



Funding changes for NDIS supports

September 2026

In the 2026-27 Budget, the Australian Government announced it would reset funding for some NDIS supports from 1 October 2026. This will impact budget allocations in participant plans for:

- social, economic and community participation supports¹, and
- improved daily living skills supports.²

These changes will be introduced gradually over 12 months from 1 October 2026 when a participant's plan is created, reassessed or renewed. Participants will be notified ahead of their plan reassessment or renewal. **Participants can continue using their current plan and supports until their plan is reassessed or renewed.**

Safeguards are in place to ensure participant safety and wellbeing. For example:

- Only social, economic and community participation and improved daily living skills supports will be impacted. Other parts of participants' plans will not be impacted.
- Some supports within the relevant categories will not be impacted.
- Eligible high support needs participants will be able to request a plan variation if a funding reduction would impact their 24-hour disability supports.
- All participants can continue to request a variation or unscheduled plan reassessment where there have been significant and ongoing changes in their functional capacity, support needs or circumstances.

This document explains what is changing about funding for these supports and what participants need to know.

¹ Previously referred to as 'social, civic and community participation supports'.

² Previously referred to as 'capacity building daily activities supports'.

Why the Government is making this change

The NDIS was built on the promise of inclusion and to give people with disability real opportunities for connection and to develop their capacity.

Over time, funding for social, economic and community participation and improved daily living skills supports has grown significantly. These supports also continue to be funded at a far higher level than any other comparable support program.

This will make the NDIS more consistent with other support programs and help ensure the NDIS can continue to support people with disability for generations to come.

Understanding the legislative framework for this change

Changes to funding for social, economic and community participation and improved daily living skills supports are being made through a 'support determination'.

A support determination is a legal instrument that allows the Minister to reset funding for certain types of supports in current NDIS plans.

On 1 October 2026, the Minister will make 2 instruments to:

1. Set out the funding changes that apply to social, economic and community participation and improved daily living skills supports and identify supports that will not be impacted.
2. Make a new plan variation pathway for high support needs participants with 24-hour disability support needs.

The instruments will commence on 1 October 2026.

The instruments are 'disallowable'. This means Parliament can scrutinise the instruments and seek to reject (or disallow) them within a set period.

How this change may affect your budget

Changes to funding for social, economic and community participation and improved daily living skills supports will be applied to participants' plans after they are created, reassessed or renewed.

This will reduce the amount available in participants' plans by:

- 50% for social, economic and community participation supports
- 10% for improved daily living skills supports.

The changes to social, economic and community participation supports funding will take average spending levels back to where they were in 2023.

The impact of this change will be different for every participant because every NDIS plan is based on individual goals, circumstances and support needs, and many people do not spend their entire plan.

For example, a participant may have an NDIS plan with \$50,000 per year for social, economic and community participation supports, but has only been using \$30,000 per year on these supports. When the funding change is applied, they will have \$25,000 per year available to spend on social, economic and community participation supports. This means their actual spending on these supports is only reduced by \$5,000 per year.

When participants receive a new plan, it will show their total plan funding and the funding available after the change.

Participants can continue to work with their providers on how to use their budget and get the most out of their supports within the limits of the NDIS Pricing Arrangements.

How this change will be implemented

Changes to funding for social, economic and community participation and improved daily living skills supports will be made for all participants' plans when they are created, reassessed or renewed between 1 October 2026 and 30 September 2027.

From 1 October 2026

New participant plans

- New participants will follow the usual planning process to create their first plan. More information on the process is available [here](#).
- When a participant receives their new plan, they will be notified how much their funding for social, economic and community participation and improved daily living skills supports is reduced by.
- The funding change applies as soon as the new plan commences.

Plan reassessments

- **Unscheduled reassessments**
 - Participants may request an unscheduled reassessment if they experience a significant and ongoing change to their support needs.
 - The NDIA will have 90 days to decide whether a participant is eligible for a reassessment.
 - The reassessment will occur following the usual process. Participants can choose if their reassessment is done by phone, video call, or face-to-face. The reassessment will consider if a participant's support needs have changed and if changes are needed to make sure the plan meets their needs. More information on the reassessment process is available [here](#).
 - When a participant is notified of the outcome of the reassessment and provided with their reassessed plan, they will be notified how much their funding for social, economic and community participation and improved daily living skills supports is reduced by.
 - The funding change applies as soon as the reassessed plan commences.

- NDIA CEO initiated or scheduled reassessments
 - The NDIA will contact participants 2-3 months ahead of their reassessment date.
 - The reassessment will occur following the usual process. Participants can choose if their reassessment is done by phone, video call, or face-to-face. The reassessment will consider if a participant's support needs have changed and if changes are needed to make sure the plan meets their needs. More information on the reassessment process is available [here](#).
- When a participant is notified of the outcome of the reassessment and provided with their reassessed plan, they will be notified how much their funding for social, economic and community participation and improved daily living skills supports is reduced by.
- The funding change applies as soon as the reassessed plan commences.

From 1 February 2027

Changes to funding for social, economic and community participation and improved daily living skills supports will continue to apply when participant plans are created or reassessed, as outlined above.

Funding changes will also begin to be applied to plan renewals.

