

Fraud is a crime. It requires intent. People who commit fraud try to get benefits for themselves or others by being dishonest.

Fraud is more than carelessness or making mistakes. If someone unintentionally does the wrong thing, we call this [non-compliance](#).

There are a number of ways people commit fraud against the NDIS:

- unlawfully obtaining and using NDIA information or restricted data
- providing false or misleading information
- using fake documents and invoices
- making claims for services or products that were not provided
- misusing funds.

The NDIA has zero tolerance for fraud against the NDIS and participants.

Criminal behaviour will always be investigated and perpetrators will be prosecuted.

Our [Fraud Strategy Statement](#) outlines our approach to addressing fraud against the NDIS.

We also rely on tipoffs to help us identify people who may be doing the wrong thing with NDIS funds. If you think someone is doing the wrong thing with NDIS funds, you should [report it to us](#).

Our factsheet explains more about fraud:

- [What is fraud? \(PDF 182KB\)](#)
- [Easy read - What is fraud? \(PDF 3.9MB\)](#)
- [Easy read \(text only\) - What is fraud? \(DOCX 54KB\)](#)

Protect your Plan

[Transcript for 'TS protect your plan'](#)

Case studies

Claiming for supports not provided

MowChopCut was a provider of house and yard maintenance services. Over the course of a few months, MowChopCut intentionally claimed hundreds of hours of yard work and house cleaning

services against dozens of NDIS plans. These services were never provided.

Margaret was one of the NDIS participants impacted. MowChopCut used her entire core support budget, which left her temporarily unable to pay for her regular ongoing supports.

The NDIA investigated and returned the money to Margaret's NDIS budget. The matter was also referred to the NDIS Quality and Safeguards Commission to review MowChopCut's compliance with obligations under the NDIS Code of Conduct as a provider of supports and services to participants. A debt was raised against MowChopCut and the matter was referred to the Commonwealth Director of Public Prosecutions to consider formal action in court.

Claiming using false information

Deborah, a Local Area Coordinator, received information from an anonymous source relating to the operating practices of Inclusionline. Deborah contacted the NDIS Fraud Reporting and Scams Helpline (1800 650 717) to report the allegation.

The Agency assessed the report and began an investigation. The investigation found that Inclusionline had provided supports they were not registered to provide and disguised this by claiming against support types they were registered to provide.

This resulted in the participant's plan funds being used faster than intended and there was a risk the plan was going to run out of money to pay for required supports. There was also a risk the participant was receiving supports that were not adequate or safe, given Inclusionline was not registered to provide them.

Following the investigation, Inclusionline was referred for prosecution and required to pay back approximately \$6,580 to the participant's plan. The recovered money ensured the participant had enough funds to continue accessing their supports.

Hijacking businesses

Macy works for the NDIA. Following a compliance audit, Macy found some unusual activity against several ABNs linked to NDIS providers.

The NDIA investigated the matter and found that an employee of a national NDIS provider was running a criminal network, which hijacked ABN details of businesses and registered them as NDIS providers.

The hijacked businesses were used to fraudulently claim payments from the NDIS. The owners of these businesses were unaware that their businesses were being used to commit fraud against the NDIS.

The Australian Federal Police charged the employee of the NDIS provider and approximately \$650,000 was refunded to the NDIS.

Phoenixing

Illegal phoenix activity is when a company is liquidated, wound up or abandoned to avoid paying its debts; a new company is then started to continue the same business activities without the debt.

The NDIA became aware that a provider, Supportglow, was fraudulently claiming supports that they hadn't provided to participants. The NDIA placed a claiming lock on Supportglow, which stopped them from receiving any future payments.

The NDIA also contacted participants impacted by Supportglow's fraudulent claims to make sure they could still access the supports they need and to return the funds back to their plans.

Following further investigation, the NDIA discovered that the people involved with Supportglow had already registered a number of other NDIS providers and started claiming under the new provider name. The NDIA undertook further action to stop payments being made to these new businesses.

Working in partnership with the NDIS Quality and Safeguards Commission, the NDIA continues to closely monitor phoenixing activity to prevent further impacts on participants. New matters are also referred to the NDIS Fraud Taskforce.

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