

Bilateral Agreement between the Commonwealth of Australia and State of Western Australia on the National Disability Insurance Scheme

Part 1 – Objective of this Agreement

1. Through this Agreement, the Commonwealth of Australia (the Commonwealth) and the State of Western Australia (Western Australia) commit to improve the outcomes of people with disability by supporting them through the National Disability Insurance Scheme (NDIS; the Scheme), with the shared goal of increasing social and economic participation.
2. Through this Agreement, the Commonwealth and Western Australia are committed to the delivery of the NDIS to ensure that it achieves the objectives set out in the *National Disability Insurance Scheme Act 2013* (the NDIS Act).
3. The NDIS will:
 - a. provide all eligible Australian residents with independence through access to a scheme based on insurance principles that guarantees lifetime coverage for participants for the costs of reasonable and necessary care and supports, to enhance their social and economic participation;
 - b. enable people with disability to exercise choice and control in the pursuit of their goals and the planning and delivery of their supports;
 - c. provide an individualised approach to supporting people with disability based on a market approach;
 - d. provide safe and high quality supports to participants through national quality and safeguarding and market oversight arrangements; and
 - e. guarantee a sustainable funding model for the provision of disability supports to participants into the future.
4. This Agreement outlines the roles and responsibilities of the Commonwealth and Western Australia in relation to governance, policy, market development and oversight and funding arrangements for the NDIS.

Part 2 – Parties and Operation of the Agreement

5. The Parties to this Agreement are the Commonwealth and Western Australia.
6. This Agreement will commence on 30 June 2025.
7. This Agreement:
 - a. builds on the experiences of trial and transition in Western Australia and nationally, including in relation to remote service delivery under the NDIS;
 - b. outlines the ways the Commonwealth and Western Australia will work together on NDIS governance, funding and related policy matters;

- c. supersedes the NDIS Heads of Agreement and the Bilateral Agreement for Transition to the NDIS between the Commonwealth and Western Australia;
 - d. may be amended, according to the process set out in Part 9; and
 - e. exists until such time as it is revoked or replaced by a decision of the Parties.
8. This Agreement is interoperable with:
- a. the NDIS Act and its associated Rules;
 - b. the *DisabilityCare Australia Fund Act 2013* (the DCAF Act);
 - c. Australia's Disability Strategy 2021-2031 and its successors;
 - d. the 'Principles to Determine the Responsibilities of the NDIS and other Service Systems – Applied Principles and Tables of Support (APTOS)' agreed by the Council of Australian Governments (COAG) on 19 April 2013, updated on 27 November 2015;
 - e. any National Partnership Agreements between the Commonwealth and Western Australia which provides for payment from the DisabilityCare Australia Fund (DCAF);
 - f. any relevant Commonwealth and Western Australian legislation; and
 - g. any relevant international agreements, which may be ratified from time to time, including the United Nations Convention on the Rights of Persons with Disabilities.
9. Schedules to this Agreement include, but are not limited to:
- a. financial contributions; and
 - b. in-kind arrangements, if any.

Part 3 – Roles and Responsibilities

Shared responsibilities

10. In addition to their shared roles and responsibilities outlined in existing frameworks and in Clause 8, the Parties agree to:
- a. support and promote the objectives and principles of the NDIS, as set out in the NDIS Act;
 - b. work together through the governance structures in the NDIS Act and in this agreement to minimise risks to the delivery of the NDIS and ensure Scheme sustainability;
 - c. work collaboratively with the National Disability Insurance Agency (NDIA) on NDIS policy and implementation, including the Scheme's interface with other government and non-government service systems and supports;
 - d. engage with people with disability, their families and carers, so their views and experiences can be incorporated into ongoing refinement of NDIS policy and implementation settings, including the Scheme's interfaces with other government and non-government service systems and supports;
 - e. work collaboratively, consulting with the NDIS Quality and Safeguards Commission (the NDIS Commission) and engaging with people with disability, their families and carers, on ongoing refinement of the policy settings and operational arrangements relating to the NDIS Quality and Safeguarding Framework, including its interface with other safeguarding systems;

