

FOR IMMEDIATE RELEASE

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MEDIA RELEASE

Ministers, NDIS reform must be matched by action on psychosocial supports

Mental Health Coordinating Council (MHCC) is urging this week's Health and Mental Health Ministers meeting to prioritise and progress psychosocial Foundational Supports, as significant National Disability Insurance Scheme (NDIS) reforms begin to take effect.

With the NDIS reform legislation now passed and significant funding reductions taking effect from 1 October 2026, MHCC says governments must act with the same urgency to build the supports people living with psychosocial disability need outside the Scheme.

"We welcome the focus on children and young people and see this as an opportunity to build a comprehensive system of Foundational Supports for all Australians who need them," says Dr Evelyne Tadros, CEO of Mental Health Coordinating Council.

"Rather than sequencing support between cohorts, governments can work toward expanding psychosocial Foundational Supports in a way that delivers benefits across the community."

"The NDIS is changing, yet we still do not have a clear pathway for people living with moderate to severe mental health challenges who need these supports to live well and stay connected with their communities. This initiative needs to move forward now, with clear commitments to co-design, funding and implementation."

The Commonwealth Government's own impact analysis shows that around 30 per cent of total plan budgets for participants with psychosocial disability as their primary disability is committed to social and community participation supports. It also recognises the significant social, environmental and disability-related barriers people with psychosocial disability can experience in accessing their communities.

What the figures do not tell is the reality on the ground - that NDIS plans for people living with psychosocial disability have already been reduced significantly over the last five years and as a result, many have had to rely on their social and community participation funding to meet fundamental daily living needs. Reductions to social and community participation funding therefore risk having consequences that extend well beyond participation in social or community activities.

Dr Tadros says strengthening the system outside the NDIS must happen alongside changes to the Scheme.

"NDIS reform cannot succeed in isolation. People need confidence that appropriate supports will be available in their communities, whether they are eligible for the NDIS or receive support outside it," Dr Tadros says.



“We cannot wait for one stream of Foundational Supports to be completed before beginning the next. Governments could progress psychosocial Foundational Supports now, with each designed around the needs of the individuals they are intended to support.”

MHCC and National Disability Services have set out in a [joint proposal](#) a comprehensive system of psychosocial Foundational Supports in NSW, building on the expertise and infrastructure of the community-managed mental health sector.

MHCC is calling on Commonwealth, state and territory governments to use the 4 September Health and Mental Health Ministers to commit to clear pathway for psychosocial Foundational Supports, including agreed timelines for co-design, funding and implementation. As NDIS reforms take effect, governments must act now to ensure people living with moderate and severe mental health challenges have access to the supports they need, when and where they need them.

-ENDS-

About Mental Health Coordinating Council

Mental Health Coordinating Council is the peak body primarily for community-managed mental health organisations in NSW. MHCC provides policy leadership, promotes legislative reform and systemic change, and develops resources and training to assist community mental health organisations to deliver quality and effective services underpinned by best practice principles. Visit mhcc.org.au

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