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# **Review of Commonwealth Commissioned reports (2020 - June 2025): themes and key findings relevant to targeted foundational supports for psychosocial disability.**

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## Executive Summary

The design and model for delivering targeted foundational supports for people with psychosocial disability outside of the NDIS has been under review by the Commonwealth since the establishment of the NDIS scheme, particularly as community-based services were disestablished as government funding was transferred to meet the needs of people eligible for the NDIS. We have developed a research-based model that aims to address service gaps and improve access to foundational supports for individuals with psychosocial disability who are not eligible for the NDIS.

This paper synthesises the common themes that we considered in the design of the research-based Foundational Support model. These were extracted from relevant Commonwealth government commissioned reviews and reports, published from 2020 through to June 2025. They focus on the findings and recommendations from the perspective of government policies, rather than the academic literature and research sector or any critiques of these reports from the broader mental health advocacy and lived experience sectors.

### **The level of unmet need for psychosocial support is high, and the target group is people with severe mental illness**

There is no debate that there are gaps in psychosocial supports, particularly for people with severe mental illness and significant, ongoing functional impairment. Across Australia there is diversity in current psychosocial support programs and their funding levels. Given the known challenges in accessing supports through the NDIS, current government programs and mainstream services, it is important that inequities in access are not replicated when designing how to access foundational supports.

### **Strengthening interfaces and reducing silos through improved intra- and inter- sectoral working**

There are consistent recommendations on the need to strengthen interfaces and reduce silos by creating a cohesive ecosystem across health, disability and mainstream services. These recommendations range from macro level system changes through consistent policies and shared governance to recommendations focusing on the individual, creating a person-centred approach, supporting individuals to navigate and access across complex systems.

### **Support for navigation**

Specific support for navigation and navigators is consistently recommended to empower consumers to effectively connect through a complex service and funding system. This recognises the challenges that people with psychosocial disability may face and is an approach based on empowering the consumer to have choice and control over their care by enabling them to effectively access the services they need. Navigation needs to extend beyond information sharing.

### **A human rights-based approach including inclusion and accessibility to mainstream services**

Foundational supports need to be designed so individuals with psychosocial disability can use the same services and participate in the same activities as others in the community. This requires positive action and structural changes that create more inclusive approaches and improved outcomes. This commitment is not only for psychosocial support services but extends to improving access to health and other government funded mainstream services.

### **Additional funding is required**

There are consistent recommendations for Commonwealth, State and Territory governments to fund additional psychosocial support services supports, given the shortfall in support and unmet need.

### **Support for implementation and evaluation**

A range of enablers are recommended from more effective governance, dedicated funding and standardised tools to more rigorous and ongoing evaluation and data. These recommendations sit alongside the requirement for a clear program logic outlining how foundational supports should work and the links between inputs, activities, outputs and expected outcomes.

## Purpose of this paper

The design and model for delivering targeted foundational supports for people with psychosocial disability outside of the National Disability Insurance Scheme (NDIS) has been under review by the Commonwealth since the establishment of the NDIS scheme, particularly as community-based services were disestablished as government funding was transferred to meet the needs of people eligible for the NDIS living with a permanent impairment and experiencing significant functional impairment.

We have developed a research-based model<sup>1</sup> that aims to address service gaps and improve access to foundational supports for individuals with psychosocial disability who are not eligible for the NDIS.

This paper outlines the key common themes that we considered as inputs into the design of the model, from relevant Commonwealth government commissioned reviews and reports on both mental health and psychosocial disability published from 2020 through to June 2025. This paper specifically focuses on the findings and recommendations of these reports from the perspective of government policies. Separate reports engage with the perspectives of the academic literature and research sector, including critiques of these reports from the broader mental health advocacy and lived experience sectors.

Appendix A contains a summary of each report with relevant findings and recommendations, and this paper outlines the common themes across reports that we considered as inputs into the model. By synthesising the common themes, this paper aims to inform future policy directions and guide investment in community-based foundational supports that fill current service gaps.

We recognise that the language of 'psychosocial disability', 'mental illness' and 'mental ill-health' are contested as terms to describe this population and mean different things in different settings. In using these terms, we are referring to people with 1) mental health challenges and 2) significant disability or severe impairments arising from those challenges.

## Commonwealth level reports

There were six relevant Commonwealth level reports published between from 2020 until June 2025.

Report	Purpose
Productivity Commission (2020). <i>Mental Health, Report no.95</i> . <sup>2</sup>	The Australian Government commissioned the Productivity Commission to undertake an inquiry into the role of improving mental health to support economic participation and enhancing productivity and economic growth.
Nous Group (2021). <i>Evaluation of National Psychosocial Support Programs: Final Report Prepared for the Australian Department of Health</i> . <sup>3</sup>	The Australian Government's Department of Health and Aged Care commissioned an evaluation of the national psychosocial support programs. The purpose was to conduct an independent evaluation of the National Psychosocial Support Measure (NPS-M) and Continuity of Support (CoS) programs, to assess how appropriate, effective, efficient and impactful the programs have been.
Commonwealth of Australia (2023). <i>Working together to deliver the NDIS, Independent Review into the National Disability Insurance Scheme, Final Report</i> . <sup>4</sup>	The executive branch of the Australian Government, led by Cabinet commissioned an independent review of the NDIS with three overarching objectives: <ul style="list-style-type: none"><li>• putting people with disability back at the centre of the NDIS</li><li>• restoring trust, confidence and pride in the NDIS</li><li>• ensuring the sustainability of the NDIS for future generations.</li></ul>

<sup>1</sup> Smith-Merry, J., Mullin, B., Hollier, J., & Bobo, F. (2025). *Targeted foundational supports for people with psychosocial disability outside of the NDIS: model proposal v5*. <https://www.sydney.edu.au/medicine-health/our-research/research-centres/centre-for-disability-research-and-policy/research/fixing-the-ndis-for-people-with-psychosocial-disability.html>

<sup>2</sup> Productivity Commission. (2020). *Mental Health, Report no.95* <https://assets.pc.gov.au/inquiries/completed/mental-health/report/mental-health-volume1.pdf>

<sup>3</sup> Nous. (2021). *Evaluation of National Psychosocial Support Programs: Final Report Prepared for the Australian Department of Health*. <https://www.health.gov.au/resources/publications/evaluation-of-national-psychosocial-support-programs-final-report>

<sup>4</sup> Commonwealth of Australia Department of the Prime Minister and Cabinet. (2023). *Working together to deliver the NDIS, Independent Review into the National Disability Insurance Scheme, Final Report*.

