additional safeguards are proportionate to risk and implemented through streamlined, low burden processes that avoid driving compliant providers out of the sector or delaying service delivery.**
- **Expand mandatory NDIS provider registration to all providers delivering face to face, personal, or financial decision-making supports, with registration applying to provider entities and key personnel to strengthen oversight and prevent fraud.**
- **Mandate NDIS worker screening and clearances for all providers, registered and unregistered, to strengthen safeguarding.**
- **Reduce reliance on participant self-management by strengthening accountability, training, and oversight of unregistered support coordinators, and ensuring adequate plan management and support coordination for participants with complex needs.**

- **Apply enforceable safeguarding and accountability requirements to NDIA decision-making, including clear administrative standards for timely decisions, mandatory reassessment before supports are reduced or removed, and transparent escalation processes where timeframes are not met.**
- **Improve system-wide training and education for participants, providers, and the broader community, on legislative requirements, safeguarding, non-compliance, and rights to informed decision-making and support.**
- **Address gaps in access to disability advocacy services, recognising their critical role in safeguarding, early intervention, and system accountability, including in rural, regional and very remote areas.**
- **Ensure accessible supports exist outside the NDIS for people deemed ineligible for NDIS funding who require more assistance than is available through general community supports.**

Consultation Questions

1. the nature and extent of non-compliance, including fraud and sharp practices, in the National Disability Insurance Scheme

Non-compliance and fraudulent practices remain widespread within the National Disability Insurance Scheme, despite efforts to address these issues, including the establishment of the NDIS Fraud Taskforce. This suggests a disconnect between the issues identified through enforcement activity and the scheme's capacity to effect meaningful reform in response. We support reasonable and proportionate measures to eliminate fraud in the scheme in order to protect the rights of people with disability and ensure the long-term financial sustainability and integrity of the NDIS.

We are concerned that the true number of participants affected by non-compliance and fraudulent practices is likely to be significantly higher than current estimates. Many participants have limited understanding of the scheme, are unaware of where to seek assistance, or are not connected to services that could provide support. For some, complex communication needs, cultural, or physical barriers further inhibit reporting. In our experience, many participants are unaware they are experiencing fraud or non-compliance until circumstances escalate, often following a serious incident. Consideration must therefore be given to how oversight and reporting mechanisms can be strengthened for non-registered providers to ensure fraudulent practices are identified earlier and do not rely solely on participant self-advocacy. Without such measures, reforms introduced through initiatives such as the *National Disability Insurance Scheme Amendment (Integrity and Safeguarding) Bill 2025* risk being ineffective in the absence of robust enforcement and system-level oversight.

Unregistered providers

We acknowledge the federal government's recent announcement to expand mandatory provider registration categories and introduce a digital payments system for enrolled providers. We support the expansion of registration requirements to include all providers delivering face to face supports to participants, to ensure appropriate governance, safeguards, and accountability. The current exemption of sole traders, supported independent living providers and support coordinators from registration requirements exposes participants to risk and has contributed to instances of fraud and exploitation. Where providers have direct access to vulnerable participants, including within their homes, registration requirements should be proportionate to the level of risk involved, with tailored provisions to address workforce challenges in rural, regional, remote and very remote areas.

In addition, registration should attach to the provider entity and its key personnel, including directors and board members, or, in the case of sole traders, the individual operating the business. This would reduce

the capacity for non-compliant or fraudulent providers to avoid scrutiny by simply re-establishing under a different business name or location. A comparable governance model exists in the aged care sector, where key personnel (Responsible Persons) are required to submit suitability declarations addressing their experience, history, and financial circumstances. Applying a similar approach within the NDIS would strengthen accountability, embed organisational responsibility, and enhance protections for participants.

Conflict of interest

Conflicts of interest currently create risk within the system. People with disability do not always feel safe to report abuse or neglect due to fear of consequences. Some participants may prefer to have one provider delivering multiple supports; however, this can place them in a vulnerable position where their wellbeing, daily life, and accommodation are tied to a single provider. If issues arise with that provider, participants risk losing all supports, which limits their capacity to provide feedback and removes critical checks and balances.

While anti-promotion orders should reduce the incidence of coercive practices occurring without the informed decision of the participant, effective enforcement remains a concern where the system continues to rely on participants to report unlawful practices they may not be equipped to recognise or challenge. Further, while permission is required for relatives or friends to provide supports, limited oversight means sole traders with different surnames can easily deliver services to family members, creating integrity risks where unqualified workers may provide care and conflicts of interest are not adequately safeguarded.

Clearances

It should be a requirement for all providers, whether registered or unregistered, to hold a NDIS worker clearance. In some cases, where providers or individuals have been reported, banning orders have been issued that prevent them from holding a Working with Children Check or vulnerable persons clearance. With the introduction of a nationally consistent approach to screening checks, this presents an important opportunity to strengthen safeguarding within the scheme and improve workforce accountability and oversight.

