

**Senate Community Affairs Legislation Committee**  
**Public Hearing – 6 August 2024**  
**NDIS Amendment (Getting the NDIS Back on Track No.1) Bill 2024**  
**ANSWER TO QUESTION ON NOTICE**  
**National Disability Insurance Agency**

**Topic:** Intra-plan Inflation

**Question reference number:** NDIA IQ24-000042

**Question asked by:** Maria Kovacic

**Type of Question:** Spoken. Hansard Page: 4

**Date set by the Committee for the return of answer:** 7 August 2024

**Question:**

Senator KOVACIC: I have a follow-up to one of Senator Steele-John's questions, particularly in relation to the operating principles of the NDIS and what you can and can't spend your money on. Ms Falkingham, one of the comments that you made was, 'We've doing a terrible job on being clear, but we've also been terrible in providing staff with appropriate tools.' Do you have any financial data on the amount of what is being labelled 'intraplan inflation' as a result of incorrect information being provided to participants and/or providers?

Ms Falkingham: Could you explain your question a little bit more.

Senator KOVACIC: Effectively, we're talking about intraplan inflation—so the plans are costing more than they should—and we're also talking about the fact that you made the comment that you guys haven't been clear about what participants can and can't spend their funds on, which is potentially why some of the plans have blown out. Then there's also your comment: 'We've been terrible in providing staff with appropriate tools.' Has that caused additional inflation within the plans? Have participants gone and spent funds on things that they shouldn't have based on incorrect information, or perhaps as a result of nobody telling them that they couldn't, until such time as they actually exhausted their plans and had to go back for more? And do you have data on that?

Ms Falkingham: I'll take on notice the data question. But it would absolutely be correct that for over a decade this scheme has operated without clarity on what you can and cannot spend your funding on. What we've been focused on over the last two years is getting in place the correct controls so that we can manage financial sustainability and ensure participants are getting the best possible outcomes through the best possible NDIS supports. So I'll take the data question on notice, but there is no doubt—and Scott McNaughton might like to add to it—that our planners have been making the best possible decisions within the toolkit that they've got around 'reasonable and necessary' and that participants have been making the best decisions they could based on the information they have. Scott, do you want to add to that?

Senator KOVACIC: Just before we go to Mr McNaughton, just to clarify, for the question on notice, could I have any data that you do have in relation to specifically how much of that may come from incorrect direction from within the agency.

Ms Falkingham: I wouldn't categorise it as just from the agency. Obviously the legislation and the rules—the agency administers those in accordance with the laws of the day, so it's not just from the agency.

**Answer:**

The National Disability Insurance Agency does not hold any financial data on the amount of intra-plan inflation resulting from incorrect information provided to participants or providers.