<https://www.ndisreview.gov.au/sites/default/files/resource/download/working-together-ndis-review-final-report.pdf>

Commonwealth of Australia (2023). Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability. <sup>5</sup>	The Royal Commission was asked by the Commonwealth to examine and expose violence against, and abuse, neglect and exploitation of, people with disability in all settings and contexts.
Health Policy Analysis (2024). Analysis of unmet need for psychosocial supports outside of the National Disability Insurance Scheme Final Report. <sup>6</sup>	The Australian Government's Department of Health and Aged Care commissioned an analysis of unmet need for psychosocial services based on the National Mental Health Service Planning Framework (NMHSPF) and including people with both severe and moderate mental illness.
Productivity Commission (2025). Mental Health and Suicide Prevention Agreement Review Interim Report. <sup>7</sup>	The Australian Government commissioned a review of the Mental Health and Suicide Prevention Agreement to holistically consider, assess and make recommendations on several key aspects including the effectiveness and operation of the programs and services.

## Defining targeted foundational supports for people with psychosocial disability

Foundational supports was a term used by the NDIS Review (2023) to highlight the need to create a unified ecosystem of supports for every Australian with disability, adapting the previous terminology. Tier 2 supports was a term originally used in 2011 by the Productivity Commission and in 2015 all governments agreed to rename Tier 2 as Information, Linkages and Capacity Building (ILC) from 2015.

*“We believe the term foundational supports best describes what they are — the supports that offer people with disability a foundation to live a good life, included in the community, regardless of whether they are in the NDIS or not. Foundational supports are essential to a joined-up disability support ecosystem that ensures people with disability inside and outside the NDIS can access the right support at the right time and place”. (p54)*

*“This should be made up of inclusive and accessible mainstream services, a thriving foundational support system for all people with disability, and a reformed participant pathway in the NDIS for those needing individualised budgets.” (pii)*

*Targeted Foundational Supports* refers to as system of “early intervention and low intensity care supports that are primarily for specific groups of people with disability outside the NDIS who are in most need of additional support.....this includes psychosocial support services.”<sup>8</sup> This proposed tier of services is designed to fill the significant gap between universal mental health services, mainstream services and the individualised supports funded through the NDIS.

<sup>5</sup> Commonwealth of Australia. (2023). *Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability Final Report*. <https://disability.royalcommission.gov.au/publications/final-report-complete-volume-formats>

<sup>6</sup> Health Policy Analysis. (2024). Analysis of unmet need for psychosocial supports outside of the National Disability Insurance Scheme Final Report. <https://www.health.gov.au/resources/publications/analysis-of-unmet-need-for-psychosocial-supports-outside-of-the-national-disability-insurance-scheme-final-report>

<sup>7</sup> Productivity Commission. (2025). *Mental Health and Suicide Prevention Agreement Review Interim Report*. <https://assets.pc.gov.au/2025-06/mental-health-review-interim.pdf>

<sup>8</sup> NDIS Review (2023) Glossary, p. 293

## **Theme 1: The level of unmet need for psychosocial supports is high, and the target group is people with severe mental illness**

Government reports consistently recognise the level of unmet need for psychosocial supports. The Analysis of Unmet Need (2024) estimated that most demand for psychosocial supports will come from people with severe mental illness and significant, ongoing functional impairment. These individuals are not currently receiving services from the NDIS or other government programs. In the year to 30 June 23, this represented approximately 230,500 people accounting for 83% of the required support hours (average of 61.0 hours each per year). The 263,100 people with moderate mental illness were estimated to require fewer hours of support (average of 10.5 hours per person).

The original estimates of unmet need from the Mental Health Report (2020) used an earlier model of the National Mental Health Service Planning Framework that included a smaller cohort of people with severe and persistent mental illness and hence a lower total estimate of 290,000 people needing psychosocial supports.

The Analysis of unmet need (2024) and the Australian Health Minister's response<sup>9</sup> acknowledge the limitations of the estimates of unmet need. The estimates are based on a health sector lens rather than a rights-based conceptualisation based on lived experience, estimates assume that individuals receiving a service are having their needs met and there were recognized limitations in the data collection given the reliance on a multitude of different administrative data sources.

The reported level of unmet need varies over two-fold across states and territories, reflecting both variation in funding levels as well as the challenges of classifying psychosocial support services. For example, the Northern Territory is reported as having the highest rate of unmet need for people with severe mental illness at 16,156 hours per 10,000 population, although it is possible this is an overestimate of need given the analysis did not include the Social and Emotional Wellbeing programs. Western Australia has the lowest reported rate of unmet need at 6,744 hours per 10,000 population.

Appendix D of the Analysis of Unmet Need (2024) summarises the government programs and the target populations for current psychosocial support services, demonstrating the diversity in the programs and the target groups across Australia.

### **Implications for the targeted foundational supports model**

These findings highlight the urgent need for targeted foundational supports, particularly for those with severe mental illness who are not currently served by existing programs. Given the existing range of state and territory funding and the diversity in current programs, unmet need will be most accurately determined at the local level. This approach relies on investing in accurate data collection, prioritising direct feedback from people with psychosocial disability, ensuring that their lived experiences and feedback guide the identification of service gaps. Individuals with psychosocial disability already experience well-documented barriers when seeking supports through the NDIS and mainstream services. It is therefore essential that the design and delivery of foundational supports actively avoid perpetuating existing inequities in service access.

