

MAV Sector Submission - National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026

- June 2026



No one understands the challenges and opportunities facing Victoria in the 21st century better than local councils. From rapidly evolving technology to social changes, shifting economies to environmental pressures, our local communities and the governments that represent them—are at the forefront of multiple transformations happening simultaneously.

As the peak body for the Victorian local government sector, the Municipal Association of Victoria (MAV) offers councils a range of services and support to help them serve their communities.



ACKNOWLEDGEMENT OF COUNTRY

We acknowledge the traditional custodians of the land on which we live. We recognise their continuing connection to land, waters and culture and pay our respects to their Elders past, present and emerging.

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Senate Standing Committee on Community Affairs

Dear Committee Members,

National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026

The Municipal Association of Victoria (MAV) welcomes the opportunity to provide a submission to the Senate Standing Committee on Community Affairs regarding the National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026.

The MAV is the statutory peak body for local government in Victoria, representing all 79 councils across the state. Victorian councils play a critical role in supporting inclusive communities through a suite of essential services including community development, maternal and child health, early years services, libraries, recreation, youth services, community transport, accessible infrastructure, social inclusion initiatives and local wellbeing programs.

Victorian councils support an NDIS that is sustainable, equitable and centred on the rights, aspirations and inclusion of people with disability. However, councils are increasingly experiencing the downstream impacts and uncertainty arising from changes to disability support systems.

While we acknowledge state programs such as the Home and Community Care Program for Younger People (HACC PYP), these programs are underfunded and not keeping pace with growing demand. Where individuals lose access to supports or face delays in accessing appropriate services, demand often shifts to local government services and community-based supports. While councils remain committed to fostering inclusive communities, these impacts are occurring without corresponding funding, role clarity or system-wide planning.

Victoria has previously experienced the consequences of system reform occurring without adequate investment in community-based inclusion supports. The cessation of the Building Inclusive Communities program following the introduction of the NDIS resulted in the loss of dedicated funding that supported many councils to employ access and inclusion workers and undertake community development initiatives. While the NDIS expanded access to individualised supports, it was accompanied by a reduction in broader investment in local access and inclusion activities that help people participate in community life.

The MAV is concerned that the proposed amendments may similarly assume that alternative supports and foundational services are readily available within communities. While local government plays an important role in creating inclusive places, councils are not funded, structured or legislated to provide individualised disability supports or ongoing community participation services. Without adequate investment in foundational supports and community-based inclusion initiatives, there is a risk that people with disability and their families will face gaps in support, while councils experience increased demand for services that were not designed or resourced to meet these needs.

The success of these reforms will therefore depend not only on changes to the NDIS itself, but also on ensuring that a well-funded and clearly defined system of foundational supports is available to assist people with disability to participate meaningfully in their local communities.

MAV State Council Position

At its May 2026 State Council meeting, Victorian councils endorsed a formal advocacy position regarding NDIS reforms.

Motion 29: NDIS Reforms – Human Rights, Co-Design and Community Impacts

That the Municipal Association of Victoria writes to the Victorian and Australian Government Ministers for Disability to:

- 1. Seek recognition that local governments are experiencing downstream impacts where children and adults lose NDIS supports, including increased demand on council-supported community, wellbeing, early years and inclusion services, without commensurate funding or role clarity.*
- 2. Advocate for:*
 - A. NDIS reforms to be genuinely co-designed with people with disability, families and disability-led organisations, in accessible ways, consistent with Australia's obligations under the Universal Declaration of Human Rights and the Convention on the Rights of Persons with Disabilities;*
 - B. access to clear, adequately funded, rights-based alternative supports for any child or adult exiting the NDIS;*
 - C. transparent, reviewable decision-making, including robust safeguards, qualified decision-makers and meaningful human oversight where automated or AI systems are used; and*
 - D. reform implementation to avoid cost-shifting to local government.*

This submission reflects the position;

1. Human Rights and Co-Design

The MAV supports a sustainable and effective NDIS. However, reforms must be developed and implemented in a manner consistent with Australia's obligations under the United Nations Convention on the Rights of Persons with Disabilities (CRPD) and broader human rights principles.

People with disability must be active participants in the design, implementation and evaluation of reforms that directly affect their lives. Effective co-design requires accessible consultation processes, sufficient consultation timeframes, and meaningful engagement with disability-led organisations, families and carers.

Implementation should then be developed with all three levels of government at the table - including Local Government as a critical partner.

2. Foundational Supports and Community Impacts

The MAV recognises the intent of establishing Foundational Supports (including Thriving Kids) as part of the broader disability reform agenda. However, councils are concerned about the practical implications where NDIS supports are reduced or removed before alternative supports are fully operational, adequately funded and clearly understood by service users and the compounding temporary impacts this

could have on local government service delivery and programs. For this reason state and local governments must be included, consulted to ensure that services are strengthened not stretched further.

