



**NDIS Quality  
and Safeguards  
Commission**

EC25-003342

Mr Josh Burns MP  
Chair  
Joint Committee of Public Accounts and Audit

Via email: [jcpaa@aph.gov.au](mailto:jcpaa@aph.gov.au)

Dear Mr Burns

I refer to the invitation of 28 November 2025 from the Joint Committee of Public Accounts and Audit in relation to the inquiry into the administration of the National Disability Insurance Scheme.

The Australian National Audit Office report of 3 September 2025 assessed the NDIS Quality and Safeguards Commission (NDIS Commission) as partly effective in exercising its regulatory functions and made 10 recommendations. The NDIS Commission agreed to nine recommendations and agreed in-principle to one. To support the Committee's inquiry, the NDIS Commission is sharing a copy of our progress and implementation activity to those 10 recommendations – refer to Attachment A. These initiatives demonstrate the NDIS Commission's commitment to enhancing its regulatory effectiveness and to ensuring the continuous improvement of its operations.

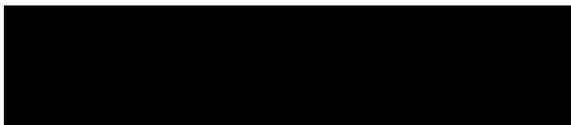
The NDIS Commission is progressing a broad range of actions to address recommendations to uplift its regulatory capabilities. The NDIS Commission will establish a risk-based regulatory strategy and framework to support its compliance actions and communicate progress against the strategy to the sector.

Action is already underway to improve the NDIS Commission's access to reliable data, systems, tools and processes through the Data and Regulatory Transformation program and will increase the NDIS Commission's visibility of the provider market.

The NDIS Commission is improving its regulatory processes through developing and testing an enterprise-wide Risk-Based Regulation Prioritisation Model. It will provide a consistent approach to how the NDIS Commission prioritises complaints and reportable incidents and focuses regulatory efforts on the most serious matters.

The NDIS Commission would welcome the opportunity to appear before the Committee to discuss our progress and implementation activities in response to the ANAO recommendations.

Yours sincerely



**Louise Glanville**  
Commissioner

15 December 2025

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Status of actions to address ANAO performance audit recommendations – NDIS Commission’s Regulatory Effectiveness

Rec #	ANAO recommendation	NDIS Commission published response	Implementation timeline	Status of NDIS Commission actions as at 17 November 2025
1	<p>To support intelligence and information analysis, the NDIS Commission implement:</p> <p>a) an overarching risk-based plan to guide information analysis and correlation activities; and</p> <p>b) guidance on establishing and conducting Own Motion Inquiries.</p>	<p><b>Agreed</b></p> <p>a) The NDIS Commission has begun the process of improving communication and engagement to better synergise the various intelligence related functions operating within the Commission. Bringing together fortnightly round table meetings of staff from Fraud Fusion Taskforce, Data and Insights, Risk Intelligence and Delivery and Market Insights areas. This group will work towards planning and delivering a more unified approach to intelligence analysis across the business, taking into consideration the diverse functions of the NDIS Commission. The first formal meeting is taking place on the 22 July 2025.</p> <p>b) In addition to the Own motion inquiries (OMI) initiated at the Commissioner's discretion, the new Risk-Based Regulation Prioritisation Model is piloting assessment of systemic risks by a whole-of-Commission decision-making panel. The panel would recommend planned interventions including OMI for decision by the Commissioner. If this pilot process of establishing and conducting OMIs is successful, guidance documents will document this process.</p>	<p>30 June 2026 - completion of the Risk Based Framework</p> <p>30 December 2026 - completion of the Risk Based Framework pilot, testing and review.</p> <p>30 June 2027 - Risk Based Framework embedded implementation completed.</p>	<p>a) Program lead and project lead has been assigned. Planning is well underway to develop a risk-based framework that will include:</p> <ul style="list-style-type: none"> <li>• Purpose and principles focused on regulatory risk management and human centred values.</li> <li>• Risk identification and assessment</li> <li>• Risk based prioritisation and decision making</li> <li>• Engagement, communication and capability</li> <li>• monitoring, learning and continuous improvement.</li> </ul> <p>Next steps: Program plan approved, working group established</p> <p>b) Own motion enquiries is at the information gathering stage - All OMI related resources are being identified. Next steps will be to draft a guideline which will then be published into the regulatory resource library. Draft expected to be ready for consultation by February 2026.</p> <p>Next steps: Develop complete guidance.</p>
2	<p>The NDIS Commission develop and implement a quality assurance process to meet legislative requirements and ensure completeness of the information disclosures record.</p>	<p><b>Agreed</b></p> <p>The NDIS Commission has commenced work on a quality assurance process and established a working group to progress.</p>	<p>30 March 2026 - Completion of the Quality Assurance Framework</p> <p>30 June 2026 - Completion of the Quality Assurance Framework pilot, testing and review.</p> <p>30 December 2026 - Quality Assurance Framework implementation completed.</p>	<p>The 67E register is established and work is underway to complete the process to document information disclosures. Next steps will be to develop a process guideline by February 2026 and a communications plan to be ready by April 2026.</p> <p>Next steps: Program plan approved, working group established</p>
3	<p>a) prepare for a refreshed Ministerial Statement of Expectations with close engagement with the appropriate minister and portfolio secretary; and</p> <p>b) prepare and issue a responding Regulator Statement of Intent in a timeframe consistent with the Direction to the NDIS Quality and Safeguards Commissioner under section 181K of the National Disability Insurance Scheme Act 2013 – No. 1/2023.</p>	<p><b>Agreed</b></p> <p>With the recent appointment of Minister for Health and Ageing, Disability and the National Disability Insurance Scheme the Hon Mark Butler and the Minister for the National Disability Insurance Scheme Senator the Hon Jenny McAllister, the NDIS Commission has begun the process of engaging with the portfolio agency the Department of Health, Disability and Ageing to support drafting of the Statement of Expectations.</p> <p>This will be worked through at an officer level working group to ensure close engagement during drafting of a Ministerial Statement of Expectations and a timely responding Regulator Statement of Intent.</p>	<p>TBC with partner entities</p>	<p>Completed 16/10/2025</p>

