

Self-managing budgets in my NDIS plan

Plan implementation

Contents

What is self-management?	3
Setting up a bank account.....	4
What about income Tax?	4
Accessing funds in my NDIS budget	4
Purchasing goods and services.....	Error! Bookmark not defined.
How do I claim a payment from the NDIA?.....	5
Paying Support Staff	6
Frequently Asked Questions (FAQ's)	7

So you have decided to self-manage supports in your NDIS Plan, what next...?

What is self-management?

Self-management means you are responsible for paying the invoices related to the supports you have received through your NDIS Plan. You will then be reimbursed for these expenses, with the money deposited into your nominated NDIS bank account. This claiming process is outlined later in this guide. Self-managing your plan may also allow you to directly employ your own staff, or pay someone else to employ them on your behalf.

You can request to self-manage all or some of the support budgets in your NDIS Plan. You may also choose to self-manage one part of a support budget. In this case you will see two support budgets in your plan with the same name, however each budget will have a different description about how the supports will be paid.

For example, you may have personal care and household assistance funded in your 'assistance with daily life at home, in the community, education and at work' (0001) budget. You could ask the NDIA to pay your providers directly for your personal care supports, and choose to self-manage your household assistance so that you can employ, and pay, someone of your choosing to assist you with household supports.

Why would I want to self-manage?

Self-managing any part of your NDIS Plan gives you choice and control over the people that you pay to support you. Self-managing also gives you the opportunity to purchase supports from suppliers who are not registered with the NDIA.

It's important to note that the NDIA will not fund parents or family members of participants to provide personal care supports, except in the most exceptional circumstances. An example of this may be where there is risk of harm or neglect to the participant or where a suitable provider is not available to provide the support.

Responsibilities

If you choose to self-manage any part of your NDIS Budget(s), you will be responsible for:

- choosing and arranging your own supports, which may also include arranging your own support workers
- ensuring that the relevant invoices for your supports are paid on time
- keeping appropriate records and receipts for supports provided, claimed and paid
- reporting to the NDIA on the amount used and funds spent on the self-managed items of your NDIS Plan.

Setting up a bank account

If you choose to self-manage all or part of your NDIS Budget(s), it is strongly advised that you have a separate bank account just for your NDIS funds (your NDIS bank account).

As an NDIS participant, the bank account must be opened in your name. If the participant is a child, the bank account should be in the child's name and the child's representative must be listed as a signatory to the child's account. If the bank account is not able to be opened in the participant's name, the account must be in the name of the nominee or child's representative who is approved to self-manage the NDIS funding.

You will be responsible for paying any bank or transaction fees incurred as part of this bank account, so you will need to select the account that is right for you.

What about income tax?

The account holder is exempt from paying income tax on any funds received directly from the NDIA and held in this bank account. For more information visit the Australian Tax Office website.

Your NDIS support funding is not treated as income if you are receiving Centrelink payments or for the purposes of Child Support Benefit.

Any interest earned on NDIS funds is treated as income and must be reported to the ATO.

Purchasing goods and services

No matter how you manage your NDIS Plan, it is recommended that you develop and maintain a list of providers who will deliver the supports you need, their contact details and any other relevant information such as budget reference numbers. Every support item in the price guide has a unique number that identifies the specific support item being provided.

When you self-manage any part of your NDIS Budget (s), you will be responsible for paying the invoices. You should advise your provider that you will be paying them directly.

The majority of your supports will be paid for in a similar way to your regular household bills. You will be provided with an invoice requiring payment from people or agencies who have delivered your supports to you.

You need to keep all invoices/receipts for five (5) years.

Accessing funds in my NDIS budget

Which supports are being self-managed?

Your NDIS Plan will show how the funding for each of your support budgets will be managed. Under the 'How will the supports be paid' description in each budget, the entry will say 'NDIA will pay me or my nominee directly'.

Advance Payment

The first payment that you will receive from the NDIA is a one-off advance payment based on one month's value of your self-managed budget (s). You will be able to speak to the NDIA in more detail about this payment.

You will receive the advance payment within two weeks of the NDIA:

- Approving your plan; and
- Receiving the completed NDIS bank account details form, advising the NDIA of the account you are going to use only for your NDIS Budget (s) (bank name, branch, BSB, account number, account name of the account).

The one-off advance payment acts like a float or a kitty. Once you have received your advance payment, you will use these funds to purchase your first month of supports as per your NDIS Plan. You will then need to submit a claim to the NDIA to be reimbursed for these costs, which will top up your advance payment float.

If you stop self-managing your NDIS Plan this advance needs to be returned to the National Disability Insurance Agency (NDIA). Your NDIA contact staff can assist you with this process.

How do I claim a payment from the NDIA?

You will need to make a claim for the services you have received against each support budget in your plan in order to receive a payment from the NDIA.

You can only make a claim to the NDIA once you have received an invoice or a receipt for the supports that you have received. You can submit claims to the NDIA as often as you need to.

The NDIA recommends that you submit your claims online through the NDIS Participant Portal, which removes the need to submit forms. However, if you are unable to claim online you will be able to complete and submit a My Plan Purchases Claim Form to the NDIA.

What if I don't spend all of the funds in my plan?

The NDIS provides a whole-of-life approach to providing supports that are reasonable and necessary for you to live more independently and work towards reaching your goals. This means you do not need to spend all your budget if you don't need to.

You will review your current NDIS Plan with your Planner before a new plan is agreed to. You do not need to use all the NDIS funding in your current plan to get the funding you need in your next plan.

Decisions about what supports are in your plan are based on what is reasonable and necessary to meet your goals for the period of each plan, rather than about how much money you have or haven't spent in your previous plan.