2. the impacts of non-compliance on NDIS participants and their families;

Non-compliance has a substantial impact on NDIS participants and their families, often resulting in significant adverse outcomes. When a participant's NDIS funds are exhausted, including as a result of fraud, participants may be left without necessary supports while navigating formal processes, including inquiries from the NDIA, with some services ceasing entirely. In some cases, the NDIA may move a participant to NDIA-managed funding, meaning they can only use certain providers (limiting choice and control) and may temporarily lose access to their funds.

Participants must then engage in formal NDIA processes to request additional funding or a plan reassessment. Advocacy services are often required to support participants through this process and assist them to explain why their funds were exhausted. Internal reviews can take between 60 and 120 days to be finalised, even where legal assistance is involved, and if dissatisfied with the internal review decision, escalation to the Administrative Review Tribunal may take a further 12 to 18 months or more to resolve. Non-compliance may result from intentional fraud, but also from mismanagement by poorly trained or unqualified support coordinators/plan managers (often without consequence) or participants who manage their own funds. Greater accountability is required to ensure people who are in charge of managing budgets adhere to appropriate standards of practice.

In some cases, non-compliance arises from inadequate explanations during plan implementation stage and inappropriate assumptions that all participants can independently manage complex NDIS budgets. Those who choose to self-manage their plans may not have access to plan managers or support coordinators to help them understand how to spend their NDIS budgets in line with rules and regulations and within budget limits.

3. the effectiveness and adequacy of successive government policies to improve scheme integrity, safeguard participants, and tackle non-compliance; and

The recent shift to flexible NDIS budgets within categories, rather than funding by line items (for example, transport or consumables), was intended to increase flexibility. However, this approach has inadvertently reduced transparency, made it more difficult for participants to challenge NDIA decisions, and placed additional pressure on participants without adequate support. Where funding categories are not clearly defined, for example, where participants are not told which items have been funded and only receive a lump-sum budget, participants may be unable to determine what has or has not been approved, or may unintentionally use funds incorrectly due to insufficient information provided by the NDIA. This may result in the NDIA seeking repayment of funds or, more significantly, changing how a participant's plan is managed.

Similarly, the application of one-size-fits-all policies, such as, at first instance, making plan funding available in quarterly intervals, can limit the usefulness of that funding. For example, when a participant receives a new plan, they often require a higher level of support coordination upfront to connect with services. As supports are established, the need for support coordination typically decreases. Funding support coordination in quarterly intervals restricts the capacity of support coordinators to assist with establishing initial supports. Requests to the NDIA to extend funding periods often take months to resolve, meaning participants may be unable to begin using their plans while waiting for funding adjustments. This particularly affects participants with complex needs, who require significant upfront assistance to navigate planning and assessment processes, resulting in delays that undermine both safeguarding and access to reasonable and necessary supports

Following the legislative changes introduced on 4 October 2025, section 10 of the NDIS Act now limits how participants can spend their NDIS funding to supports related to the disability for which they were accepted into the scheme. Some participants may have difficulty understanding the constraints this section places on what can be purchased with their funding. Where these requirements are not clearly explained, participants may unknowingly spend funds on supports later deemed ineligible, which may result in the NDIA seeking repayment and, in some cases, changing how a participant's plan is managed.

4. any legislative or other reforms required to strengthen scheme integrity

The integrity of the scheme is also dependent on the NDIA fulfilling its obligations. Greater accountability must be placed on the NDIA to adhere to safeguarding measures, including in relation to delays in decision-making and the inappropriate removal of supports from participants. For example, the NDIA's Participant Service Guarantee, while not legislated, is routinely relied upon to justify decision-making timeframes, yet there is limited accountability when these standards are not met. Prolonged delays leave participants in limbo without funding or certainty, increasing the risk of losing essential supports. From an integrity perspective, this lack of transparency and enforceability undermines confidence in the scheme and causes harm through inaction, with participants sometimes denied access to supports by delay rather than by decision. More robust processes would help prevent issues from arising and reduce unnecessary matters being progressed to an already overstretched Tribunal.

Similar concerns arise where the NDIA removes supports without reassessment, including for long-term participants or where limited attempts to contact a participant result in decisions being based on outdated information. In these cases, the NDIA has not taken all reasonable steps to uphold the safety and security of people with disability.

Conclusion

We appreciate the opportunity to provide a submission to the parliamentary inquiry into the integrity of the NDIS. Strengthening oversight of unregistered service providers, including through improved registration, regulation, and reduced reliance on participants as the primary enforcement mechanism, is essential to improving integrity across the scheme. These measures are critical to ensuring that both existing and future reforms operate effectively in practice and achieve their intended safeguarding outcomes.

While it is acknowledged that the NDIS is growing at a financially unsustainable rate, recent announcements made on 22 April 2026, including the removal of up to 160,000 participants by 2030, restrictions on community participation funding, and a shift towards access based on impairment rather than disability, raise significant concerns. These changes place increased reliance on state and territory systems to support people deemed no longer eligible for the NDIS, despite the absence of a nationally consistent, fit-for-purpose alternative. Without careful coordination, this transition poses serious risks to participant wellbeing, safety, and continuity of supports. A coordinated and considered approach between the Commonwealth and the states is therefore essential to ensure that integrity reforms do not result in unintended harm to people with disability.