## **Theme 2: Strengthening interfaces, reducing silos through improved intra- and inter-sectoral working**

Other than the Analysis of unmet needs (2024), all reports recommend improving interfaces and reducing silos for people with mental illness and functional impairments and the need to create a cohesive ecosystem across health, disability and mainstream services. These recommendations range from suggested macro level system changes through consistent policies and shared governance to creating a person-centered approach, supporting individuals to navigate complex **systems**.

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<sup>9</sup> Australian Health Ministers. (2024). Statement from Australian Health Ministers: Analysis of unmet need for psychosocial supports outside of the National Disability Insurance Scheme. In. [Statement from Australian Health Ministers: Analysis of unmet need for psychosocial supports outside of the National Disability Insurance Scheme | Australian Government Department of Health, Disability and Ageing](#)

**At a micro level**, the NDIS Review (2023) recommended supporting all people with disability to navigate mainstream, foundational and NDIS service systems (recommendation 4) and that the NDIA should establish an integrated complex care coordination approach with public mental health systems for participants with complex needs (action 7.3); the Nous Evaluation (2021) of the national psychosocial support programs recommended “greater attention to achieve smooth transitions” (recommendation 14).

For individuals, this means person-centred care planning and service delivery where a person’s clinical management plan, their mental health recovery plan and any NDIS plan are coordinated; there is then co-ordination and appropriate information sharing across teams to support individuals.

**The meso-level** is how organisations and services on the ground work more effectively together. It includes, for example, collaborative practices between local mental health services, community and psychosocial support providers and NDIS local area coordinators. The Mental Health Report (2020) recommended state and territory governments, and the NDIS/NDIA should streamline access to psychosocial support services and should clarify the interface between the mainstream mental health system and the NDIS. The Nous Evaluation (2021) recommended allowing time to enable joint commissioning, increasing opportunities for collaboration and integration (recommendation 1) and strengthening cooperation and mechanisms for collaboration between the primary health networks and the state or territory health services (recommendation 16). The NDIS Review (2023) also recommends that all Australian governments should strengthen the interface between mental health systems and the NDIS.

Practically, this means there is ‘no wrong door’ with warm handovers and clear referral pathways between service providers. People working within different funding streams and organisations are supported to work together through joint commissioning and planning, are given opportunities to build relationships through longer funding cycles and shared workforce education and training.

**At the macro-level**, national policies, funding agreements, and governance structures that control mental health, disability and the interface with mainstream services need to be integrated where it makes sense. This avoids ‘funding cliffs’ between programs and potentially vulnerable people falling through. It has been acknowledged that the recent change to Federal Ministerial responsibilities - with Minister Butler now responsible for Health, Disability, and Ageing portfolios - should assist in this macro-level integration.

The Mental Health Report (2020) recognised the ‘inefficient funding arrangements and service gaps’, the Nous Evaluation (2021) recommended a single funding stream and single national psychosocial program to reduce fragmentation and administrative costs (recommendation 8); the NDIS Review (2023) recommended that National Cabinet should jointly invest in psychosocial supports outside the NDIS (action 1.9); the Mental Health and Suicide Prevention Agreement Review interim report (2025) recommended including commitments and actions to improve collaboration across all government portfolios with dedicated funding for collaboration initiatives (recommendation 4.2); stronger links to the broader policy environment with housing, justice, disability supports (recommendation 4.3); increased transparency and effectiveness of governance arrangements emphasizing collaboration (recommendation 4.6) and a greater role for people with lived and living experience and providers delivering psychosocial support services (recommendation 4.7).

### **Implications for the targeted foundational supports model**

Cumulatively these reports form a strong case for Australian governments to work together to create joint funding agreements, built on joint governance, with aligned policies. There needs to be agreement on responsibilities across foundational supports, the NDIS and health services. This includes clear eligibility, assessment tools, shared responsibility for outcome measures and the ability to responsibly share information and data.

Particularly, the requirement to improve the interoperability of the health and disability systems for people with psychosocial disability is evident, through improvements in intra- and inter- sectoral working. Although reviews have been commissioned by different sectors, they include findings and recommendations across sectors. The NDIS Review (2023) concludes the NDIS isn’t working for people with psychosocial disability and recommends investment in foundational supports, the Analysis of unmet need (2024) doesn’t measure psychosocial supports delivered in the health sector through community mental health settings; Nous Evaluation (2021) provides a psychosocial support integration framework (section 6.5) that outlines the

'multiple dimensions of integration that can support the delivery of consumer-focused psychosocial support services'. This covers integration of services (e.g. NDIS and state-based psychosocial supports program); stakeholders driving integration (e.g. Primary Health Care Networks (PHNs) and State/Territory governments); integrating aspects of care and support (e.g. assessments and care pathways); and using levers to support integration (e.g. aligned funding, commissioning and governance).

### Theme 3: Support for navigation

There has been consistent support for navigation, with reports recognising the challenges of navigating complex, fragmented systems particularly for people with psychosocial disability. Specific recommendations range from a navigation function and navigators, alongside recommendations for other 'intermediary' type functions such as care coordinators.