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4	<p>The NDIS Commission:</p> <p>a) develop a process for setting compliance priorities to ensure they are risk-based;</p> <p>b) implement action plans to ensure that regulatory interventions are driven by compliance priorities;</p> <p>c) regularly reporting on compliance priorities and action plans, including publicly; and</p> <p>d) publicly outline its regulatory processes and decision-making criteria to support public understanding of how the Commission regulates the NDIS.</p>	<p><b>Agreed</b></p> <p>The NDIS Commission published its annual compliance priorities for 2025-26 on 1 July 2025. Regular reporting will be supported by the implementation of the Risk-Based Regulation Prioritisation Model. A communications plan has also been developed to support increased awareness and stakeholder engagement.</p>	<p>30 June 2026 -Completion of the Risk Based Framework</p> <p>30 December 2026 - Completion of the Risk Based Framework pilot, testing and review.</p> <p>30 June 2027 - Risk Based Framework embedded implementation completed.</p>	<p>A program lead and project lead has been assigned. Planning is well underway to develop a risk-based framework that will include:</p> <ul style="list-style-type: none"> <li>• Purpose and principles focused on regulatory risk management and human centred values.</li> <li>• Risk identification and assessment</li> <li>• Risk based prioritisation and decision making</li> <li>• Engagement, communication and capability</li> <li>• monitoring, learning and continuous improvement.</li> </ul> <p>Next steps will be to engage a working group and collaborate to develop our framework, ensure measures of success targets are quantifiable and effective.</p> <ol style="list-style-type: none"> <li>1. process planning underway</li> <li>2. action plans planning underway</li> <li>3. regular reporting planning underway</li> <li>4. a communications plan has been developed</li> </ol> <p>Next steps: Program plan approved, working group established</p>
5	<p>The NDIS Commission develop, document and maintain a framework to assess, prioritise and manage regulatory risks. Regulatory priorities should be underpinned by risk assessment, data and evidence. The framework should articulate how identified risks are managed in line with well-defined risk tolerances, risk-profiling, and appropriate compliance actions</p>	<p><b>Agreed</b></p> <p>Since July 2024, the model has undergone testing and by the end of 2025, all complaints, incidents and enquires to the NDIS Commission will be assessed and managed using a new prioritisation model.</p> <p>The model establishes a consistent, efficient and responsive process for prioritising matters based on the level of risk to NDIS participants.</p> <p>It marks a shift from focusing on individual complaints and incidents to addressing broader systemic risks, aligning with best practice adopted by most Australian government regulators. We identify and evaluate risks based on:</p> <ul style="list-style-type: none"> <li>• impact on human rights and participant safety</li> <li>• provider or worker compliance with NDIS legislation and rules</li> <li>• alignment with strategic priorities or emerging risks.</li> </ul>	<p>31 December 2025 - Completion of the Risk Based Prioritisation</p> <p>30 June 2026 - Completion of testing and incorporation of the model into the Risk based framework.</p> <p>30 December 2026 - Completed embedment of the Risk Based Prioritisation Model into the Risk based Framework.</p>	<p>A program lead and project lead has been assigned. Planning is well underway to develop a risk-based framework that will include:</p> <ul style="list-style-type: none"> <li>• Purpose and principles focused on regulatory risk management and human centred values.</li> <li>• Risk identification and assessment</li> <li>• Risk based prioritisation and decision making</li> <li>• Engagement, communication and capability</li> <li>• monitoring, learning and continuous improvement.</li> </ul> <p>Next steps: Program plan approved, working group established to collaborate and develop our framework.</p>

