



Supported Independent Living costs and impacts

Summer Foundation Policy Position Statement

April 2022

Key messages

- The costs of Supported Independent Living (SIL) are an outsized contributor to National Disability Insurance Scheme (NDIS, Scheme) budget growth. This is impacting Specialist Disability Accommodation (SDA) determinations made by the National Disability Insurance Agency (NDIA, Agency).
- The cost effectiveness of SIL can be improved by maximising NDIS participants' (participants) independence through accessible design and collaborative care or shared support models, thereby reducing the dependence on paid support staff.
- NDIA guidance encourages the involvement of participants, their family and carers in the decision-making process for their housing and housing related supports, but it is not a requirement and some current processes may unintentionally limit choice and control.
- There is a conflict of interest present with providers supplying both housing and housing related supports to participants. The NDIA should require the complete separation of these supports.
- To ensure a participant's NDIS funding best meets their housing needs, their housing and housing related supports should be considered together.

Background

SIL is an NDIS funded support to provide assistance with daily living. It is designed to help participants live as independently as possible in their home.¹ It is suitable for people with higher support needs who are likely to need assistance throughout the day and night.

The NDIS provides funding for support or supervision with daily tasks to help people live as independently as possible, while building skills. The NDIA defines SIL as being for people who require some level of support at home all the time.² It includes things such as having a carer to help with personal care tasks or cooking meals.³

¹ NDIA, SIL Operational Guidelines, 9 November 2021, [link](#)

² NDIA, 2021, Supported Independent Living Operational Guidelines, [link](#)

³ NDIA, 2021. 'Supported Independent Living for participants.' [link](#)

Though not all participants using SIL live in an SDA property, most (93%) participants who live in SDA also receive SIL payments.⁴ Approximately 2.1% of total participants receive only SIL funding⁵ (no SDA) and can live in a range of housing, including community housing or housing managed by their SIL provider (also called “closed setting SIL homes”). As discussed below, there is a lack of guidelines for these settings, which can mean less choice and control for participants.

The [NDIS Annual Financial Sustainability Report 2020-21](#) is projecting substantial spending over original projected costs for the Scheme. SIL is an outsized contributor to this budget growth.

- SIL funded participants represent 5.7% of all NDIS participants, but 34% of total NDIS payments made in the 2020-2021 financial year⁶.
- The average annualised payment for a SIL participant is \$318,000, and \$37,000 for participants not enrolled in SIL.
- The NDIA has identified that the increase in more intensive and dedicated support ratios from shared support accounts for 48% of SIL budget inflation.

The NDIA reports that SIL funding is growing at the “unsustainable” rate of 17% per annum, threatening the Scheme as a whole. It is important to note that although the costs are significant, the proportion of participants with SIL (as a proportion of all participants) continues to decrease over time as more participants with higher functional capacity join the NDIS. In June 2018, 7.3% of participants had SIL, compared to 5.7% in June 2021.

“Anna’s long-term goal has always been to move out and live independently. We’ve been on the NDIS for a few years now and this year we’ve got some funding for Supported Independent Living, which has enabled us to provide staff for a private rental and it has enabled Anna to finally move out and achieve her goal.”

Susie, family member

“It’s like dangling a carrot, you know. We’ve got all these apartments at [development site] at the moment basically empty – it has been for months – just waiting and waiting and waiting for people to move in. At the moment, it’s waiting for SILs. They don’t have it to move essentially. They don’t have enough to move prior to the set up to be safe.”

OSS Provider D

⁴ Summer Foundation, January 2022, Support in Specialist Disability Accommodation Apartments,

⁵ NDIA, NDIS Quarterly Report 2021-22 Q1, 30 September 2021, [link](#)

⁶ NDIA, Annual Financial Sustainability Report 2020-21, [link](#)

The Summer Foundation has identified the following problems:

1. Conflation between the rising costs of SIL and SDA determinations made by the NDIA could result in inappropriate housing determinations for participants

As discussed in the Summer Foundation's [SDA Investor Think Tank Report](#), there is an apparent conflation between the rising costs of SIL supports and SDA determinations made by the NDIA. However the NDIA has not released any information that provides evidence of this connection between SDA determinations and SIL costs. The Summer Foundation is concerned that if this conflation is impacting the determinations made by the NDIA, some participants may be receiving inappropriate funding determinations that do not represent [reasonable and necessary](#) housing supports. The report recommends there should be a review conducted to compare the costs of SIL across a range of dwelling types and settings so that determinations can be cost-effective and evidence-based.⁷

As discussed in the Summer Foundation's February 2022 [submission to the Joint Standing Committee on the NDIS](#) on current Scheme implementation and Forecasting for the NDIS, from 1 April to 30 June 2021, the NDIS Home and Living Panel (HLP) determined that 1,137 participants were eligible for SDA but only 123 (10.8%) of these were funded to live alone. Between 1 July and 30 September 2020, the HLP funded sole occupancy SDA for 205 (25.5%) of the 802 participants eligible for SDA. This points to the cost pressures of the Scheme overall impacting individual decisions made on participant plans creating inconsistent, and in some circumstances, inappropriate outcomes for the participant.

