Individualized Funding and Self-Direction:

Major thematic developments and discussions in the international academic literature

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Supplementary handout

- What the 2024 scoping review established
- What the updated 2026 search adds
- What this means for policy and practice

Background

Individualized funding (IF) refers to funding allocated directly to a person with disability, or to a parent, guardian, family member, or trusted representative, to meet disability-related support needs. Two features distinguish IF from general income support or traditional block funding: the amount of funding is determined in relation to the person's specific needs and aspirations, and the person or family has choice and control over how eligible funds are used.

What the 2024 scoping review established

The 2024 CIIC scoping review examined international peer-reviewed literature on IF models for people with disabilities/support needs, families, carers, service providers, support workers, and policy systems. The review included 347 peer-reviewed articles published between 2011 and 2023, including 318 primary research studies and 29 knowledge syntheses. The largest body of literature focused on Australia, followed by the United Kingdom, the United States, international/comparative literature, Europe, Canada, and New Zealand.

We found:

The literature generally supports the promise of IF models as part of a broader personalization agenda.

- Individualized/self-directed funding can increase choice, control, flexibility, and self-determination, especially when people and families have access to:

- accurate information
- supportive service providers
- trusted workers
- strong community relationships
- assistance with planning or administration

However, the review also found that IF is not automatically empowering.

Positive outcomes depend on the conditions surrounding the funding model.

- Common barriers include:
  - administrative burden
  - lack of accessible and accurate information
  - inequitable access
  - geographic constraints
  - lack of available services
  - shortage of skilled workers
  - siloed systems
  - difficult age-based transitions
  - limited support for psychosocial disability
  - tensions between cost containment and needs-based support

The 2024 scoping review and discussion of the international literature emphasizes that IF is not a panacea. It can enhance choice and control, but only when supported by a comprehensive architecture that includes planning, facilitation, administrative support, decision-making support, transparent eligibility processes, and flexibility for diverse population groups.

What is more, scarcity politics or funding cuts, reliance on open-market or quasi-market dynamics, and neoliberal governance motives behind the IF architecture became more pronounced in research after 2018.

What the updated 2026 search adds

The updated full-text screening process conducted in May of 2026 identified 125 included articles for extraction.

An updated search was completed in May of 2026, which similar to the 2024 review, followed the PRISMA Scoping Review (PRISMA-ScR) and PRISMA for Searching (PRISMA-S) extensions

Publication Year	N	%
2013	1	.8
2014	1	.8
2023	8	6.4
2024	38	30.4
2025	59	47.2
2026	18	14.4
Jurisdiction	**N**	**%**
Australia	108	86.4
Belgium	4	3.2
International	4	3.2
England	4	3.2
Israel	2	1.6
Scotland	1	.8
Canada	1	.8
United States	1	.8

The updated full-text screening process and 125 included articles for extraction shows a highly recent corpus, with 92% published between 2024 and 2026, that is strongly Australia/NDIS-focused, with 111 articles involving Australia directly or in comparison.

This updated review is in the full-text screening phase of Covidence, with **125** results having been published between October 2023 and May 2026 that met the inclusion criteria*

Main thematic areas in the updated literature include **1)** policy, governance, market design, and administrative justice, **2)** choice/control, self-management, personal budgets, and participant outcomes, and **3)** children, families, early childhood, autism, and school transition.

Key messages from the combined evidence:

Across both the 2024 review and the updated literature search, the central message is consistent that individualized and self-directed funding mechanisms can support choice and control, **but choice and control are not produced by funding alone**.

- The strongest outcomes appear when IF systems are paired with:
  - accessible information
  - transparent assessment practices
  - support coordination or facilitation
  - decision-making support
  - culturally safe services
  - adequate provider markets
  - skilled workers
  - safeguards
  - sufficient funding amounts.

Without these conditions, individualized and self-directed funding mechanisms can shift administrative, financial, and emotional burden onto individuals, families, carers, and support networks.