The Mental Health Report (2020) referenced online navigation portals and used the term 'care coordination' primarily as a requirement for people with complex community support needs outside of the NDIS:

*People with severe mental health illness and the most complex needs (approximately 354 000 people) should, as a priority reform, have both a single care plan developed with and for them and a care coordinator provided to oversee the implementation of the plan. While 64 000 of these people are expected to receive services through the National Disability Insurance Scheme (NDIS), the remaining 290 000 people should also be provided with care coordination.<sup>10</sup>*

The Nous Evaluation (2021) noted that PHNs employed a range of strategies to encourage integration, including care coordination and navigation initiatives.<sup>11</sup> They reported that stakeholders noted ambiguity about the definitions of service navigation and care coordination. The evaluation proposed the following definitions:

*Service navigation refers to efforts to support consumers in understanding and connecting with a complex service and funding system to meet their needs. It is an approach based in empowering the consumer to have choice and control over their care by enabling them to effectively access the services they need.*

*Care coordination refers to the deliberate organisation of consumer care activities between two or more participants involved in a patient's care to facilitate the appropriate delivery of healthcare services.<sup>12</sup>*

The NDIS Review (2023) recommended that the NDIS support all people with disability to navigate mainstream, foundational and NDIS service systems (recommendation 4). The associated actions range from joint commissioning of a local navigation function within a nationally consistent framework through to being the lead commissioner of a Specialist Navigation function for participants who have more complex. In addition, within recommendation 7 – to introduce a new approach for NDIS supports for psychosocial disability – action 7.3 recommended establishing an integrated complex care coordination approach with public mental health systems for participants with complex needs. They also reference 'access to a navigator with expertise in psychosocial supports and is trauma-informed'

*We have gone from a rationed system with few options, no choice and almost no control. Now, we have a system where the rhetoric of choice and control is not supported by the experiences of people with disability. For many, poor availability of services, complexity of navigating what is available and difficulty in moving between providers means, in practice, there is little to no choice and control.*

*Before the NDIS, disability supports were largely generic and did not always cater to people's individual needs and circumstances. Now, in an attempt to respond to the diversity of people's needs and circumstances, the scheme has become incredibly complex and confusing.<sup>13</sup>*

<sup>10</sup> Mental Health Report (2020). p. 56

<sup>11</sup> Nous Evaluation (2021). p. 87

<sup>12</sup> Nous Evaluation (2021). P. 100

<sup>13</sup> NDIS Review (2023). P. 38

## **Implications for the targeted foundational supports model**

Support for navigation has moved from recommendations that are more limited such as online navigation support through to a more specific recommendation about service navigation and navigators to more effectively support consumers to access the services they need. The proposed model recognises this through the pivotal role of a 'navigator' sitting within a foundation organisation responsible for supporting the navigation function and the co-ordination of services in a local area.

## **Theme 4: A human rights-based approach is required emphasising inclusion and accessibility to mainstream services**

The Disability Royal Commission (2023) recommended

*...realising the human rights of people with disability particularly inclusive equality to require positive action to provide support or make structural changes to create or maintain inclusive settings for people with disability.*<sup>14</sup>

and the NDIS Review (2023):

*...ensuring people with disability can use the same services and participate in the same activities as everyone else is a fundamental human right. More inclusive and accessible mainstream and community services will not only produce better outcomes for people with disability but can also reduce the need for more specialist supports over time.*<sup>15</sup>

In addition, the vision of the NDIS panel included more investment in inclusive and accessible mainstream services and new working arrangements to resolve specific NDIS and mainstream interface issues:

*Governments should significantly increase inclusion and accessibility, including through legislation, disability action plans, and service standards. The needs of people with disability should be more genuinely considered as a part of government policy making processes, rather than treated as an afterthought or ignored entirely.*<sup>16</sup>

the Mental Health and Suicide Prevention Agreement Interim Report (2025) recommended

*that there needed to be a broader whole of government approach in a range of policy areas including housing, justice, disability supports and more*<sup>17</sup>

Other reports had a limited consideration of a human rights and inclusion and access to mainstream services. The Nous Evaluation (2021) referenced the Australian Government's Report of the National Inquiry into the Human Rights of People with Mental Illness published almost two decades ago and noted that raised awareness for the rights of Australians affected by mental illness and the need for improved psychosocial support.<sup>18</sup> The Unmet needs report (2024) only considered a narrow mental health service view of psychosocial supports, and the Mental Health Report (2020) included reference to human rights related to involuntary detention and treatment only<sup>19</sup> and access to higher intensity mainstream government services was considered out of scope in the Mental Health Report (2020).<sup>20</sup>

## **Implications for the targeted foundational supports model**

Foundational supports need to be designed so that individuals with psychosocial disability can use the same services and participate in the same activities as others in the community. This principle should be incorporated into the overall design of foundational supports and requires positive action and early consideration of structural changes to create more inclusive approaches and improved outcomes. This

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<sup>14</sup> Disability Royal Commission (2023). p. 55

<sup>15</sup> NDIS Review (2023). p. 71

<sup>16</sup> NDIS Review (2023). p. 71

<sup>17</sup> Mental Health and Suicide Prevention Agreement Review Interim Report (2025). p. 22

<sup>18</sup> Nous Evaluation (2021). p. 18

<sup>19</sup> Mental Health Report (2020). p. 47

<sup>20</sup> Mental Health Report (2020). p. 25

commitment is not only for psychosocial support services but also extends to improving access to health and other government funded mainstream services.

### **Theme 5: Funding is required**

The Productivity Commission recommended in the Mental Health Report (2020) that, as a priority:

*Over time, State and Territory Governments, with support from the Australian Government, should increase the quantum of funding allocated to psychosocial supports to meet the estimated shortfall. (Action 17.3)<sup>21</sup>*

Again in 2025, the Productivity Commission's interim recommendations from the Mental Health and Suicide Prevention Agreement Review Interim Report included that

*the next Mental Health and Suicide Prevention Agreement should include Australian Government funding to the state and territory governments to help cover the shortfall in support (recommendation 4.4)<sup>22</sup>*

### **Implications for the targeted foundational supports model**

Commonwealth, State and Territory governments will need to fund additional psychosocial support services supports, given the shortfall in support and unmet need.

### **Theme 6: Support for implementation and evaluation**

All reports provide recommendations for improving the implementation of foundational supports. This requires a clear program logic outlining how foundational supports should work and the links between inputs, activities, outputs and expected outcomes.

