



Service agreements – what you need to know

A service agreement is the foundation of the participant provider relationship, so getting it right is key to success. In an evolving NDIS marketplace, it is important that you regularly review and update your service agreement template, based on changes in legislation/guidance and past learnings. In this article we re-visit service agreement fundamentals and provide you with some handy tips, a service agreement template and where to go for more information.

Note: Providers of supported disability accommodation (SDA) have specific requirements for service agreements, detailed in the National Disability Insurance Scheme (Provider Registration and Practice Standards) Rules 2018 and the National Disability Insurance Scheme (Specialist Disability Accommodation Conditions) Rules 2018.

These requirements are not covered in this article.

What is a service agreement?

A service agreement is a contract between an NDIS provider and a participant. [National Disability Insurance Scheme \(Provider Registration and Practice Standards\) Rules 2018](#) require that a service agreement exist, preferably in writing.

Making a service agreement is a negotiation between the provider and participant. As a provider, you have a responsibility to ensure participants have choice and control when developing their services. Part of this is using language that the participant can understand and delivering the information in a way that they find accessible. Some participants might want to nominate a representative e.g. a family member, friend, or guardian, to help with this process.

Why have a service agreement?

A service agreement helps to safeguard both the provider and participant, and to manage risk throughout the course of the agreement. It can act as a point of reference, which can be especially helpful if something goes wrong. Service agreements aim to ensure there is a shared understanding of:

- the supports to be delivered, and when and how they will be delivered
- responsibilities and obligations of both the provider and participant
- how to resolve any issues that might arise.

Service agreements are also a great way of incorporating all the information relevant to service delivery in one place e.g. goals and transport arrangements.



From a governance perspective, registered providers need to ensure that service agreements (and the services provided) conform with:

- [NDIS Act 2013](#)
- [National Disability Insurance Scheme \(Provider Registration and Practice Standards\) Rules 2018](#)
- [National Disability Insurance Scheme \(Quality Indicators\) Guidelines 2018](#)
- Australian Consumer Law (ACL) which is part of the [Competition and Consumer Act 2010](#)
- [A New Tax System \(Goods and Services Tax\) Act 1999](#)
- [NDIS price guide](#)
- The NDIS Quality and Safeguards Commission's (the NDIS Commission) Practice Standards and Quality Indicators is a user-friendly guide to help providers understand their responsibilities, and demonstrate their compliance with the NDIS legislation, rules and guidelines.

We will talk about how you achieve your responsibilities regarding service agreements throughout this article. You can also use our [service agreement template](#) as a guide.

Having a robust, transparent service agreement can also help you meet your obligations under the NDIS Commission – something you must do to maintain your registration as an NDIS service provider.

Australian Consumer Law (ACL) and service agreements

ACL is part of the [Competition and Consumer Act 2010](#), and is governed by the Australian Competition and Consumer Commission (ACCC). ACL protects consumers when they buy goods or services. Any person buying goods or services, including NDIS participants, has the right to:

- ask for what they want
- take their time in making a decision
- ask for a better price
- say no if they do not want the goods or services offered
- be treated fairly
- be given all the important, correct information
- speak up if something goes wrong.

All businesses buying and selling goods and services, including not-for-profits, have obligations under ACL. Businesses must:

- be truthful and accurate in all advertising materials and statements
- not charge for goods and/or services the consumer did not request
- avoid unfair business practices and dishonest conduct
- abide by door to door and telephone selling laws
- deal with consumers fairly, communicating in a way that the consumer understands what they are agreeing to
- provide a receipt for goods or services over \$75 (excluding GST), including the business name, ABN, what was supplied, the date of supply and the price
- provide itemised bills, if requested, free of charge
- honour consumer guarantees and warranties
- compete fairly and not enter into contracts, arrangements, or understandings with competitors about how they will compete, unless approved by the ACCC.



If a business fails to comply with its obligations, it is breaking the law and there are penalties for breaches.

To help you understand your obligations, as a NDIS provider, ACL regulators have created '[A guide to competition and consumer law – for businesses selling to and supplying consumers with disability](#)'.

Goods and services tax (GST)

Many services delivered to NDIS participants, by providers of disability supports, who are registered for GST, may be GST free. The Australian Taxation Office (ATO) states that supply to a NDIS participant is GST-free if all the following requirements are met:

- the participant's NDIS plan is in effect
- the supply is of reasonable and necessary supports
- there is a written agreement between the provider and the NDIS participant (or their nominee)
- it is a service covered by one of the schedules in the [GST-free Supply \(National Disability Insurance Scheme Supports\) Determination 2017 \(NDIS Determination\)](#).

You can find more information on the [ATO website](#). If you need assistance with tax law compliance, they should seek legal or financial advice.

Pricing

The [NDIS price guide](#) is designed to help participants and providers understand the way that prices work in the NDIS. The price limits in the [NDIS support catalogue](#) are the maximum prices that a registered provider can charge for specific supports. Providers and participants can negotiate lower prices.

