



Inquiry into the integrity of the National Disability Insurance Scheme

Joint Standing Committee on the National Disability Insurance Scheme

Submission by the Commonwealth Ombudsman, Iain Anderson

April 2026

Introduction

I welcome the opportunity to contribute to the Joint Standing Committee (the Committee) on the National Disability Insurance Scheme's inquiry into the integrity of the National Disability Insurance Scheme (NDIS).

Background

The purpose of the Office of the Commonwealth Ombudsman (**the Office**) is to:

- provide assurance that the agencies and entities we oversee act with integrity and treat people fairly; and
- influence systemic improvement in government administration.

We aim to achieve our purpose by:

- independent and impartial consideration of complaints and disclosures about government administrative action
- influencing government agencies to be accountable, lawful, fair, transparent, and responsive, and
- providing a level of assurance that law enforcement, integrity and regulatory agencies are complying with legal requirements when using covert, intrusive and coercive powers.

The Office can investigate complaints about the National Disability Insurance Agency (NDIA), including NDIS Partners in Community, as well as the NDIS Quality and Safeguards Commission (the Commission).

Complaint insights

In 2024–25, my Office finalised 1,733 complaints about the NDIA, the second highest number of complaints about an Australian Government agency, and 139 complaints about the Commission. The complaints my Office receives may come from participants, their carers or nominees, support coordinators, or NDIS providers.

Complaints frequently raise concerns about:

- issues associated with NDIS plans, such as their implementation or amendment (34%)
- issues associated with service delivery, including online portals and the NDIA complaints process (13%)



- the NDIA's interactions with service providers (13%)
- issues associated with access requests when a person applies to the NDIS (13%), and
- the NDIA's internal review process, including the implementation of decisions made by the Administrative Review Tribunal (12%).

Most complaints involving the NDIS received by my Office are finalised without needing to resort to our formal information gathering powers. We recognise that complaints can often be resolved more efficiently by the agency involved because the agency is able to change its decision, and we therefore generally advise individuals who complain to us to first contact the NDIA or Commission, if they have not done so, in order to give the agency the opportunity to resolve the concerns in the first instance. We also resolve many complaints informally by making preliminary inquiries with the agency, which can prompt the agency to address the issues raised or give the individual a better explanation. We regularly meet with the NDIA to discuss the progress it is making towards addressing issues that have been identified in complaints.

My Office receives a comparatively small number of complaints suggesting fraud or sharp practices in the NDIS.

My Office has also received complaints from service providers, who in some cases have been family members of the scheme participant, about the NDIA's compliance processes, including manual payment reviews (MPRs). As we understand it, the NDIA usually commences an MPR if there are concerns about a provider's potential misuse of funds, non-compliance or overservicing. The NDIA places payment for the relevant claim/s on hold while it undertakes an MPR to determine whether non-compliance has occurred.

My Office's investigations into complaints involving MPRs have found the NDIA is acting consistently with its statutory obligations to ensure funds are spent in accordance with participants' plans. We have found that the NDIA has taken prompt action to exit a provider from an MPR process when the provider demonstrated they are compliant. We have also found that the NDIA's communication with providers about the requirements to substantiate payment claims has generally been appropriate.

Providers have complained to my Office that the delay in receiving payments while the NDIA completes an MPR creates the risk that the provider cannot deliver services to participants. Our investigations have found that the NDIA has taken steps to support

participants in these circumstances by providing funding for support co-ordination, complex support needs planners and Behaviour Specialist Practitioners.

We monitor complaints received to identify instances where participants may be disadvantaged by an MPR process. We engage regularly with the NDIA to understand its approach to the MPR process and raise concerns to influence process improvement.

My Office's general observations on administrative best practice to support participants during MPRs are set out below.

The NDIA's MPR process

My Office supports the NDIA's efforts to address provider non-compliance and offers the following insights as a matter of best administrative practice. In applying measures such as the MPR process, agencies should:

- consider whether there will be any flow-on negative impacts for participants and implement appropriate safeguards, and
- ensure processes are fair and effective, and decisions are evidence-based.

Impact on participants

While I understand providers can make new claims while subject to an MPR,¹ complaints to my Office from providers have described financial strain while payment of certain claims is being held. It is unclear how often providers are either unwilling or unable to provide services to participants due to financial constraints caused by an MPR.

Publicly available information indicates the NDIA may contact participants during an MPR to ensure their wellbeing and confirm their access to required supports has not been disrupted.² As described above, our investigations have found that the NDIA has taken steps of this nature. If this is standard practice, it would be a positive step towards mitigating the risk that an MPR may disrupt a participant's continuity of supports.

As a matter of best administrative practice, I encourage the NDIA to ensure that MPRs, or any processes aimed at safeguarding participants, are clear and consistent and

¹ <https://www.ndis.gov.au/providers/working-provider/getting-paid>

² <https://www.ndis.gov.au/about-us/improving-integrity-and-preventing-fraud/manual-payment-reviews>

that measures are in place to mitigate negative impacts on participants. Processes should be supported by clear guidance to staff to enable them to apply the process consistently. For example, staff should have sufficient information to understand when and how to contact participants during an MPR, and what assistance the NDIA can provide to a participant whose continuity of support has been affected during the MPR process.

Ensuring fair and effective processes

Transparent, evidence-based decision making is critical for agency accountability and for ensuring fair decisions. Where agencies make decisions that may impact payment, such as decisions by the NDIA to implement an MPR, there should be clear communication with the impacted provider, with sufficient information for them to understand the reasons for the decision and to respond where appropriate.

Processes such as MPRs would also benefit from robust assurance processes to ensure they are effective and that the NDIA can identify issues and opportunities to improve. Being able to produce data on the outcomes of a process would enable the NDIA to measure how effective it is at achieving its intended outcome. If it has not done so already, we would encourage the NDIA to consider ways it can measure the effectiveness of the MPR process at correctly identifying and responding to non-compliance, including having visibility of the proportion of MPRs that result in a finding of no non-compliance.

Office interest in NDIA and Commission's work to strengthen Scheme integrity generally

My Office also has an interest in understanding the role of automation, if any, in the measures introduced by the NDIA and the Commission to improve Scheme integrity. I am aware through evidence provided on 24 February 2026 at the Senate Committee hearing on National Disability Insurance Scheme Amendment (Integrity and Safeguarding) Bill 2025 that automated decision making may be a feature of NDIA's compliance measures.

Any use of automation in the NDIA and Commission's measures to improve Scheme integrity should be consistent with the best practice principles outlined in my Office's [Automated Decision-Making Better Practice Guide](#) (which highlights the need for automated systems to be aligned with and supported by law and policy), should not be



used in a way that fetters discretionary decision making, and should have effective human oversight.