The suggested enablers include

- Funding cycle for psychosocial supports should be a minimum of 5 years (Mental Health Report (2020), Nous Evaluation (2021)).
- Longer lead-times for implementation to increase effectiveness (Nous Evaluation (2021)).
- Increasing transparency and effectiveness of governance arrangements including lived experience and provider input (Mental Health and Suicide Prevention Agreement Review Interim Report (2025), Nous Evaluation (2021)).
- Updating the taxonomy used to describe psychosocial support services with improved classification (Unmet needs report (2024)).
- Improving source data, service activity reporting and supplementing data with consumer surveys (Mental Health Report (2020), (Nous Evaluation (2021)), Unmet needs report (2024), (Mental Health and Suicide Prevention Agreement Interim Report (2025)).
- Build on the evaluation framework and guidelines (Mental Health Report (2020), (Nous Evaluation (2021)) (Mental Health and Suicide Prevention Agreement Interim Report (2025)).
- Dedicated funding for collaborative initiatives and enablers of collaboration (Mental Health and Suicide Prevention Agreement Interim Report (2025)).
- Providing PHNs with access to a funding pool to support innovative commissioning and communities of practice (Nous Evaluation (2021)).
- Program funding to consider the increased costs of service delivery in regional and remote areas and in Aboriginal and Torres Strait Islander communities (Nous Evaluation (2021)).
- Clarifying funding for carer and family supports (Mental Health and Suicide Prevention Agreement Interim Report (2025)).
- A standardised intake and assessment tool measuring psychosocial function, to support step-up or down, recovery and encourage independence (Nous Evaluation (2021)).
- A fit for purpose outcomes assessment tool (Nous Evaluation (2021)).
- Streamlining funding streams into one single-recovery oriented program with wide promotion, common branding and clear description of services (Nous Evaluation (2021)).

<sup>21</sup> Mental Health Inquiry (2020). P. 76

<sup>22</sup> Mental Health and Suicide Prevention Agreement Review Interim Report (2025). P. 22

- Workforce incentives to maintain a stable workforce (Nous Evaluation (2021)).
- Funding for NDIS testing (Nous Evaluation (2021)).
- Programs that are consumer-centred and co-designed, recovery-oriented, with flexible tailored support, accessible and stable, smooth transitions (Nous Evaluation (2021)).

## Appendix A: Summary of Commonwealth commissioned reports on psychosocial disability and mental health.

**Productivity Commission. (2020). Mental Health, Report no.95** <https://assets.pc.gov.au/inquiries/completed/mental-health/report/mental-health-volume1.pdf>

### Purpose:

The Productivity Commission was commissioned by the Australian Government to undertake an inquiry into the role of improving mental health to support economic participation and enhancing productivity and economic growth.

### Relevant findings:

The key points were that:

- All Australians would benefit from an improved mental health system
- Australia needs reforms to create a person-centred mental health system
- Australia needs to provide the right healthcare at the right time for those with mental illness
- Make sure effective services support recovery in community
- Provide seamless care, regardless of the level of government providing the funding or service.

The Productivity Commission's priority reforms fall into five broad areas: Prevention and early help for people; Improve people's experiences with mental healthcare; Improve people's experiences with services beyond the health system; equip

### Relevant recommendations:

This report has many relevant recommendations. Focus here is on recommendation 17 – Improve the availability of psychosocial supports.

The delivery of psychosocial supports — including a range of services to help people manage daily activities, rebuild and maintain social connections, build social skills and participate in education and employment — has been hampered by inefficient funding arrangements and service gaps. This is affecting the recovery of people with mental illness and their families, who can benefit substantially from improved access to psychosocial supports.

As a priority:

- Governments should ensure that all people who have psychosocial needs arising from mental illness receive adequate psychosocial support. To achieve this:
  - The shortfall in the provision of psychosocial supports outside the National Disability Insurance Scheme (NDIS) should be estimated at a regional and State and Territory level. (Action 17.3)
  - Over time, State and Territory Governments, with support from the Australian Government, should increase the quantum of funding allocated to psychosocial supports to meet the estimated shortfall. (Action 17.3)

Additional reforms that should be considered:

- As contracts come up for renewal, commissioning agencies should extend the length of the funding cycle for psychosocial supports from a one-year term to a minimum of five years. Commissioning agencies should ensure that the outcome for each subsequent funding cycle is known by providers at least six months prior to the end of the previous cycle. (Action 17.1)

<p>workplaces to be mentally healthy; Instil incentives and accountability for improved outcomes.</p>	<ul style="list-style-type: none"><li>• State and Territory Governments and the National Disability Insurance Agency should streamline access to psychosocial supports both for people eligible for supports through the NDIS and for people who choose not to apply for the NDIS or are not eligible. (Action 17.2)</li><li>• State and Territory Governments should continue working with the National Disability Insurance Agency to clarify the interface between the mainstream mental health system and the NDIS. (Action 17.3)</li></ul>
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**Nous. (2021). Evaluation of National Psychosocial Support Programs: Final Report Prepared for the Australian Department of Health.**

<https://www.health.gov.au/resources/publications/evaluation-of-national-psychosocial-support-programs-final-report>

**Purpose:**

An evaluation of the national psychosocial support programs was commissioned by the Australian Government's Department of Health and Aged Care. The purpose was to conduct an independent evaluation of the National Psychosocial Support Measure (NPS-M) and Continuity of Support (CoS) programs, to assess how appropriate, effective, efficient and impactful the programs have been.

**Relevant findings:**

Overall, the evaluation found that the two programs provided valued psychosocial support for a cohort of people with severe mental illness who were not receiving support from either the NDIS or from state and territory-funded programs.

The evaluation consulted with over 500 consumers, carers and family members, the majority of whom were overwhelmingly positive about the support provided through the programs, albeit with suggestions for improvement.