Plan renewals

- All participants who receive funding for social, economic and community participation and improved daily living skills supports and have not had a plan created or reassessed since 1 October 2026 will have their plan renewed by 30 September 2027.
- The NDIA will contact participants 60 days before their plan renewal.
 - If a participant's scheduled reassessment date is before 1 October 2027, this will be the renewal date.
 - If a participant's scheduled reassessment date is on or after 1 October 2027, this will be brought forward to occur on or before 30 September 2027.
- Participants don't need to give the NDIA any extra information.
- When a participant receives their new plan, they will be notified how much their funding for social, economic and community participation and improved daily living skills supports is reduced by.
- The funding change applies as soon as the new plan commences.

What safeguards there are for participants

Only social, economic and community participation and improved daily living skills supports will be impacted

Funding changes will not impact any other parts of participants' plans. For example, critical supports will not be impacted, including:

- Supports in home (e.g. to help with eating, drinking, dressing, toileting, laundry, cleaning, community nursing care, help with medication, etc.)
- Home and vehicle modifications
- Personal mobility equipment and transport
- Consumable products to help with incontinence and menstruation
- Specialist Disability Accommodation.

Some subgroups of supports will not be impacted

Social, economic and community participation and improved daily living skills supports categories include a range of different support types funded through the NDIS.

Some subgroups of supports within these categories will not be impacted. These supports are essential to the health, safety and wellbeing of participants.

The subgroups of supports that will not be impacted are:

- Supports in employment
- Disability-related health supports
- High intensity supports
- Intensive and complex behaviour supports
- Customised and wearable technology
- Hearing services.

When applying the funding changes, the NDIA will check if a participant's plan has supports from the list above. If a participant's plan has these supports and a payment has been made for them, the reduction will not apply to those supports. Participants don't need to give the NDIA any extra information.

From 1 October 2026, as participant plans are renewed or reassessed, they will clearly identify the funding that is not affected by these changes.

Participants can still request a reassessment or plan variation

You cannot request a review of this change.

However, participants can request changes to their plan at any time if they experience a significant and ongoing change to their support needs as a result of a change in their circumstances or functional capacity.

This may include changes to their disability-related support needs due to changes to living arrangements, education or employment circumstances, or the informal supports they receive from family, carers or others.

A reduction in funding resulting from this change on its own is not considered a significant and ongoing change in circumstances for the purposes of requesting a plan reassessment or variation.

If a participant experiences fraud or is affected by a crisis or emergency situation, they can also contact the NDIA to discuss whether a variation to their plan is needed.

Eligible high support needs participants can request a plan variation to maintain their 24-hour disability supports

A new plan variation pathway has been created for high support needs participants who require 24-hour disability support.

This variation pathway makes sure participants continue to have sufficient funding to safely meet these needs, recognising that the level and nature of support required may vary across different environments and circumstances.

More information on this pathway is available in the 'Safeguards for high support needs participants' guide.

What happens when you transition to the new way of planning

NDIS participants will gradually transition to the new way of planning (called 'new framework planning') from 1 April 2027.

Before then, plan reassessments will continue under the current planning arrangements. Any changes to funding for social, economic and community participation and improved daily living skills supports will only apply to plans created, reassessed or renewed under current arrangements.

The funding reset for social, economic and community participation and improved daily living skills supports will not apply to new framework plans. This means once a participant transitions to a new framework plan, the funding reset will no longer apply.

New framework plans will be developed using the new planning approach. This will make plans fairer and more consistent and give participants greater clarity about their supports and funding.

More information about new framework plans and how participants will transition to them will be made available before implementation.

Participant examples

Example 1: Connor

Connor has an NDIS plan with \$73,000 per year for social, economic and community participation supports. This funding includes support to take part in social and community activities like participating in sporting groups and attending community events, as well as supports that help Connor engage in employment.

After the funding changes commence, the NDIA notifies Connor that his plan is being reassessed.

When Connor's plan is reassessed, the delegate finds that \$73,000 remains reasonable and necessary for his social, economic and community participation supports.

- \$46,000 is for employment supports and is not affected by the reduction.
- The remaining \$27,000 in his social, economic and community participation supports budget is subject to the funding change. This means his social, economic and community participation supports budget becomes \$13,500.

When Connor receives his reassessed plan, he is informed of the funding available in his plan. Connor has \$59,500 available in total for social, economic and community participation supports. This includes his reset social, economic and community participation supports funding and unaffected employment supports funding.

Connor can continue to choose how to use his available budget flexibly and work with his providers to get the most out of his supports.

Example 2: Omar

Omar has an NDIS plan with \$40,000 for social, economic and community participation supports. He uses these supports to participate in community activities, build social connections and develop life skills.

After the funding changes commence, the NDIA notifies Omar that his plan is being renewed.

When Omar's plan is renewed, the funding change is applied to the funding in his new plan and the NDIA informs him of the funding available in his plan after the reduction.

This means the amount available for Omar to spend on community participation supports becomes \$20,000.

Later, Omar's plan is reassessed. As part of the reassessment, the NDIA considers Omar's support needs and determines that \$35,000 is a reasonable and necessary amount for community participation supports.

The funding change is then applied to that amount. As a result, \$17,500 is now available in Omar's plan for community participation supports. This is the amount Omar can spend on those supports under his plan.

Omar can continue to choose how to use his available budget flexibly and work with his providers to get the most out of his supports.

Note: Examples of how the variation pathway works for high support needs participants who require 24-hour disability support are available in the 'Safeguards for high support needs participants' guide.

Working together to secure the NDIS

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