- f. consider reports on NDIS implementation, performance and outcomes, as well as impacts on other service systems, to inform their efforts to improve NDIS performance;
- g. participate in agreed evaluations and reviews, including by providing relevant information where available;
- h. make financial contributions to the NDIS, as set out in Part 8;
- i. where required, provide continuity of support for clients of Commonwealth or Western Australian specialist disability programs who are found to be ineligible for the NDIS, to assist them to achieve similar outcomes. The Commonwealth will take full responsibility for those aged 65 and over (and Aboriginal and Torres Strait Islander people aged 50 and over);
- j. ensure the portability of NDIS supports between jurisdictions;
- k. identify and report issues to the NDIA, NDIS Commission or the Ministerial Council or responsible government, as appropriate, in a timely manner to ensure that the NDIS, and the legislation underpinning the Scheme, is operating as intended;
- l. coordinate and promote links between the NDIS and other service systems and non-government and community-based supports to create seamless delivery of supports to NDIS participants;
- m. support the principles of interoperability with other service systems by sharing information and data to the greatest extent possible to support the effective integration of the Scheme and jointly monitor outcomes, subject to privacy and other confidentiality requirements;
- n. support the development of a robust and comprehensive disability services market;

The NDIS and other service systems

11. The NDIS operates alongside other service systems in accordance with the APTOS. All governments have agreed that the guiding principles outlined in the APTOS will be used to determine the funding and delivery responsibilities of the NDIS; and that the interactions of the NDIS with other systems will reinforce the obligations of other service delivery systems to improve the lives of people with disability, in line with Australia's Disability Strategy 2021-31.
12. The service decisions regarding support for NDIS participants made by the NDIA and other service systems, in line with the principles in the APTOS, should be implemented in a consistent manner. To support this, the NDIA will continue to publish all Operational Guidelines that guide decision making about funding supports for NDIS participants.
13. The APTOS may be amended from time to time. Recognising that changes to the APTOS impact the NDIS and other service systems; any changes to the APTOS will be undertaken through a collaborative and jointly agreed process between the Commonwealth and all states and territories and will be agreed by the First Ministers' Council.

Part 4 – Governance

Ministerial Council

14. The NDIS is established by the NDIS Act and as outlined in Chapter 1, Part 5 of the NDIS Act the NDIS is overseen by a Ministerial Council. The NDIS Act defines the Ministerial Council as being designated by the First Ministers' Council as having responsibility for the NDIS.
15. The Ministerial Council consists of the Commonwealth and all states and territories, and currently comprises Ministers with portfolio responsibility for disability policy.
16. The Ministerial Council is supported by a meeting of senior officials of Commonwealth and state and territory agencies responsible for disability policy, chaired by the Commonwealth.
17. Representatives from the NDIA and the NDIS Commission will attend Ministerial Council and senior officials meetings as required.
18. Under the NDIS Act, the Ministerial Council may make recommendations to the First Ministers' Council about NDIS policy matters or issues that arise under the NDIS Act or that respond to a scheduled review of the operation of the NDIS Act.

Working with the National Disability Insurance Agency

19. The NDIA is an independent statutory agency, whose role, as set out in the NDIS Act, is to deliver the NDIS and manage the financial sustainability of the NDIS, and to develop the sector, build community awareness and undertake data collection and research relating to disabilities.
20. The Parties may work with the NDIA to consider and resolve bilateral matters relating to the operation of the NDIS. This will be supported by agreed local and state-level governance arrangements which bring together the relevant parties and the NDIA. Unresolved matters could be escalated to the relevant Ministers or First Ministers, or where they have multilateral relevance, the Ministerial Council or relevant officials' bodies.
21. The Parties will establish governance arrangements for oversight of the NDIS in Western Australia from 1 July 2025, for the NDIS between the NDIA, the Western Australian Government and the Commonwealth Government.
22. The Parties agree to the establishment of a Western Australian Executive Steering Committee (ESC). The Parties agree the Western Australian ESC should comprise of senior representatives from Commonwealth and Western Australian agencies and the NDIA.
23. The Parties agree to the establishment of a Western Australian NDIS Community Advisory Council as set out in the Tripartite Agreement Governing Operating Protocols

for the NDIS between the NDIA, the Western Australian Government and the Commonwealth Government.