Implementation of the programs through the 31 PHNs was achieved in relatively tight timeframes with short funding cycles, which led to some limitations in program design and commissioning

**Relevant recommendations:**

1. In the rollout of any future programs, longer lead-times (nine- to 12-months) for implementation would enable, meaningful co-design, joint-commissioning, increase opportunities for collaboration and integration, and thus increase effectiveness.
2. Commissioning programs for longer periods of time (five-year funding cycles) would allow for greater stability and certainty across the sector, positively impacting on collaborative arrangements, service provider workforce retention and skills, and consumer certainty.
3. Access to a funding pool to support innovative commissioning or communities of practice would assist some PHNs with limited capacity to innovate.
4. Program funding that reflects the increased costs of service delivery in regional, rural and remote areas would help PHNs to incentivise a larger portion of the market to respond to procurement.
5. A standardised intake and assessment tool could enable service providers to identify target consumers and to understand when they can be stepped up or down.
6. Simplified and modified reporting (including revisions to outcomes measurement tools) would support increased oversight, create appropriate outcomes monitoring and enable more strategic decisions for future psychosocial support.
7. Clear and regular assessment points during program participation could support recovery, discourage dependence on services and inform better exit processes
8. A single funding stream and a single program that combines NPS-M and CoS would improve equity between consumers, decrease fragmentation and reduce administrative costs.
9. Future funding should consider the apparent unmet demand for NPS-M support and consider regional variation and need.
10. Adoption of a more fit-for-purpose outcomes assessment tool, in line with Recommendation 5, would assist service providers and PHNs to understand the extent to which outcomes are being met (and should be determined in consultation with the sector)

*Future programs would benefit from the following:*

11. A single recovery-oriented program that is time-limited but with easy and rapid re-entry if needed.
12. Wider promotion of the programs, perhaps through a common branding and clear description of the services available.

as well as challenges with maintaining a stable and qualified workforce. The maturity of the programs varies significantly across PHNs.

While tailoring of the programs to local needs is a key feature of the overarching approach, the result has increased the fragmentation of service delivery, adding to administrative costs and creating a level of complexity for service providers and consumers. A single funding stream, and a single nationally branded program, would streamline the provision of support in the future.

13. Workforce incentives that help to attract a stable and well qualified workforce through competitive wages, conditions, training, support and job stability.

14. Greater attention to managing transitions in services to achieve smooth handovers without gaps in service. Exiting the service should be expected and agreed upon with consumers.

15. The provision of additional allocations of funding to cover the costs involved in NDIS testing for some consumers would avoid the need for a separate program and reduce the need for consumers to transition between programs and service providers.

16. Strengthened cooperation and mechanisms for collaboration between the PHNs and the state or territory health services, particularly the state regional health networks, are needed to avoid gaps and duplication, and ensure broad coverage across Australia.

17. Future funding needs to continue to recognise the additional cost of service delivery in regional and remote areas.

18. The design and governance of the PMHC-MDS needs to be reviewed to ensure the data can be used for its intended purpose while considering the complex custodianship environment across the Australian Government and PHNs.

There were multiple additional recommendations on program design, funding, implementation, integration, workforce, intake and assessment and data collection and governance.

**Commonwealth of Australia Department of the Prime Minister and Cabinet. (2023). Working together to deliver the NDIS, Independent Review into the National Disability Insurance Scheme, Final Report.** <https://www.ndisreview.gov.au/sites/default/files/resource/download/working-together-ndis-review-final-report.pdf>

**Purpose:**

The Independent Review of the NDIS was commissioned by the Executive branch of the Australian Government, led by Cabinet and had three overarching objectives:

- Putting people with disability back at the centre of the NDIS
- Restoring trust, confidence and pride in the NDIS
- Ensuring the sustainability of the NDIS for future generations.

**Relevant findings:**

For psychosocial disability the major findings were:

The NDIS has not structured its processes or stewarded the provider market to support independence and personal recovery.

- Not investing in right supports or responding sufficiently to the episodic nature of psychosocial disability
- Loss of focus on personal recovery and long term outcome that rebuilds engagement and skills, self-management and optimal independence
- Too few providers with psychosocial competencies
- Lack of early intervention

**Relevant recommendations:**

Recommendation 1. Invest in foundational supports to bring fairness, balance and sustainability to the ecosystem supporting people with disability

- Action 1.4 National Cabinet should agree to jointly invest in navigation support for people with disability outside the NDIS. This should ensure people with disability outside the NDIS receive fair, adequate and appropriate navigation supports (see Recommendation 4). It should support people to determine their own goals, connect with mainstream services, community supports and foundational supports and participate in their community.
- Action 1.9 National Cabinet should agree to jointly invest in state and territory home and community care support programs to provide additional support to people with disability outside the NDIS
- Action 1.11 National Cabinet should agree to jointly invest in psychosocial supports outside the NDIS to assist people with severe and persistent mental ill-health currently unable to access supports.

Recommendation 4: Support all people with disability to navigate mainstream, foundational and NDIS service systems

- Action 4.1 The National Disability Insurance Agency, through the joint commissioning process described in Action 4.3, should be the lead commissioner of a local navigation function to help people with disability find supports in their community and make the best use of their funding.
- Action 4.2 The National Disability Insurance Agency, through the joint commissioning process described in Action 4.3, should be the lead commissioner of a Specialist Navigation function for participants who have more complex or specific needs that cannot be reasonably met by general navigation support.
- Action 4.3 The National Disability Insurance Agency should ideally adopt a joint commissioning approach to deliver local navigation support within a nationally consistent framework developed in partnership with other relevant Australian government and state and territory government agencies.
- Action 4.4 The National Disability Insurance Agency should design, test and implement the navigation function gradually, prioritising continuity of support for participants and their families and a smooth transition for the workforce and market.

For participants with highly complex needs, the NDIS is not providing intensive, coordinated assistance.

