

Experiences and Learnings from NDIS Participants and Families who use Direct Employment

Survey Findings & Policy Recommendations

(Prepared by the Direct Employers Network with the support of the Self Manager Hub)

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Executive Summary

What is direct employment?

Since the beginning of NDIS trials in 2013 there have been people with disability and their families who have chosen to directly employ their support workers. In fact, some participants have been doing this for many years prior to the NDIS. This decision usually stems from disappointment with the offerings of service providers, wanting greater flexibility and getting better value for money.

Direct employment is different from other forms of self-management, such as engaging contractors.

In a Direct Employment arrangement, an NDIS Participant or their family are carrying the responsibility of employer either by a WPN or ABN or via a Participant/family governed legal entity.

The Direct Employers Network survey found that families and participants have created multiple forms of highly individualised supports in which they have responsibilities of an employer. One version of this has been called a Services for One model best outlined by [Inclusion Australia](#).

Our survey found that Participants or nominees Directly employ supports for one Participant, or more than one related Participant (e.g. couples who are both Participants; multiple members of a family who are Participants). Direct employers carry the full legal and regulatory responsibilities of an employer and employ staff via one of various structures including:

- as an ABN registered business;
- as a Company;
- as an incorporated association;
- as a Trust
- or via a WPN

Direct employment arrangements are often created out of necessity. When these arrangements use an entity governed by a participant or their family, they operate as what the ATO terms a “necessitous organisation” In these cases, the participant or family member is the *natural person* who carries the legal responsibilities of the employer. Under Australian law, responsibility always rests with a human being — for example, workplace health and safety laws place full accountability on the person who controls the workplace.

It is therefore important to recognise that, like all other employers, direct employers must meet all legal obligations as required by these laws. Their operational costs are not discretionary; they are necessitated by the legal and practical responsibilities carried as employers.

Another common element across the various arrangements is that the Participant or family **do not** draw any personal income from the arrangement. The Direct Employers Network found that Participants and families process claims in a variety of ways - some use the Price Guide unit hourly rate as an all-inclusive operational cost, some use a lesser unit price calculated for their particular model and some claim every individual operating cost as separate claims.

The objectives of Direct Employment including Services for One are the same: to deliver high-quality, person-centered support to the person/s, that is flexible, stable and cost effective.

About this Report

This report presents the findings of a national survey of 73 NDIS participants and families who directly employ. The research was undertaken by the Direct Employers Network between October 2024 and January 2025. This report was created with the support of the Self Manager Hub, to better understand the benefits, challenges, and policy needs of these participant-led arrangements .

The survey results show that direct employment and services for one are delivering on the intention of the NDIS, providing participants with choice, control, flexibility, stability and quality supports. These arrangements enable Participants and their families to build stable, highly skilled, and highly individualised support teams.

The survey responses tell a consistent story of commitment, resourcefulness, and determination. Direct employers are achieving great outcomes for themselves or their family member through deep understanding, lived experience, years of hands-on learning and peer information sharing.

Across the Direct Employers Network there is a wealth of expertise and a shared drive to get it right, to seek advice, learn continuously, and solve complex problems creatively. Participants and families are conscientious and solution-focused, but they report that technical areas are where they most need practical support. Direct employers report that the most critical challenges are in the gaps and interactions between different State and Federal regulators. Sometimes they conflict. An example of this is portable long service leave requirements. The challenge is not capability or motivation, but the absence of clear, trusted, and accessible guidance that recognises what they already do well and helps them do it more easily.

Key Findings

- **High engagement:** 81% of survey respondents self-manage their plans, with most directly employing between three and eight support workers.