24. Under the NDIS Act, the Commonwealth Minister, as chair of the Ministerial Council and with all states' and territories' agreement, can:
- a. give directions, by legislative instrument, to the NDIA about the performance of its functions; and
 - b. provide strategic guidance to the NDIA Board.

Working with the NDIS Quality and Safeguards Commission

25. The NDIS Commission is an independent statutory agency, whose role, as set out in the NDIS Act, is to provide functions relating to the quality and safety of services provided to people with disability, register and oversee the operation of NDIS providers and manage and resolve complaints about NDIS providers.
26. The Parties may work with the NDIS Commission to consider and resolve bilateral matters relating to the operation of the NDIS. This may be supported by agreed governance arrangements which bring together the relevant parties and the NDIS Commission. Unresolved matters could be escalated to the relevant Ministers or First Ministers, or where they have multilateral relevance, the Ministerial Council – or relevant officials' bodies.

Part 5 – NDIS Quality and Safeguarding

27. The NDIS Quality and Safeguarding Framework, agreed by the Ministerial Council and endorsed by the First Ministers' Council, outlines the roles and responsibilities of the Commonwealth and all state and territory governments in relation to ensuring high quality supports and safe environments for NDIS participants.

Guiding Principles

28. All governments share a common goal of ensuring appropriate quality and safeguarding arrangements are in place for people with disability under the NDIS, in line with the following principles:
- a. avoid regulatory gaps and enable NDIS participants to make seamless transitions across jurisdictional regulatory boundaries;
 - b. embed best practice in safeguarding arrangements across agencies;
 - c. consult on decisions that might reasonably be expected to impact other parties; and
 - d. implement information sharing arrangements to ensure the success of quality and safeguarding arrangements.

Roles and Responsibilities

29. The Commonwealth is giving effect to its key obligations under the NDIS Quality and Safeguarding Framework through the establishment of the NDIS Commission and its functions as outlined in Chapter 6A of the NDIS Act.

30. The NDIS Commission will also regulate supports and services provided outside the NDIS in certain circumstances, where a program or provider is prescribed by the NDIS Rules.
31. The Parties agree that other existing Commonwealth and Western Australian quality and safeguarding arrangements will continue:
- a. for services for people with a disability delivered through service systems outside the NDIS;
 - b. for matters which fall outside the jurisdiction of the NDIS Commission;
 - c. to cover all in-kind supports, which do not fall under the remit of the NDIS Commission because they are not funded under the NDIS Act.
32. The Parties agree that universal complaints and redress mechanisms, including police, fair trading bodies, professional and industry bodies, consumer protection laws, tenancy protection laws and other regulatory and complaints systems, will continue to be available to both NDIS participants and people with disability outside the NDIS.
33. Consistent with the NDIS Quality and Safeguarding Framework, Western Australia is responsible for policy and any related legislation, the authorisation and consent arrangements for restrictive practices in Western Australia and for the operational aspects of worker screening, including the operation of state-based worker screening units.
34. The roles and responsibilities of the Commonwealth and Western Australia in relation to worker screening are outlined in the Intergovernmental Agreement on Worker Screening.

Part 6 – NDIS Market and Workforce Development

Guiding Principles

35. The Parties are committed to a NDIS delivered through an open market where:
- a. people with disability exercise choice and control to access reasonable and necessary supports;
 - b. diverse and sustainable providers offer a full range of quality supports wherever people live;
 - c. workers with appropriate skills deliver quality supports using a person-centred approach;
 - d. prices are monitored to support value for money for participants and Scheme sustainability, and decisions about price controls or deregulation are informed by evidence about the functioning of the market;
 - e. the sharing of high-quality and timely market intelligence is promoted by all agencies to the greatest extent possible;
 - f. governments adhere to principles of competitive neutrality when offering or providing supports to people with disability; and
 - g. the market is monitored and regulated, and receives support and intervention as necessary to ensure it delivers in the interests of participants.

36. The Parties acknowledge:
- a. that reform of the disability support market and workforce is ongoing; and
 - b. the role of consumers, providers and workers in building a mature NDIS market.

37. The Parties agree to:
- a. continue to support NDIS market reform through their respective education, training and regulatory systems;
 - b. forge connections to other relevant sectors (for example, health and aged care); and
 - c. support innovation in the disability support market, either directly or by not impeding innovation in the market.
- a. identify and promote targeted strategies for sector and workforce development in thin markets.