- The NDIS does not have an integrated complex care approach with the public mental health system

The NDIS does not operate effectively with the broader mental health system and there are major gaps in psychosocial supports outside the NDIS.

- The interdependencies between the NDIS and the health system are not reflected in national policy frameworks or intergovernmental agreements

The Panel's articulated vision was: A new psychosocial disability approach is needed to focus on personal recovery and better connect the NDIS with the wider ecosystem

- A psychosocial pathway to make access more straightforward, improve budget setting processes and deliver better outcomes
- Access to a navigator with expertise in psychosocial supports and who is trauma-informed
- An early intervention approach and step-up and step-down supports

Recommendation 7: Introduce a new approach to NDIS supports for psychosocial disability, focused on personal recovery, and develop mental health reforms to better support people with severe mental illness

- Action 7.1 The National Disability Insurance Agency should introduce a new approach to psychosocial disability in the NDIS based on personal recovery and optimising independence.
- Action 7.2 The National Disability Insurance Agency should establish an early intervention pathway for the majority of new participants with psychosocial disability under section 25 of the *National Disability Insurance Scheme Act 2013*.
- Action 7.3 The National Disability Insurance Agency should establish an integrated complex care coordination approach with public mental health systems for participants with complex needs.
- Action 7.4 The new National Disability Supports Quality and Safeguards Commission should require providers delivering psychosocial supports to be registered, including demonstrating compliance with a new support-specific Practice Standard.
- Action 7.5 All Australian governments should prioritise supports for people with psychosocial disability as part of general foundational supports.
- Action 7.6 All Australian governments should improve access to mental health services for people with severe mental illness and strengthen the interface between mental health systems and NDIS

**Commonwealth of Australia. (2023). *Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability Final Report.***

<https://disability.royalcommission.gov.au/publications/final-report-complete-volume-formats>.

**Purpose:**

The Royal Commission was asked by the Commonwealth to examine and expose violence against, and abuse, neglect and exploitation of, people with disability in all settings and contexts.

**Relevant findings:**

There were 222 recommendations on how to improve laws, policies, structures and practices to ensure a more inclusive and just society that supports the independence of people with disability and their right to live free from violence, abuse, neglect and exploitation.

The report outlined a vision for an inclusive Australia through adopting a human rights approach as recognised by the Convention on the Rights of Persons with Disabilities (CRPD) and promoting a more inclusive society.

**Relevant recommendations:**

**Volume 4: Realising the human rights of people with disability** particularly inclusive equality to require positive action to provide support or make structural changes to create or maintain inclusive settings for people with disability (p55)

**Volume 5: Governing for inclusion** with strong disability leadership, presence in decision-making and robust monitoring and reporting on outcomes for people with disability

**Volume 6: Enabling autonomy and access** for people with disability where autonomy is a person's right and freedom to make decisions, control their life and exercise choice.

**Volume 7: Inclusive education, employment and housing** settings where mainstream systems are reformed to remove substantial barriers and areas with disability-specific settings and services.

**Volume 9: First Nations people with disability** reforms to increase access to culturally safe and quality services and supports

**Volume 10: Disability services** including embedding human rights in the design and delivery of disability services

**Health Policy Analysis. (2024). Analysis of unmet need for psychosocial supports outside of the National Disability Insurance Scheme Final Report.** <https://www.health.gov.au/resources/publications/analysis-of-unmet-need-for-psychosocial-supports-outside-of-the-national-disability-insurance-scheme-final-report>

**Purpose:**

The analysis of unmet need report was commissioned by the Australian Government's Department of Health and Aged Care. Health Policy Analysis were required to provide a report, analysing unmet need for psychosocial services based on the National Mental Health Service Planning Framework (NMHSPF) and including people with both severe and moderate mental illness. Results were presented at the national and state/territory level.

**Relevant findings:**

In the period from 2022-23, for people aged 12-64, the report estimates that 230,500 people with severe mental illness (equating to 14.07 million hours) and 263,100 people with moderate mental illness (equating to 2.76 million hours) were not receiving services.

Sensitivity analysis conducted as part of the report indicated high confidence the number of people with severe mental illness with unmet needs was between 214,800 and 238,700.

**Additional relevant findings:**

There are no specific recommendations on foundational supports but the final chapter on limitations and future requirements recommends “improving source data through improved classification and description of funded services and activity, service activity reporting and using consumer surveys to supplement data collection. “(p98)

The calculations of unmet need were based on a population-based epidemiological tool originally designed for mental health service planning and with a health sector lens rather than an approach aligned with the United Nations Convention on the Rights of Persons with Disabilities. The service elements contained within the NMHSPF are a method for classifying and counting specialised mental health community support services across four support categories (Group Support and Rehabilitation Services, Individual Support and Rehabilitation Services, Other Residential Services and Family and Carer Support).

The calculations of unmet need did not include all programs such as Social and Emotional Wellbeing programs, psychosocial support provided along with clinical support or residential services and there was no consideration of the real-world effectiveness of services or the significant impact on families, carers and kin when the services are ineffective.