Equity implications

The 2024 scoping review found that IF systems can reproduce or intensify existing intersectional inequities and marginalization when people with more resources, stronger advocacy skills, better social capital, and better geographic access are more able to navigate the system.

People facing intersecting barriers; including Indigenous people, culturally and linguistically diverse communities, people in rural and remote areas, people with psychosocial disabilities, and socio-economically disadvantaged groups - may experience reduced access to the benefits of IF **unless equity is built into policy design and implementation.**

Our 2024 report and discussion section also highlighted ethical concerns around gender and care. IF systems may rely on diagnoses and allocations that favour gendered experiences of disability. In addition, system-based reliances on unpaid or informal care mean care is often provided in a gendered landscape, where funding inadequacy can increase pressure on carers when formal supports are unavailable or insufficient.

Preliminary scanning of the articles included for the updated search in 2026 reveal the continued research endeavours and focus on experiences with individualized and self-directed funding mechanisms. Specifically, the literature addresses various inequities as experienced by diverse groups and people with disabilities. **This is strongly exemplified in the context of Australia and the National Disability Insurance Scheme (NDIS)** with the post-2023 literature highlighting reform, sustainability, safeguards, and the risks of tightening the scheme in ways that reduce choice/control or reproduce inequity.

Key points from the updated 2026 literature search:

- **The 2023 NDIS Review is treated as a major reform pivot**

Several articles frame the 2023 review of the NDIS as a turning point: the review tried to respond to concerns about sustainability, participant experience, scheme complexity, thin markets, and support gaps. Increased attention for the inclusion of psychosocial disability in the scheme is reflected in the literature, where the 2023 NDIS review is described as recommending:

  - foundational supports
  - specialist psychosocial navigators
  - early intervention/recovery pathways
  - registration requirements for psychosocial providers.

Shelby-James and Rattray (2025) argue these recommendations are promising but still uncertain because implementation detail, funding arrangements, and cross-sector coordination remain unclear.

- **Foundational supports are seen as necessary, but underdeveloped**

The updated search literature at times references foundational supports as a response to the "support desert" surrounding the NDIS. This refers to a gap in supports for people who are not eligible for the Scheme or who need less intensive/episodic supports. For example, Shannon et al. (2025) connect foundational supports to younger people outside the NDIS who are trying to avoid or leave residential aged care, arguing that many face a "vacuum of responsibility" where state, local, and federal supports are fragmented or inadequate. In terms of psychosocial disability, Shelby-James and Rattray (2025) similarly emphasize that people outside the NDIS need accessible, flexible, recovery-oriented community supports; otherwise, the NDIS remains the only pathway to meaningful support even when it may not fit everyone's needs.

- **The NDIS Amendment Act/reform agenda is critiqued**

Falck's research (2025) provides a legal analysis, arguing that the Amendment (Getting the NDIS Back on Track No. 1) Act 2024 shifts the NDIS from a more discretionary, principles-based framework toward a more prescriptive rules-based model. This "legislative rebuttal," that can also be connected to public and governmental concerns about fraud, means that soft law, or extrajudicial systems, and discretionary judgement become hardened into binding rules. According to Falck (2025) and other publications, this may create "programmatic invisibility," where decision-makers are less able to see participants' holistic needs because they must work through rigid categories. Peer's article (2025) provides a related critique from a disability futures/Far North Queensland perspective, asserting that the NDIS Amendment Bill/Act process reflected limited co-design and risks tightening control over participant spending, reducing agency, and reinforcing an impersonal or medicalised system.

- **Necessary safeguards present tension between safety and choice/control**

West, Yates, and Dickinson (2025) explain that the NDIS Quality and Safeguards Commission regulates providers and workers through registration, audits, practice standards, the Code of Conduct, worker screening, incident reporting, complaints, and sanction powers. However, participants using unregistered providers often do so because they value flexibility, relational fit, and the ability to train or supervise workers themselves. West, Yates, and Dickinson (2025) suggest safeguarding should not be reduced to formal provider registration or worker qualifications and should equip people with disability with the tools, resources, and authority to shape safe and good-quality support.