Roles and Responsibilities

38. The Roles and responsibilities of Western Australia and the Commonwealth are set out in the relevant market roles and responsibilities protocol.

Part 7 – NDIS Performance Reporting

39. Under the NDIS Act, the NDIA will provide the following levels of reporting about NDIS performance.

Annual Report

40. An annual report, which summarises the performance and operations of the NDIA as required by the *Public Governance, Performance and Accountability Act 2013* and the NDIS Act.
41. The annual report may also present the actions, initiatives and key performance indicators on the implementation and management of the NDIS against targets set out in the Commonwealth's Portfolio Budget Statements and the NDIA's Corporate Plan.

Quarterly NDIA Performance Reporting

42. The NDIA Board will report quarterly to the Ministerial Council on aspects of operational performance that contribute to the achievement of outcomes for the NDIS.
43. This information will be provided at the national level, and also disaggregated to the level of individual jurisdictions, and include information that relates to either or both of the following in the period to which the report relates:
- a. participants in each jurisdiction; and
 - b. funding or provision of supports by the NDIA in relation to each jurisdiction.
44. Reporting at this level is designed to provide jurisdictions with the information they require to meet their own individual accountability requirements, especially in the

budget -reporting context, and to enable Western Australia to monitor the impact of the NDIS on its population and service system.

Part 8 – Funding Arrangements

45. The NDIS Act provides for the payment of NDIS financial contributions by the Commonwealth and the states and territories. This Agreement sets out the detail of agreed funding arrangements and payments to be made to the NDIA.
46. The Parties agree to contribute to the NDIS in accordance with Schedule A of this Agreement.

Part 9 – Reviews and variations

Review of the operation of the Agreement

47. The Parties agree to a review at a mutually convenient time before the end of 2028 that will assess the operation of this Agreement in the context of NDIS reform, noting the short operating period of this Agreement

Reviews of NDIS Costs

48. The Parties agree to the Ministerial Council separately commissioning an independent review of NDIS costs in 2028 and, thereafter, as commissioned by the Ministerial Council. This will include consideration of the parameters and terms of reference of the review.
49. The reviews should examine the following issues:
- a. sustainability of the NDIS, including costs and achievement of participant outcomes;
 - b. cost pressures, including wages pressures;
 - c. the NDIA's operational costs;
 - d. efficiencies within the Scheme;
 - e. whether there has been any service and financial impact, positive or negative, on other service systems; and
 - f. the most appropriate levers to manage financial risks and any cost pressures.
50. Each review should also address any additional issues relevant at the time of the review.
51. The Parties commit to consider the outcomes of the reviews in respect of this Agreement.
52. The outcomes of the reviews will also be considered by the Ministerial Council and reported to the First Ministers' Council.

Variation to the Agreement

53. In the event the Commonwealth offers terms that are more favourable in full Scheme bilateral agreements with other jurisdictions, these will also be made available to Western Australia, if Western Australia makes such a request and the request relates to

substantial financial and governance arrangements and/or policy settings. The Parties agree to negotiate appropriate amendments to this Agreement to give effect to any changes, including from when any changes come into effect, recognising that if subclause (b) was invoked all relevant plans would need to be reviewed and cash supports removed where participants agreed to use the in-kind supports. The Parties agree that this provision excludes:

- a. the quantum of the Western Australian contribution, including the provision of cash and in-kind contribution and escalation rate; and
- b. Western Australia's in-kind funding cap and the values and phase-out deadlines agreed for the in-kind funded supports listed in Schedule B.

54. This Agreement and Schedule A to this Agreement may only be amended with the agreement of relevant First Ministers. This will include an amendment to Schedule A following reallocation of Western Australia's contributions in 2028 and every five years thereafter.

55. Schedule B to this Agreement may be amended or revoked, and new Schedules added, with the agreement of the Commonwealth Minister and the Western Australia First Minister or, where delegated, the relevant Western Australia Minister.

Part 10 – Process for Resolution of Disputes under this Agreement

56. Any Party may give notice to the other Party of a dispute under this Agreement.

57. Officials of relevant Parties will attempt to resolve any dispute bilaterally in the first instance, then if not resolved, escalate through the relevant Ministers and First Ministers.