<p><b>Purpose:</b> The review of the Mental Health and Suicide Prevention Agreement was commissioned by the Australian Government to holistically consider, assess and make recommendations on several key aspects including the effectiveness and operation of the programs and services.</p> <p><b>Relevant findings:</b> The report is broadly critical of the lack of a mental health and suicide prevention system and the effectiveness of the current Agreement. Key commitments in the Agreement have not been delivered and should be completed as a priority.</p> <p>Governments should immediately work to resolve the commissioning and funding responsibilities for psychosocial supports outside the National Disability Insurance Scheme – a service gap affecting 500,000 people (p2).</p> <p>The analysis of psychosocial support services outside the National Disability Insurance Scheme (NDIS) was done at a high level and does not provide guidance on the regional gaps that need to be addressed (p7).</p> <p>PHNs currently commission some psychosocial supports and have experience and existing relationships; they are well placed to work with state</p>	<p><b>Relevant draft recommendations:</b></p> <ul style="list-style-type: none"><li>• By the end of 2025, the Australian Govt should publicly release detailed National guidelines on Regional Planning and Commissioning that meet the needs of primary health networks and local hospital networks (Draft Rec 2.1))</li><li>• Governments should immediately address the unmet need for psychosocial supports outside the National Disability Insurance Scheme<ul style="list-style-type: none"><li>○ The Australian, state and territory governments need to immediately agree to responsibilities for psychosocial supports outside the National Disability Insurance Scheme. State and territory governments should be responsible for commissioning services and commence work to address the unmet need.</li><li>○ The next agreement should:<ul style="list-style-type: none"><li>– • confirm the roles and responsibilities for psychosocial supports and the funding split between the Australian, state and territory governments</li><li>– • include Australian Government funding to the state and territory governments to help cover the shortfall in support</li><li>– • include a detailed plan and timeline for the expansion of services, with the aim of fully addressing the unmet need by 2030.</li><li>– (Draft Rec 4.4, p22)</li></ul></li></ul></li></ul> <p>Other relevant recommendations</p> <ul style="list-style-type: none"><li>– 4.1 Developing a renewed National Mental Health Strategy</li><li>– 4.2 Building the foundations for a successful agreement (including commitments and actions to improve collaboration across all government portfolios, allocate dedicated funding for collaborative initiatives and enablers of collaboration and develop a nationally consistent set of outcome measures)</li><li>– 4.3 Stronger links to the broader policy environment including interaction with housing, justice, disability supports and more</li><li>– 4.5 Clarifying responsibility for carer and family supports</li></ul>
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and territory governments and providers to support this expansion and transition (p10).

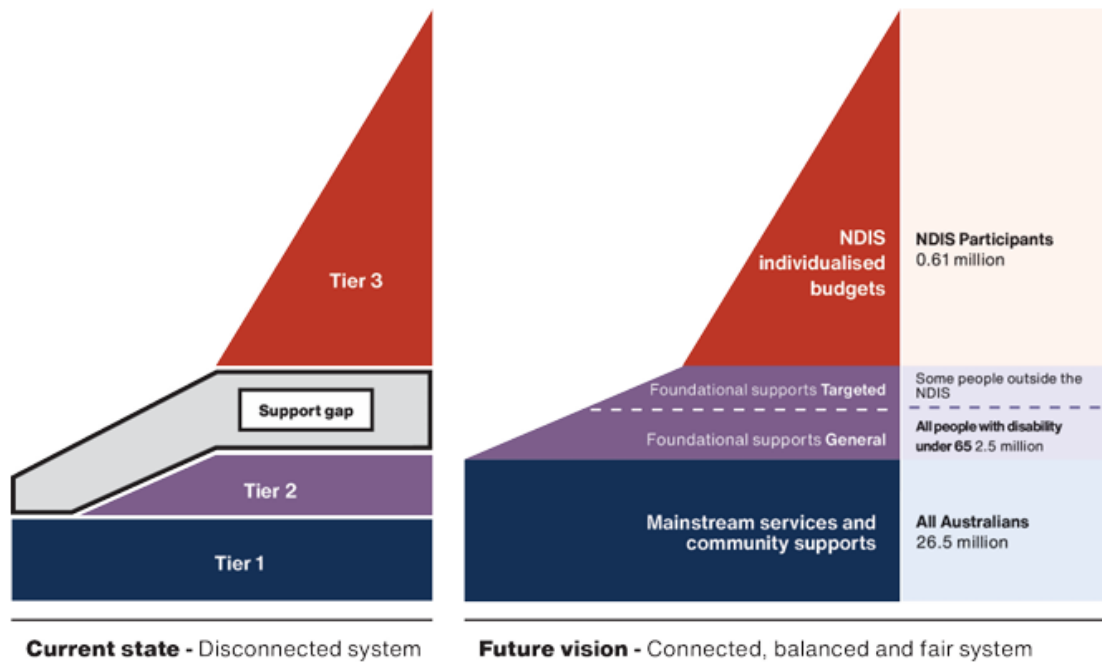
- 4.6 Increasing transparency and effectiveness of governance arrangements (including a governance framework that emphasises transparency and collaboration and outlines accountability, reporting and evaluation functions)
- 4.7 A greater role for people with lived and living experience in governance
- 4.8 A greater role for the broader sector in governance (providers should take part in governance mechanisms)
- 4.11 Survey data should be routinely collected
- 4.12 Funding should support primary health networks to meet local needs
- 4.13 Support the implementation of the National Mental Health Workforce Strategy
- 4.14 Develop a scope of practice for the peer workforce
- 4.15 Build on the evaluation framework and guidelines
- 4.16 An Aboriginal and Torres Strait Islander schedule in the next agreement

## Appendix B: Defining general and targeted foundational supports

Figure 1 in the NDIS Review (2023)<sup>23</sup> and the glossary outlined the position of foundational supports outside of NDIS individualised budgets and mainstream services and community supports.

Figure 1

Vision for an integrated, graduated model of supports for all people with disability



From the glossary:

**General foundational supports:** Disability-specific supports that are available to benefit all people with disability, and where appropriate, their families and carers and people aged over 65. This includes information and advice and peer support.<sup>24</sup>

**Targeted foundational supports:** Early intervention and low intensity care supports that are primarily for specific groups of people with disability outside the NDIS who are in most need of additional support. Some NDIS participants may prefer targeted foundational supports from supports available as part of their individualised budget. This includes things like home and community care supports (such as shopping and property maintenance) for people with chronic-health related conditions and other disabilities, aids and equipment, early supports for children with development concerns and psychosocial support services.<sup>25</sup>

<sup>23</sup> NDIS Review (2023) p. 35

<sup>24</sup> NDIS Review (2023) p. 288

<sup>25</sup> NDIS Review (2023) p. 293

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