Paying Support Staff

There are 3 different ways to pay your support staff as described below.

Direct Employment

You can directly employ your own support staff. This option is suitable no matter how small your NDIS Budget is.

In this situation, you become the employer and have particular responsibilities to the Australian Taxation Office and your employees.

For more detailed information on how Direct Employment works, please refer to the Fact Sheet [‘Directly Engaging My Own Staff’](#) on the NDIS website.

Contract Support Workers

A contract support worker operates similarly to most gardeners, cleaners and tradespeople, and has their own ABN and insurance and will provide you with an invoice to be paid.

It is advisable to check that the contractor has an ABN and holds appropriate insurance, qualifications and police checks before you agree to work with them.

In order to meet the definition of a contractor, the support worker may be paid for performing a ‘task’ rather than a set number of hours of work. For example, they may be paid the equivalent of one hour to “get you out of bed and ready for the day” even if this only takes forty minutes. Other contractors may charge an hourly rate so their invoices will need to show the support description as well as the amount of hours of the support provided.

If you know a support worker who you would like to engage as a contractor, you might like to refer them to the Fact Sheet [‘Starting a small business as a Support Worker \(Becoming a self-employed contractor\)’](#).

Registered and non-registered Service Provider

You can use any service provider you want to use. If a service provider or agency you want to use is registered with the NDIA, you can still self-manage your NDIS Budget and use their services.

In this instance, the registered service provider will provide you with an invoice to be paid rather than accessing your funds directly through the NDIS Portal.

This option may allow you more control over who, how, when and where you are supported.

Choosing or Recruiting Support Staff

You may be involved in choosing or recruiting your own support staff if:

- you choose to self-manage any part of your NDIS Plan related to support staff;
- you choose to use a Private Provider;
- you work alongside a Registered Service Provider to identify someone who will work well with you.

Recruitment

There are a lot of different resources that can assist you with the process of recruiting staff. Things to keep in mind are:

- Advertising
- Position description – what will the person need to do
- Training
- Evidence of police checks, qualifications and insurances if required.

There is a useful reference called [A Guide to Engaging your own Support Workers](#) that can be downloaded from the NDIS website:

Paying Staff Directly

The Support Clusters and Pricing document on the NDIS website contains information on maximum or benchmark prices of the supports in your NDIS Plan.

The rate of pay for a support worker is outlined in the Social, Community, Home Care and Disability Services Industry Award 2010.

It may be worth consulting with an accountant or financial advisor to assist you to set up an accounting system that supports you to pay appropriate wages, superannuation and the relevant insurances.

Some providers including registered providers may also offer options for you to manage your own staff and rostering, but they employ your support workers and pay them, and look after the accounting and other paperwork for you. This means you only need to pay one invoice from the provider.

Frequently Asked Questions (FAQ's)

I love the idea of self-managing all or part of my NDIS Budget(s) but don't want to have to spend my time completing paperwork. Is there any way around this?

The Participant Portal allows you to claim online, removing the need to submit forms to the NDIA. The only paperwork activity is to keep the following information for a period of five (5) years:

- Your bank statements, or a printout of the transactions from your NDIS Bank Account;
- All invoices and receipts that you have submitted a claim for.

These can be kept electronically or as paper files. Most participants keep their invoices and receipts organised in a folder in case an audit is conducted.

If you would think you will need help to learn how to:

- pay your providers directly;
- check your invoices;
- keep your invoices and receipts for the NDIA; or
- submit online claims to the NDIA.

You can ask your planner to add these in your plan as goals and they will look at supports that could help you.

I'm really interested in learning more about self-management. Where can I get more information?

You can use the following information on the NDIS website:

- Self-Management page (link) which has other resources to assist participants in self-managing
- Self-management claiming and reporting information
- Directly employing my own staff
- Starting a small business as a support worker
- "A Guide to Engaging your own Support Workers"

[ndis.gov.au/sites/default/files/documents/MyPlace_EngagingBooklet.pdf](https://www.ndis.gov.au/sites/default/files/documents/MyPlace_EngagingBooklet.pdf)

- The NDIS Participant Portal user guide page which has help and information for using the Participant Portal including how to do online claims.

[ndis.gov.au/participant-portal-user-guide](https://www.ndis.gov.au/participant-portal-user-guide)

You can ask your NDIS contact or you may also like to attend a Self-Management workshop at your local NDIS office.

Peer Support Groups are also a great option, as one of the best ways to learn more about self-managing your NDIS Budget is to talk to other people who have done it.

I don't want to be responsible for paying tax and superannuation and worrying about insurance.

You only need to think about these things if you choose to directly employ your staff.

Do I have to do all the paperwork?

If you are able to claim online, there is not a lot of paperwork.

If you don't think you are ready, you can use a Plan Management Provider to delegate financial, legal and administrative responsibilities who can look after the paperwork and claiming. The NDIA can provide funding for this. This means that you and your family can get on with making the decisions that are important to you.

Where do I go if I have a problem?

You should contact your local NDIA office if you want to discuss any aspects of your NDIS Plan further.

Other useful resources:

- Consumer Affairs in your state or territory
- Australian Securities and Investment Commission: **www.moneysmart.gov.au/**

More information

Contact us if you would like more information on managing your supports.

Visit: www.ndis.gov.au
Email: enquiries@ndis.gov.au
Call: 1800 800 110*

For people with hearing or speech loss:
TTY: 1800 555 677
Speak and Listen
(Speech-to-speech relay): 1800 555 727
For people who need help with English
Translating and Interpreting Service: 131 450

* The call centre is open Monday to Friday, 8am to 8pm EST

* 1800 calls are free from fixed lines. However, calls from mobiles may be charged.