58. If the dispute relates to a common multilateral provision of the Agreement, and Western Australia and the Commonwealth agree, it could also be escalated through relevant multilateral officials groups, and if necessary, the Ministerial Council and the First Ministers' Council.

The Parties have confirmed their commitment to this agreement as follows:

Signed for and on behalf of the Commonwealth of Australia by

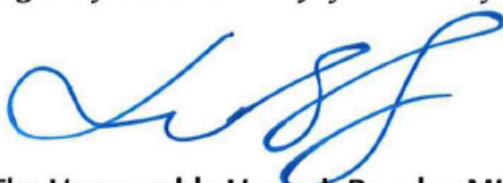
A handwritten signature in blue ink, appearing to be 'Mark Butler', written over the text 'Signed for and on behalf of the Commonwealth of Australia by'.

The Honourable Mark Butler MP

Minister for Disability and the National Disability Insurance Scheme

17/06/2025

Signed for and on behalf of the State of Western Australia by

A handwritten signature in blue ink, appearing to be 'Hannah Beazley', written over the text 'Signed for and on behalf of the State of Western Australia by'.

The Honourable Hannah Beazley MLA

Minister for Disability Services for the State of Western Australia

17/06/2025

Schedule A. Financial Contributions

Western Australia financial contributions

1. Western Australia will contribute \$1,308.6 million in 2023-24.
2. The \$1,308.6 million includes a \$38.1 million Budget Neutral Adjustment as a result of changes to Commonwealth and State roles and responsibilities under Schedule F of the National Health Reform Agreement – Addendum 2020-25.
3. The Budget Neutral Adjustment will be escalated at 3.5 per cent per annum.
4. The remaining NDIS contribution of \$1,270.5 million in 2023-24 will be escalated at a fixed rate of 4.0 per cent per annum until (and including) 2027-28.
5. Table 1 (below) shows Western Australia's financial contribution for each year from 2023-24 to 2027-28 (inclusive).

TABLE 1: WESTERN AUSTRALIA CONTRIBUTIONS

Year	Budget Neutral Adjustment (millions)	NDIS contribution (millions)	Total (millions)
2023-24	\$38.1	\$1,270.5	\$1,308.6
2024-25	\$39.4	\$1,321.4	\$1,360.8
2025-26	\$40.8	\$1,374.2	\$1,415.0
2026-27	\$42.2	\$1,429.2	\$1,471.4
2027-28	\$43.7	\$1,486.3	\$1,530.1

6. The escalation rate may be reassessed by the Parties following the 2028 independent review of NDIS costs, and any subsequent independent review of NDIS costs after 2028.
7. Western Australia's contribution will be spent on individualised support packages for Western Australian Scheme participants.
8. Western Australia's cash contributions will be made in advance, within the first two working days of each quarter, following receipt of an invoice from the NDIA.
9. Western Australia's cash contributions will be adjusted to take into account any in-kind funding contributions or other adjustments, as outlined in Schedule B.

Commonwealth contributions

10. The Commonwealth will continue to project the future cost of the NDIS, informed by each independent review of NDIS costs.
11. The Commonwealth will be responsible for the balance of all NDIS costs, taking into account the financial contributions from Western Australia, and will fully provision for all Commonwealth financial contributions.
12. The Commonwealth's cash contributions will be made in advance, on the first two working days of each quarter, following receipt of an invoice from the NDIA.

Reallocation of Western Australia contributions

13. A net neutral reallocation of all state and territory contributions will occur from 1 July 2028 and every five years thereafter, in line with each state's and territory's share of the total national population as per the most recent Census data at the time. This Schedule will be amended in 2028 and every five years thereafter to reflect the reallocation.
14. State population shares will be taken from the Australian Bureau of Statistics measure *3101.0 – Australian Demographic Statistics*.
15. State population shares will be taken from the December data from the year that each Census was undertaken (i.e. the first data used will be December 2026 Census data).
16. When a reallocation occurs, the total quantum of baseline state and territory financial contributions to the NDIS in a financial year will be considered as a single figure. This figure will then be divided based upon the updated share of national population residing in each state and territory.
17. This reallocation will result in increased contributions from states and territories whose share of the national population has grown, and reduced contributions from states and territories whose share of the national population has fallen, at the time of reallocation.
18. The reallocation will exclude the Budget Neutral Adjustment component of Western Australia's contribution.