- **Complex needs:** 46% of survey respondents said they or their family member requires around-the-clock support, and most have high and complex support needs.
- **Strong outcomes:** 82% of survey respondents report greater control, 78% more consistency, and 71% improved safety and trust when compared to provider-based supports.
- **Motivations:** 71% of survey respondents chose to directly employ when they have been unable to find suitable or consistent support from standard service providers. The shift to direct employment is a means to improve the quality of support, consistency, and flexibility. More than half survey respondents were further motivated by the cost effectiveness and being able to stretch their NDIS funds further in the provision of reasonable and necessary NDIS supports and furthering social and economic participation. It is now also a legal requirement for many, and increasing number of participants to directly employ following legal changes by ATO and Fair Work, under the Closing Loopholes program.
- **Improved relationships and community belonging:** Almost half of respondents commented that direct employment led to better social outcomes — including stronger relationships and a greater sense of belonging in the community — outcomes that were rarely possible through traditional service providers.
- **Barriers:** Survey respondents indicated the most significant challenges are the administrative burden (63%), inconsistent NDIA information (58%), and a lack of clear guidance on direct employment (49%).
- **NDIS Reform:** 97% of survey respondents expressed anxiety about NDIS reforms that may result in less choice and control, risks to the choice to self manage and directly employ, reduce flexibility increase complexity and/or impose additional administrative burden on direct employers.
- **Oversight and transparency:** 65% of survey respondents have additional oversight and involvement of others in implementing their support arrangements. Types of oversight include a circle of support, microboard, governance board, other family, accountant, bookkeeper, plan manager, team leader, support coordinator. Many respondents reported multiple layers of oversight.
- **Processing NDIS claims:** 42% of survey respondents claim each employment related expense separately (eg payroll, super, insurances, HR, Bookkeeping – each a separate claim); 40% claim at the NDIS benchmark unit price; 16% claim at a unit cost below the NDIS benchmark price. These are associated with the particular long standing, successful arrangements, with respondents concerned about potential disruption to what is working well for participants.

Key Policy Recommendations

1. **NDIA to partner with the Direct Employers Network and Self Manager Hub to co-create opportunities and resources** for NDIS participants and /or plan nominees who wish to or do directly employ, including:
 1. An NDIA endorsed online foundations of direct employment toolkit offering fully integrated practical guidance across regulatory obligations
 2. Learning opportunities targeting different developmental stages of direct employment
 3. Peer support .
2. **Recognise direct employment as an essential safeguard for people with complex needs.** The NDIA should explicitly recognise that direct employment are not merely alternative management models but essential safeguards for participants who experience market failure, vulnerability, or repeated service exclusion. This is because they are governed by the participant or those who know and care most and deeply know the will and preferences of the participant. To act on this insight, the NDIA should acknowledge in policy and communications that direct employment is often a *protective response* to risk and service failure, not a discretionary preference.
3. **Recognise direct employment as mandatory** for compliance for some participants, based on other federal laws and that participants have to follow all laws and not just the NDIS Act
4. **Confirm in policy that direct employers continue to process their claims in one of four ways:**
 1. All inclusive operational claim using the NDIS Price Guide rate
 2. All inclusive operational claim on an individually cost calculated rate below the Price Guide
 3. Claiming each operating cost separately.
 4. Using a partner provider .

This enables employers to plan, forecast and meet future liabilities. This includes worker entitlements, compliance measures, insurance, training, advertising for staff, as well as other operational and corporate costs related to the provision of support.

Like all NDIS providers, direct employers must demonstrate that support is delivered to the participant. It would be both impractical and unfair for NDIA to scrutinise the operational spending of direct employment arrangements disproportionately to that which is required of service providers.. Direct employers are already required to meet the requirements of existing regulators such as Fair Work, ASIC, ATO, Safe Work etc.

5. **Build NDIA Capability:** Train planners, LACs, and payment officers to provide accurate and consistent advice on direct employment ..

6. **Partner with Peer-Led Organisations:** Resource the Direct Employers Network and Self Manager Hub to deliver training, mentoring, and lived experience guidance.
7. **Promote Success:** Highlight and celebrate direct employment as innovative, empowering, and sustainable arrangements that deliver better participant outcomes into the future.

Participants and families using direct employment and services for one are demonstrating how the NDIS can work at its best, with trust, flexibility, and highly individualised supports. The NDIA can strengthen these approaches through clear guidance, fair claiming options, and partnerships with peer-led organisations. Doing so will enhance participant outcomes, support Scheme integrity, and uphold the founding principles of the NDIS.

“We’re not asking for special treatment, just fair support to keep doing what works.”

Survey results

Demographics & Participation

A total of **73 respondents** completed the survey, representing a diverse cross-section of people who are taking control of their supports through forms of direct employment. The majority were **parents or guardians of a person with disability (82%)**, with a smaller proportion being **people with disability themselves (5.5%)** or other representatives such as siblings or close trusted supporters (12%).