The price limits and other arrangements in the price guide must be followed when a participant has an agency managed plan or a plan manager.

Registered providers cannot add any other charge to the cost of the support, including gap fees, late payment fees, or cancellation fees (except as provided for in the NDIA cancellation policy).

The price guide and pricing limits are updated at least annually. These prices will be automatically updated in the provider and participant portals and participant plans.

Exceptions to standard price limits

Participants who are self-managing their NDIS plans can use registered or unregistered providers and can negotiate costs above NDIA price limits when using unregistered providers

There are some circumstances in which registered providers can charge more than the price limit. This includes:

- **the temporary transformation payment (TTP)**
This is a higher price limit for registered providers of attendant care and community participation supports, to help with the transition to the NDIS. To charge the higher rate there are specific TTP reporting requirements (see the [NDIS price guide](#) for requirements).



- **regional, remote and very remote pricing**

Higher price limits (40-50% higher depending on location) are available for services delivered in rural and remote areas. See the [NDIS price guide](#) to determine if these apply to your services. Note that prices are based on where the service is provided, not where the service provider is located.

All service agreements should include a statement of the agreed cost for supports, including whether any loadings apply and if prices may increase due to changes in the price guide. Any changes to the terms in a service agreement should be discussed with the participant, prior to the change taking place, put in writing, and signed by both parties.

What to include in a service agreement?

Service agreements are specific to each organisation and there may be particular information your organisation chooses to include in their service agreement. A participant may also want to add or amend the service agreement. This is fine – just remember both parties need to agree, and all information provided needs to be consistent with the relevant legislation, guidelines, and rules.

NDIS providers need to give participants information, including any agreed terms and conditions, on:

- the expected outcomes and nature, quality, and price of supports to be provided
- managing feedback, complaints and disputes
- ending the service agreement
- making changes to the service agreement
- the responsibilities and obligations of the provider and the participant
- GST and NDIS services

Where applicable, a service agreement should also include information and/or terms and conditions on:

- the people involved in the service agreement including contact details
- the participants' NDIS goals
- the start and end date of the agreement
- when and how the service agreement will be reviewed
- the purpose of the agreement
- participant transport
- provider travel
- billing for non-face to face supports
- cancellations
- the agreed cost of supports, including whether additional loadings (e.g., TTP) apply to the service, and if prices will increase if the price guide changes.

Schedule of supports

Using a schedule of supports in your service agreement is an easy way to outline the type, quantity, and price of supports to be provided. You can also include the participant's goals for each support type, along with payment information and any other relevant information. See our [service agreement template](#) for some examples.



You should include any agreed provider travel, participant transport, non-face-to-face supports and non-funded activity related costs e.g. food in the schedule of supports. If you have not detailed and agreed these with the participant, you cannot charge for them.

Signing a service agreement

It is best practice for NDIS providers to have a written service agreement, signed by both participant and the provider, before any services are delivered. The participant should also receive a copy of the signed agreement. The NDIS and the NDIS Commission recognise it is not always practicable to have a signed agreement, or a participant may choose not to have an agreement. In these circumstances the provider should record the actions taken to come to an agreement to deliver services e.g. verbal agreement.

A participant, their nominee or guardian can provide consent and sign a service agreement. Consent can be made verbally, in writing or via a communication aid. A support coordinator or NDIS provider cannot sign a service agreement on behalf of the participant.

It is the responsibility of the provider to assess the risk and make a decision on whether to provide services without a signed, written agreement.

Tips for writing service agreements

- Keep the language simple, in plain English.
- Include a copy of the participant's plan (if the participant consents).
- Avoid setting up service schedules that are unrealistic or too rigid (e.g., can someone be expected to attend every week for one hour or is there room for movement?).
- Always link services to NDIS goals.
- Consider including an amendment sheet in your service agreement template. This will allow you to make minor changes, without having to change the whole service agreement.

Where to go for further information

The NDIS Commission

- [The NDIS Commission website.](#)
- [NDIS practice standards and quality indicators](#) – a guide to what the practice standards are, the expected outcomes, and the associated quality indicators providers can use to demonstrate conformity.
- [NDIS complaints management guidance](#) - a guide regarding provider legislative obligations and effective complaint handling.

NDIS

- [Information on service agreements](#)
- [Find a provider page](#) – find all the providers currently registered with the NDIS
- [NDIS price guides and pricing](#) page – find the latest updates and versions, in a range of formats
- [NDIS Act 2013](#) – the full NDIS Act 2013
- [Nominees operational guideline](#) – information in relation to nominees and decision making.



ACL and ACCC

- [ACL information for consumers with disability](#)
- [ACCC guidance on ACL for NDIS providers](#)
- [Competition and Consumer Act 2010](#) - legislation including the ACL
- [About ACL](#) – about the legislation with links to guides explaining ACL in simple language.

ATO

- [GST and the NDIS guidance](#).

Transition support project

- [Service agreement template](#)

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