Local governments already provide a broad range of universal and targeted services that support participation, wellbeing and community inclusion. Where gaps emerge in the disability support system, councils are frequently the first point of contact for individuals and families seeking assistance.

With the introduction of the Thriving Kids program, the MAV considers that this investment should lead sector reform, and primarily be directed towards strengthening and expanding the community-based supports that children and families rely on - particularly universal services such as Maternal and Child Health (MCH) in Victoria, as one of many services delivered or facilitated by local government. Adequately funding these accessible alternative supports will be critical to ensuring continuity of support for children who may not access the NDIS or whose supports change under future reforms.

Without sufficient investment through the Thriving Kids program and associated foundational supports, there is a significant risk that demand will increase across local government services, including:

- maternal and child health and early years services;
- community development and inclusion programs;
- recreation and participation initiatives;
- youth services;
- community transport and access programs;
- neighbourhood houses and community facilities; and
- local wellbeing and social support services.

The implementation of Foundational Supports should be accompanied by clear funding commitments, defined responsibilities across levels of government, and a demonstrated capacity to meet demand before NDIS supports are withdrawn.

3. Transparency, Review Rights and Safeguards

The MAV supports decision-making frameworks that are transparent, accountable and reviewable.

Given the significance of NDIS decisions for participants, councils are concerned by proposals that may reduce opportunities for review or limit participants' ability to challenge decisions affecting eligibility, funding or support arrangements. Strong review mechanisms are essential to maintaining trust in the scheme and ensuring decisions are fair, consistent and responsive to individual circumstances.

The MAV also notes the increasing use of digital technologies, automated systems and artificial intelligence across government service delivery including Aged Care. Where such tools are used in assessment or decision-making processes, participants must be protected through robust safeguards, qualified decision-makers and meaningful human oversight.

Transparency regarding assessment methodologies, decision-making criteria and review pathways is essential, particularly where decisions may affect a person's access to supports or participation in community life.

The MAV further notes concerns raised regarding assessment methodologies and the need to ensure any functional assessment tools are appropriately validated, culturally safe and capable of accurately capturing the diverse experiences of people with disability, including those with fluctuating or episodic conditions.

4. Ensure coordinated transition and adequate funding arrangements

The success of disability reform depends on clear delineation of responsibilities between governments and appropriate funding arrangements.

Local government is not a substitute funder for disability supports. Where reforms result in increased demand on council services, infrastructure or programs, there must be recognition of these impacts and appropriate mechanisms to address them.

The MAV encourages the Australian Government to undertake comprehensive impact assessments of proposed reforms, including analysis of potential demand transfer to local governments and community services. Future reform implementation should be accompanied by clear funding arrangements and collaborative planning across all levels of government.

Recommendations

The MAV recommends that the Committee:

1. Ensure NDIS reforms are genuinely co-designed with people with disability, families, carers and disability-led organisations through accessible and meaningful engagement processes.
2. Assess and address the downstream impacts of reforms on local government services and community infrastructure.
3. Ensure all reforms are consistent with Australia's obligations under the Convention on the Rights of Persons with Disabilities and broader human rights principles.
4. Require clear, adequately funded and rights-based alternative supports to be operational before any reduction in NDIS supports occurs.
5. Require robust safeguards, qualified decision-makers and meaningful human oversight wherever automated or artificial intelligence systems are used in assessment or decision-making.
6. Ensure assessment tools are appropriately validated, culturally safe and capable of accurately reflecting the needs of people with disability, including those with fluctuating or episodic conditions.
7. Avoid cost-shifting to local government through appropriate funding, role clarity and intergovernmental coordination.

Conclusion:

Victorian councils support an NDIS that is sustainable, equitable and centred on the rights, aspirations and inclusion of people with disability. The MAV recognises that those impacted by these changes also require access to strong foundational supports and a service system that enables them to participate meaningfully in their local communities.

The MAV encourages the Committee to ensure that any reforms strengthen participant outcomes while maintaining transparency, accountability and access to support. Particular consideration should be given to the impacts of reform implementation on local communities and local governments, which are often called upon to respond when gaps emerge in broader service systems.

Thank you for the opportunity to contribute to this inquiry. The MAV would welcome further engagement with the Committee.

Yours faithfully,

Kelly Grigsby
Chief Executive Officer
Municipal Association of Victoria

MAV would be pleased to provide clarification on any information in this submission. For further information, please contact, Dylan Styles, Strategic Advocacy Lead at dstyles@mav.asn.au.

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