- **Quality and safety failures**

Although some articles were excluded from the updated 2026 scoping review based on the in- and exclusion criteria, some studies, like the review by Hough, Bigby, and Marsh (2025) address Federal Court civil penalty cases brought by the NDIS Quality and Safeguards Commission after the deaths of people with intellectual disabilities. They identify lessons around risk assessment, staff learning and development, role clarity, implementation of policies/procedures, and leadership focus. Quality and safety are identified as dependent on the "micro-processes" of everyday service provision, not only on broad compliance systems. The literature engaging with safeguards is moving beyond the idea of more regulation toward questions about what makes safe support happen consistently, for each person, in each setting.

- **The Disability Royal Commission did not go far enough**

Then and Bigby's article (2024) on supported decision-making and the Disability Royal Commission notes that the Commission's recommendations leaned too heavily toward guardianship and legal reform. The authors identify that embedding supported decision-making across everyday service systems would have been more meaningful. Then and Bigby (2024) critique that supported decision-making needs to go beyond legal principles and include implementation guidance, resources, and capacity-building in real service contexts.

- **Stronger equity critiques in the updated literature search**

The NDIS Review and reform agenda may not adequately address structural inequities. Quilliam et al. (2025) argue that the NDIS Review did not sufficiently address rural processes, recommendations, or actions. Future disability policy must explicitly include regional, rural, and remote people with disability, build sustainable local workforces, and use service provision concepts relevant to rural contexts. According to Piantedosi et al. (2025) the 2023 NDIS Review uses the term "intersectionality" frequently, but as an inconsistent data category, identity marker, or staff training concept that omits a structural analysis of gendered inequalities and inequity. Zagler, Yu, and Cleland (2025) argue that the NDIS frames exclusion as a problem of individual choice/control in a market, while paying insufficient attention to colonisation, systemic exclusion, culturally unsafe services, and the lack of culturally specific supports for Indigenous peoples.

What this means for policy and practice

The 2024 review identified several system-level considerations that remain highly relevant in the updated literature since October 2023:

- equitable access
- careful needs assessment and planning
- transparent funding allocation
- quality standards
- accountability
- education and support for family and community networks
- provider certification and oversight
- integration with other services
- cultural competency
- legal and ethical safeguards
- prevention of exploitation and abuse

- ongoing evaluation
- public awareness
- collaboration across groups and associated parties

Future considerations:

1. **Fund infrastructure around IF/SDS**
   Planning, navigation, administration, decision-making support, and accessible information should be the core conditions for meaningful choice and control.

2. **Design equity from the start.**
   IF/SDS models need explicit attention to Indigenous communities, rural and remote communities, gendered care work, psychosocial disability, cultural and linguistic diversity, income inequality, and disability complexity.

3. **Ensure real service availability.**
   Individual budgets do not create choice when there are too few providers, long waitlists, inaccessible services, or thin markets.

4. **Protect quality and safety; not administrative burden.**
   Safeguards, provider oversight, and accountability should not make systems harder for people and families to navigate.

5. **Evaluate IF/SDS as a system.**
   The key question should continue to be whether the funding model creates the conditions for self-determination, inclusion, safety, and good support.

The combined evidence suggests that individualized and self-directed funding mechanisms are best understood as rights-oriented support models that require stronger and consistent public infrastructures. IF/SDS can promote choice, control, flexibility, and self-determination, but can also deepen inequities when people are left to navigate complex systems, limited markets, administrative burden, and uneven service access on their own. **Effective policy requires more than individual budgets: it requires true demand-driven individualization, planning support, service availability, cultural safety, workforce capacity, safeguards, and ongoing evaluation**.

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