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6	<p>The NDIS Commission develop and implement an entity-wide compliance monitoring strategy, consistent with its Compliance and Enforcement Policy, that includes the monitoring activities the Commission intends to undertake, frequency of planned activities, links compliance monitoring activities to identified risks, and sets out reporting arrangements and intended results.</p>	<p><b>Agreed</b></p> <p>The NDIS Commission will develop a Compliance Monitoring Strategy detailing relevant functions and how the monitoring is operationalised across the NDIS Commission.</p>	<p>30 June 2026 - Completion of the Compliance Monitoring Strategy</p> <p>30 September 2026 - Completion of testing and review</p> <p>30 December 2026 - Completion of Implementations</p>	<p>Program lead and project lead has been assigned. Planning is well underway to develop a Compliance Monitoring Strategy with a focus on the market sector. The strategy is proposed to include an implementation plan for a pilot stage to test, review and action once completed.</p> <p>Next steps: Program plan approved, working group established</p>
7	<p>The NDIS Commission:</p> <p>a) develop and document a strategy or plan that sets out the Commission's approach to market oversight, including monitoring and mitigating the risks of unplanned service withdrawal; and</p> <p>b) works with the NDIA to update the joint operational protocol on market stewardship and oversight to include the Commission's planned approach to market oversight developed in part (a) above.</p>	<p><b>Agreed</b></p> <ul style="list-style-type: none"> <li>•The NDIS Commission supports the recommendation to develop a strategy that clearly sets out the NDIS Commission's approach to market oversight, including identifying how we monitor and mitigate the risks of unplanned service withdrawal.</li> <li>•We will respond to this recommendation through activities that include contributing with the NDIA to the Provider Registrations and Exits Schedule Oversight Group, which considers how we can monitor and mitigate the risks of unplanned service withdrawal and contributes to informing our market oversight activities.</li> <li>•The NDIS Commission is working collaboratively with the National Disability Insurance Agency (NDIA) and the Department of Health, Disability and Ageing to develop a series of guiding documents that make up the updated Market Stewardship Framework (MSF). The MSF will include the NDIS Commission's planned approach to market oversight and will provide an update to the current Market Enablement Framework, which was published in 2018 by the NDIA.</li> </ul>	<p>Quarter 4, 2025-26</p>	<p>NDIS Commission is undertaking work to mature its approach to market monitoring, including monitoring and mitigating the risks related to unplanned service withdrawal. As part of our current market monitoring activities, we undertake quarterly assessment of NDIA payment data to identify providers who have exited the registered market but continue to deliver services to participants in the unregistered market.</p> <p>To increase our focus on integrated market monitoring, the NDIS Commission plans to undertake a more holistic assessment of available data sources. This will improve our ability to identify instances of emerging market risk, including provider exits. These data sources include NDIS Commission complaint, reportable incident, and section 13A notifications, where providers advise the NDIS Commission of events that could affect their ability to deliver supports and services. By incorporating these notifications into our analysis of market trends and patterns, the NDIS Commission can more effectively identify areas of risk and unplanned service withdrawal (for unregistered providers), informing our responses and market interventions in line with our broader market stewardship commitment.</p> <p>An effective suite of monitoring measures will be supported through the NDIS Commission's systems uplift by 30 June 2026.</p> <p>The NDIS Commission is working with the Department of Health, Disability and Ageing and NDIA on how monitoring information can be best utilised to mitigate the risks of unplanned service withdrawal, including in the context of the broader work on a market stewardship framework.</p>

