3 June 2021

Minister for the National Disability Insurance Scheme, Senator the Hon Linda Reynolds CSC has today released a paper outlining how NDIS participants could be supported with the proposal of more flexible NDIS plans in the future. The changes are designed to realise genuine choice and control for NDIS participants.

Minister Reynolds said the proposal for personalised budgets was being released to provide further detail regarding the proposed new budgeting approach. This is part of an ongoing commitment to share more information about proposed NDIS reforms, as consultation continues before any enabling legislation is finalised and introduced.

“The process has been outlined in participant journey maps, also released today, which explain the proposed new planning process for participants,” Minister Reynolds said.

“What I have clearly heard is that participants want more flexible budgets and greater choice and control over their supports and their lives. Instead of creating a plan that has funding based on individual items and supports, the proposed changes will see participants receive one, overall budget that they can use flexibly. This was the original intent of the NDIS – for people with disability to be in control of the services and supports they purchase.

“It is also clear to me that participants want to ensure that their goals are still included in the planning process. This paper outlines how that is proposed to work and what participants can expect.

“The current approach to building an NDIS plan has meant participants had to annually negotiate for specific supports, or have to request a review where they needed to use more funding in one category than another. This clearly is not in line with the original intent of flexibility, choice and control.”

A personalised budget approach was originally included in the 2011 Productivity Commission report which formed the foundations of the design of the NDIS. This process included the use of independent assessments to determine plan budgets and provide individualised, funded supports. This process ensures consistent funding between participants with similar characteristics.

The Personalised Budgets paper outlines how budgets are proposed to be built in the future so that NDIS plans would not be restricted by specific categories with limited or no flexibility. The proposed new personalised budget would have just two main supports – a flexible and fixed budget.

The fixed component is funding for specific purposes such as assistive technology or home modifications.

The flexible component will be an amount of funding that each participant can spend flexibly on any type of support they choose, in line with what is funded through the NDIS.

This new approach will also provide participants with the ability to view their draft budget before their planning meeting. This would enable them to discuss with their planner any questions about their overall plan. This would be done at the time of their meeting and would include any exceptions and how to best utilise their budget.

Consultation will also continue with the National Disability Insurance Agency (NDIA) committing to a series of workshops in June and July convened by the Independent Advisory Council. These workshops will seek additional feedback from invited sector representatives to inform policy and implementation of the proposed reforms as well as recommendations on improvements to the access and planning process.

The first workshop in June will be convened by an independent facilitator. The aim will be to identify areas for improvement to the proposed NDIS access and planning reforms, including independent assessments to help address sector concerns.

“I have clearly heard the concerns of participants, their families and the wider disability community. This is why I paused enabling NDIS legislation so we can undertake consultation before we reveal the outcomes of the Independent Assessment pilot,” Minister Reynolds said.

“I’m committed to openness and transparency, to build trust within the community so participants can be reassured that some things won’t change under this new proposal.”

“Under this new proposal the draft plan budget gives planners and delegates a solid starting point for the planning discussion prior to identifying any additional funded supports. NDIA delegates would continue to make the final decisions based on a participant’s plan budget.

“Additionally participants who believe a decision made by an NDIA delegate about their plan is wrong, can also continue to request a review.

“It is important to also consider reforms that ensure the Scheme’s ongoing growth is sustainable, to both ensure NDIS participants have the flexibility and choice to access the supports they need right now, and also that this globally unique Scheme endures.”

Read the Personalised Budgets paper.

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