The National Injury Insurance Scheme (NIIS)

19. The NIIS minimum benchmarks are outlined in the COAG Decision Regulatory Impact Statements – Standing Council on Federal Financial Relations for motor vehicle accidents which was released on 22 June 2017 and for workplace accidents which was released on 30 November 2016.
20. Western Australia will make additional contributions to the NDIS if Western Australia's motor vehicle or workplace insurance schemes are below nationally agreed minimum

benchmarks, or any revised minimum benchmarks subsequently amended by the Council on Federal Financial Relations. The Commonwealth will agree with states and territories a process to verify that minimum benchmarks continue to be met.

21. The amount of any additional contributions from Western Australia under Clause 20 of this Schedule will be the cost of the NDIS plan, and agreed administration costs, provided to a person in the NDIS.
22. Western Australia and the Commonwealth will continue to assess the feasibility of a NIIS for catastrophic general accidents in good faith, through the Council on Federal Financial Relations.
23. The Commonwealth and Western Australia may continue negotiations, through the Council on Federal Financial Relations, on coverage for no fault catastrophic medical treatment accidents, following a decision by COAG in 2017 to not proceed with the medical injury stream of the NIIS at that time.

Schedule B. Other Contributions

In-kind funding contributions

1. The Parties agree to phase out in-kind funding contributions. Exceptional circumstances have been agreed between the Parties to apply an in-kind funding offset for the Specialist School Transport and Personal Care in Schools supports identified in Table 2. These in-kind supports have been assessed on the basis they:
 - a. do not contravene section 17A of the NDIS Act in relation to participants exercising choice and control;
 - b. do not constrain the development of a NDIS support market;
 - c. adhere to principles of competitive neutrality;
 - d. allow the in-kind supports and amounts to be included in participant plans; and
 - e. will be calculated using the NDIA price for supports, where available, or an alternative, agreed unit value.
2. The estimated in-kind offset Western Australia will receive for specific supports and participants will be specified in an exchange of letters between senior Commonwealth and Western Australia officials by 31 March each year for the following financial year. This will reflect the phase out deadlines and values specified in Table 2, and the estimated number of NDIS participants included in the supports listed in Table 2. These details will be provided to the NDIA.
3. Western Australia will provide the NDIA and Department of Health, Disability, and Ageing (DHDA) with individualised data that meets the NDIA's requirements to calculate an in-kind offset. DHDA will also require additional information and calculations, in the exchange of letters referred to in Clause 2, to understand the basis for any increase in the average unit values specified in Table 2.
4. The maximum in-kind offset that the Western Australia can receive in a year will equal the estimated in-kind offset specified in the exchange of letters referred to in Clause 2.
5. Western Australia will receive an in-kind offset in arrears based on actual use of in-kind services. The offset will be provided as an adjustment to Western Australia's contribution upon the raising of the next invoice by the NDIA.
6. The value of in-kind supports subject to average annualised unit values, defined in Table 2, will be calculated as:
 - a. the number of months each participant has accessed the in-kind support since the last adjustment was applied, multiplied by
 - b. 1/12th of the agreed average annualised unit value of the in-kind support, as outlined in Table 2 and the exchange of letters outlined in clause 2.
7. For 2025-26 the Average Unit Value for in-kind offsets in Table 2 will be agreed between parties within three months of signing this agreement.

8. As soon as practical, the Ministerial Council will determine when the in-kind funding for supports in Table 2 will be phased out, once it has considered options for the future delivery of personal care in schools and specialist school transport for all schools that are appropriate for participants, providers and governments.

TABLE 2: AGREED WESTERN AUSTRALIA IN-KIND SUPPORTS

Supports	Phase Out Deadline	Value for in-kind offset	Average Unit Value 2025-26	Average Unit Value Until phase out
Specialist School Transport	See clause 8	Average annualised Unit Value	To be resolved via correspondence within 90 days	To be specified in an exchange of letters, as per Clause 2, Schedule B.
Personal Care in Schools	See clause 8	Average annualised Unit Value	To be resolved via correspondence within 90 days	To be specified in an exchange of letters, as per Clause 2, Schedule B.