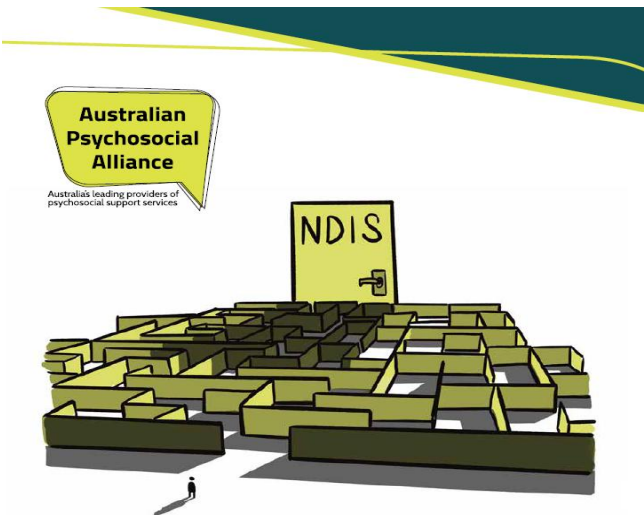


Access Denied: Psychosocial Disability and the NDIS

UPDATE August 2026



The June NDIA quarterly data report confirms ongoing low access rates, and that the number of people applying continues to drop. It is a year since we launched the [Access Denied](#) campaign, and while there is increasing recognition that access is an issue there is little willingness to address it.

The *NDIS (Securing the NDIS for new generations) Act 2026* has now passed. It received Assent on 20 August 2026. Despite some positive amendments secured by the Greens, this Bill and the changes it brings do little to address the difficulties people with a psychosocial disability experience accessing and receiving the NDIS and may entrench disproportionate disadvantage. The proposed cuts to the Social, Civic and Community Participation (SCCP) budgets will impact on people with a psychosocial disability hard. SCCP is in 96% of people 's budgets, and SCCP accounts for 30% of those budgets

To make matters worse, the proposed design of the *Inclusive Communities Fund*, heralded in the Act's Explanatory Memorandum as one of the responses to reduce the impact of the cuts to SCCP budgets, is unlikely to benefit many people with psychosocial disability. In the meantime, there is still no commitment to the development of Foundational Supports for people with psychosocial disability.

The fear of automated planning is also now very real and comes at a time when significant concerns about the Aged Care reforms failing to provide person-centred and appropriate care packages are emerging.

Data update: psychosocial disability and the NDIS ¹

66,122	Have active plans
5,753	People with psychosocial disability originally estimated to be in the NDIS but are not currently getting support (using original Productivity Commission methodology)
1762	People with a psychosocial disability applied for access: 1366 less than the same time last year
34%	Of people with psychosocial disability who applied, 34% received access, compared with 78% for all other disabilities. This is down 2 percentage points from the last quarter.

¹ NDIS Quarterly report to disability ministers, Supplement E, 2025-2026, Q4

Contact us with any questions or suggestions. Email at connect@psychosocialalliance.org.au.

What's next re the NDIS Act

Now that the Bill has passed the focus turns to implementation. The Bill includes a few safeguards, such as consultation before some changes are made. It also provides for rules, including to support the assessment process.

However, there is no timeline or commitment to making these rules. They were not updated following changes to the NDIS Act in 2021 to the eligibility criteria for people with psychosocial disability. These 2021 changes intended to move assessment away from an emphasis on medicalised terminology and diagnosis to functional impairment. *Access Denied* suggests that the intent of these changes were never fully realised.

We need Minister Butler to commit to developing new *becoming a participant rules* which address the access barriers for people with psychosocial disability. This includes to recognise how environment causes and impacts psychosocial disability, to exclude any expectation of invasive and inappropriate treatments, and ensure eligibility is focussed on permanency of functional impairment rather than psychiatric condition.

Design of the Inclusive Communities Fund

Submissions are being sought now for the design of the Fund but it already comes with set parameters.

Improving connectedness is high on the priorities for many people with mental health challenges and psychosocial disability and the aim to support people to participate in "mainstream" activities is sound. However, the expectation that this can be achieved through strengthening organisational capability to offer more inclusive activities fails to recognise the complexity of social connection and participation for many people with psychosocial disability. It risks prioritising social inclusive activity over actual social connectedness.

The Fund's design needs a psychosocial lens which explores how to address real and perceived stigma and discrimination around

mental illness and psychosocial disability, practical barriers such as cost and transport and prioritises access to experiences which facilitate personal connections.

This means recognising that for many people building pathways to social connection and community participation requires access to safe spaces with people who understand their reality and journey. This is often with others who share similar life experiences. Providers will also need to develop both understanding and capacity to respond to the varied experiences of mental ill health.

NDIA internal practice review of access processes for people with psychosocial disability

We are still awaiting the outcomes of the internal NDIA Access review which is exploring the practice factors that may be contributing to the declining access rates for people with psychosocial disability.

We remain concerned that there is no engagement of people with lived experience or service providers who have experience with supporting people through the access process in the review.

Foundational Supports & Psychosocial Unmet Need

There is still no news on what is happening with Foundational Supports or responding to unmet need from the almost 500,000 people, and their carers, kin and supporters, across Australia who need psychosocial support outside the NDIS and are not getting it.

The APA is preparing a position statement on what it would like to see in the next National Mental Health and Suicide Prevention Agreement (NPHSA). It includes a rebalancing of mental health investment, towards specialist psychosocial support

Keep the momentum going

Please continue to raise these issues through inquiries and consultations, in parliaments and with Ministers across all Government and jurisdictions.

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