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8	<p>To provide assurance that the NDIS Commission is taking effective regulatory action using powers provided under the NDIS Act and meeting the requirements of the Australian Government Investigations Standards, the NDIS Commission implement quality assurance processes for complaints, reportable incidents, compliance matters and investigations.</p>	<p><b>Agreed</b></p> <p>The NDIS Commission will meet this recommendation through delivery of a quality assurance framework and progressing the implementation of Risk-Based Regulation Prioritisation Model across all operational areas. Tracking compliance against Australian Government Investigation Standards will also be supported by the continuing delivery of the regulatory learning and development program.</p>	<p>30 March 2026 - Completion of the Quality Assurance Framework</p> <p>30 June 2026 - Completion of the Quality Assurance Framework pilot, testing and review.</p> <p>30 December 2026 - Quality Assurance Framework implementation completed.</p>	<p>The Quality Assurance Framework has been approved and endorsed. NDIS Commission's Executive Management Group approved the pilot team and pilot plan development on 25 November 2025.</p> <p>Next steps: Pilot stage</p>
9	<p>The NDIS Commission support staff to apply a consistent approach to compliance actions through:</p> <p>a) finalising fit-for-purpose policies and procedures for compliance actions; and</p> <p>b) developing guidance to assist staff with selecting and using the most suitable compliance tool for specific circumstances.</p>	<p><b>Agreed</b></p> <p>The NDIS Commission is finalising the development of fit for purpose policies and procedures and will also develop guidance to assist staff on selecting and using the most suitable compliance tools.</p>	<p>30 December 2025 - Completion of fit for purpose policies and procedures</p> <p>30 March 2026 - completion of the guidelines for selecting the appropriate tool for compliance and compliance monitoring activities</p>	<p>Purposeful processes and procedures are well on the way for completion December 2025. A list has been created and upon its completion, the processes will be included into the regulatory resource library.</p> <p>Next steps: socialisation of procedures. establishment of central point for procedures</p>

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10	<p>The NDIS Commission:</p> <p>a) implement measures to address errors in the Commission’s data holdings;</p> <p>b) ensure the accuracy of performance reporting in compliance with the PGPA Act and PGPA Rule, and address issues identified in relation to Annual Performance Statements for Commonwealth entities in line with expectations;</p> <p>c) accurately record and explain performance in line with regulator performance expectations; and</p> <p>d) disclose and provide written explanation for changes to and errors in publicly reported information to enhance the transparency and public confidence of performance reporting.</p>	<p><b>Agreed in principle</b></p> <p>The NDIS Commission uses live data system where data is extracted at point in time. For each quarterly report, an extract is taken of the data as at the end of the quarter for all quarters included the report. Due to records being backdated, this may mean that there will be a change in the number reported in previous quarters.</p> <p>The NDIS Commission is on a maturity journey to embed better practices in performance reporting. Methodology Control Documents were developed to improve reliability of reported performance data.</p> <p>The NDIS Commission will continue to strengthen its Planning and Performance Framework and Data Quality Framework, in collaboration with key stakeholders to:</p> <ul style="list-style-type: none"> <li>• Record and track data quality issues and identify opportunities to enhance quality across the data lifecycle;</li> <li>• Adequately verify the performance results with quality analysis to ensure the annual performance statements meet the government’s expectations;</li> <li>• Keep accurate records on the agreed reporting methodologies, rationale, performance results, changes, and other information to meet its legislative requirements;</li> <li>• Actively share changes and learnings in our corporate documents to enhance transparency and public confidence.</li> </ul>	Q2 2026-27	<p>Completed:</p> <ul style="list-style-type: none"> <li>• Data Quality Assessment undertaken by DART that will inform cleansing to occur during data migration, and implementation of Quarterly Performance Report (QPR) within our new platform.</li> <li>• Endorsed Data Quality Framework</li> </ul> <p>Planned/In-Progress:</p> <ul style="list-style-type: none"> <li>• Current ‘off-system’ actions that impact QPR will be moved to new case management system.</li> <li>• Ongoing data quality profiling to be implemented within new platform.</li> <li>• Implement QPR within the new Data and Analytics Platform.</li> <li>• Review method of computation to ensure consistent results, or provide an explanation for inconsistencies caused by system and/or process limitations.</li> <li>• Explore options within new platforms for managing development and approval process for individual measures.</li> <li>• Establish process for issuing a correction if required.</li> <li>• Update Data Quality Register to explicitly reference impacts to public reporting as a key factor for prioritisation.</li> </ul> <p>Planning and Performance</p> <p>The Planning and Performance Framework was updated in May 2025 (ahead of the publication of the ANAO Report) with amendments that address aspects of the ANAO’s findings and recommendations including:</p> <ul style="list-style-type: none"> <li>• Inclusion of supplementary guidance on Portfolio Budget Statements and Regulator Performance.</li> <li>• Inclusion of a defined process for Quarterly Performance Statement reporting.</li> <li>• Updated Methodology Control Documents (MCDs) to streamline associated processes.</li> <li>• Updated risk management to align with the Enterprise Risk Management Framework and Policy.</li> </ul> <p>MCDs have been developed for each performance measure containing agreed data sources, reporting methodologies, rationale, and planned performance results as well as alignment to regulator best practice principles. Any changes during the performance cycle are captured through the QPS reporting process and then reflected in updated MCDs. MCDs are signed by the relevant Deputy Commissioner and presented to the NDIS Commission’s Executive Management Group and the Audit and Risk Committee for endorsement.</p> <p>Further updates to the Planning and Performance Framework are planned to address the remaining findings and recommendations of the ANAO Report.</p>