Most respondents (77%) supported **one family member** with disability, while 14% supported multiple family members. The NDIS participants represented in the survey typically had **complex and high-support needs**, including people with complex communication and information support needs, needing support to self-regulate/ positive behaviour support, physical and/ or complex health support needs.

Among the participants:

- **46%** required **24-hour or overnight support**, often involving multiple paid supporters each day.
- **38%** required **support to self-regulate and manage behaviour** and need skilled and consistent staff.
- **32%** had **high physical support needs**, including support with movement and transfers, support with eating and drinking and /or personal care assistance.
- **27%** had complex **communication support needs** (for example, use of AAC or non-verbal communication).
- **19%** experienced **multiple or intersecting disabilities**, such as a combination of physical, cognitive, and psychosocial disabilities.

Many families reported that they had to build and manage their own support teams because they were unable to find providers who could deliver the quality, stability, and flexibility of support their circumstances required.

Management of Funding

The data show that **self-management is the dominant approach**, with **81%** of respondents managing their own NDIS funding either entirely or in combination with plan management. Around **29%** also used plan management for specific support, often to assist with record-keeping, payroll processing, or invoicing. Only **5%** had any part of their plan NDIA-managed.

Structure and Employment Models

Survey respondents reported a variety of legal and organisational structures to facilitate direct employment:

- **Sole Trader with an ABN (23%)** – most common for individuals employing a small team directly.
- **Not-for-profit Pty Ltd (25%)** – these companies may be constitutionally not for profit and are often established as a formal service for one or microboard model to manage larger or more complex teams.
- **Withholding Payer Number (22%)** – used where the participant or nominee directly employs staff but does not operate a business entity and does not have an ABN.
- **Pty Ltd Company (14%)** – used in some cases for administrative efficiency or shared governance. These tend to operate as a social enterprise that supports the participant's goals, social and economic participation and independence.
- **Incorporated Association (1%)** – this is another way to facilitate a microboard arrangement as in most States at least five members of the Association are required.

The common elements across these forms of direct employment is that the Participant and the nominee do not draw personal income from the arrangement.

It is important to understand that direct employers seek legal and financial advice on the best set up for their situation. This ensures that a structure is compliant and enables

Team Composition

Most survey respondents managed teams of **three to eight support workers**, reflecting the complexity and continuity needs of people requiring 24-hour or high-intensity supports. Specifically:

- **3–5 workers:** 49%
- **6–8 workers:** 26%

- **9–11 workers:** 11%
- **2 or fewer:** 8%

Several survey respondents described their teams as “small, skilled and stable”, noting that long-term employment relationships with workers and consistent rosters had improved wellbeing and safety. Some survey respondents indicated they engaged leadership roles such as Frontline Practice Lead to monitor and improve quality in supports or a team leader reporting to the employer. .

Reasons for Direct Employment

Survey respondents overwhelmingly chose direct employment because standard disability service models did not provide the level of stability, flexibility, quality, and continuity they needed. Many reported difficulties with standard services such as frequent staff changes, lack of choice and control over who provided support, and limited ability to train or supervise workers in ways that met their specific needs.

“Traditional providers could not meet the complex and individual needs of my son. We needed to employ and train our own team to keep him safe and happy.”
“We moved to direct employment because we needed consistent, skilled staff, people who know our routines and communicate well.”

These findings show that participants using direct employment are among the most experienced and proactive users of the NDIS. They are deeply engaged in self-management, employ multiple staff, and carry significant administrative and legal responsibilities, and on a volunteer basis.

Why People Directly Employ (Benefits & Outcomes): Beyond choice and control

A strong finding from the survey was that direct employment was undertaken for more than the need to achieve greater choice and control; it is a response to market failure. The participants represented in this survey often have complex disability and support needs that standard provider systems either could not or would not accommodate. Some were repeatedly rejected by providers due to perceived “complexity,” “risk,” or “challenging behaviour.” Others experienced harm, instability, or loss of progress under standardised provider practices that failed to recognise individual communication, health, or behavioural needs.

Direct employment became the only way to ensure safety, continuity, and dignity. It enables families and participants to build small, stable, skilled teams that understand the person deeply and support them well. This is not because they wanted to manage more, but because they had no viable alternative. In many cases, these arrangements have been life-preserving as well as life-enhancing.

These findings challenge the assumption that every person with disability can simply “commission the right service” in a competitive market. For some participants, the market

has failed — repeatedly and dangerously. Direct employers are therefore filling gaps the market cannot reach.

Key Motivations for Direct Employment

Reason for Direct Employment	Percentage of Participants
Unable to find suitable or consistent support through providers	71%
Wanted to exercise greater choice and control	67%
Needed more flexibility to manage staff and rosters	58%
Wanted to use NDIS funds more efficiently	52%
Desired continuity and safety through consistent workers	49%
Wanted to train and supervise staff directly	44%
Found agency staff turnover too high	41%
Needed to employ trusted persons to provide support	23%

Participant Reflections

“We could never get consistent support from a provider, every week was a new face. Direct employment gives us control and continuity.”

“I know exactly who’s in my home, and I can train them to meet my needs. It’s safer, and I feel respected.”

“Through direct employment, we’ve built a small, professional team that works around our schedule and lifestyle, not the other way around.”

Benefits Reported by Participants

Reported Benefit	Percentage of Participants
Greater control over who provides support	82%
More consistent and stable staff	78%
Improved safety and trust	71%
Flexibility to change hours and tasks as needs change	67%
Ability to tailor training to individual needs	63%
Improved wellbeing and quality of life	59%
Reduced use of restrictive practices	41%
Access to culturally safe or trauma-informed support	37%

These findings demonstrate that direct employment are achieving what the NDIS was designed to deliver: **genuine choice and control, flexible support and better outcomes** for people with disability.

Barriers & Challenges

While survey respondents overwhelmingly reported that direct employment delivers better outcomes, **60%** said they faced significant challenges in setting up or maintaining their arrangements. The most pressing challenges relate to **administrative burden, inconsistent NDIA processes, and unclear guidance** on compliance requirements.

Barriers and challenges	% of Participants Reporting This Issue
Complex and time-consuming administration and paperwork	63%
Inconsistent NDIA information or advice	58%
Difficulty understanding or meeting employment law obligations	52%
Lack of NDIA guidance on services for one arrangements	49%
Challenges in claiming payments or having claims rejected	47%
Inability to find professional advice with NDIS expertise	44%
Fear of compliance action or audits despite good faith effort	39%
Limited support from planners or LACs with relevant knowledge	36%
High cost of compliance and insurance obligations	31%

Through working it out themselves, seeking professional advice and peer sharing, survey respondents indicated they amassed a high level of knowledge and understanding of the requirements and practice of direct employment.

Survey respondents took action to meet regulation and accountability across multiple regulatory agencies. However, they indicated they and others new to direct employment would benefit with **clearer, fairer, and more practical pathways** to meet their responsibilities.

Concerns About NDIS Reforms

An overwhelming **97% of** survey respondents expressed concern about how current NDIS reforms might affect their ability to self-manage, directly employ staff, or continue to operate a service for one. Their key concerns included:

- **Losing choice and control** (72%)
- **Reduced flexibility** in using funding (67%)
- **Increased administrative burden** (61%)
- **Unclear or inconsistent information** (58%)
- **Potential budget cuts or restrictions** (53%)

Survey respondents want reform that **supports, not undermines**, self-management and direct employment.

Members of the Direct Employers Network, many of whom have been operating arrangements over 10 years, are experts in this area.

Survey respondents called for **co-design and co-creation with NDIA**, **clear communication**, and an NDIA approach grounded in **trust and collaboration**.

Conclusion & Next Steps

Participants using **direct employment** including **Services for One** are demonstrating what the NDIS was designed to achieve: **choice, control, inclusion, and better lives**. These participant-led arrangements are delivering safer, more consistent, and more person-centred supports, often at lower overall cost to the Scheme. However, they need recognition, support, and systems that make compliance practical and fair.

To strengthen and sustain these models, the NDIA should adopt the recommendations of this report.

By taking these actions, the NDIA can enhance both **participant outcomes** and **scheme integrity**, while recognising and rewarding the **volunteer time and resources** that participants and families contribute to managing their supports.

“We’re not asking for special treatment, just fair support to keep doing what works.”