The NDIA has also made some recent changes to eligibility that will reduce the number of participants eligible for housing support. In November 2021 new SIL Operational Guidelines stated that to be eligible for SIL, a participant must require some level of support all the time.⁸ This change excluded a large group of people that require home-based support less than full-time hours. For example, some people may not require support overnight but need support during the day to complete daily self-care tasks.

⁷ Summer Foundation, Specialist Disability Accommodation (SDA) Investor Think Tank Findings and Recommendations, August 2021, p.29 [link](#)

⁸ NDIA, Supported Independent Living Operational Guidelines, November 2021, [link](#)

2. There is a lack of clear understanding of how the NDIA determines the level of funding for SIL in a participant's plan

The current SIL Operational Guidelines⁹ state that SIL funding is determined by a range of information, including assessments, reports and a Roster of Care (RoC), which is a weekly timetable of a participant's routine and the support required for each task created by the provider. To best ensure SIL funding meets the needs of the participant and allows for levels of independence the participant wants, the NDIA should routinely seek input from the participant, as well as provide transparency on how funding decisions are made.

This transparency will also encourage more innovative housing and support arrangements from providers, such as sharing supports, discussed more in the Models for Support section below. This transparency could be a downward pressure on costs as providers may be requesting a higher level of support than necessary to manage their risk.

3. The lack of practice standards for SIL is creating a risk for participants and limiting choice and control

The [NDIS Practice Standards and Quality Indicators](#) detail the standards that should be met by providers when providing support and services to participants. This document has a module on SDA that sets out standards for service agreements and conflict of interest, among others. The NDIA does not publish any practice standards for SIL, or other types of housing including closed setting SIL homes. This lack of guidance creates a risk for both participants and providers as there are no shared determinants of quality to measure against.

As discussed in the Summer Foundation's [closed setting SIL homes policy position paper](#), many of these homes do not use tenancy agreements or afford any tenancy protections to the participant. Participants may feel they are unable to make changes or complain about their services for fear of impacting the stability of their housing arrangements.

This lack of practice standards is creating some issues in the housing market for participants. The [Home and Living Consultation: An Ordinary Life at Home](#) paper states that a large number of participants receiving housing support receive SIL, SDA and Support Coordination from the same provider. To address these issues, the NDIA should:

- Require the provision of housing and housing supports to be separate. Housing and housing supports should be provided by different providers, and where that is not possible, should have separate services agreements to prevent real or potential conflict of interest.
- Service agreements should be independent so one can be changed or ended without impacting the other.
- Implement accessibility and safety requirements for closed setting SIL homes.
- Require SIL dwellings to be registered with the National Quality and Safeguards Commission (NQSC) to uphold standards of health and safety for participants.

⁹ NDIA, SIL Operational Guidelines, 9 November 2021, [link](#)

“One component of the SIL which is most important is the 24/7 on-site service, or the shared support that covers all SDA tenants in a building. This means that if any tenant needs assistance outside of their personal care times, then there is someone on-site who can help them. This usually works well. However, under the model where the SIL provider runs both the 24/7 shared service and the personal care support, it can lead to the shared support component being misused... They liked to roster on support workers over several tenants and if individual support times overlapped, then management was not happy. That’s not how this works. I’m an individual living in my own apartment. What other people in this apartment building do should not affect me. It doesn’t affect the able bodied people here, so why me? No one else here has to have their dinner half an hour after their next door neighbour, they can have it whenever they like. Only under this tired support model, I’m not seen as an individual person. I’m only seen as 1 part of a project that has to tow the line”.

Alex - Participant

4. Working with participants not required

The [2019 review of the National Disability Insurance Scheme Act 2013](#), also called the Tune Review, included 29 recommendations, including one related to SIL:

14. The NDIA undertake a review of its operational guidelines when funding Supported Independent Living, with an emphasis on increasing the involvement of participants, families and carers in the decision-making process and the principles of choice and control.¹⁰

[In response to the Tune Review](#), the Federal Government supported this recommendation, and committed to undertaking a review of SIL. They also cited the new [Operational Guidelines for SIL](#) and new [Provider SIL Pack](#) that were released in June 2020¹¹ as working towards this recommendation.

These documents encourage increased involvement of participants, families and carers in the decision-making process, but it is not a requirement, nor do they provide actionable ways for participants to engage. The Operational Guidelines are written for a participant audience but were not written or co-designed with participants. The Guidelines encourage participants to choose a provider that will best help them work towards their goals after their SIL is approved, however a participant must engage a provider as part of the application process to put together their RoC. This is an example of an operational issue that may cause confusion and may cause a participant to feel they are committed to a single provider delivering their SIL services, impeding their choice and control.

¹⁰ Tune, D. Review of the National Disability Insurance Scheme Act 2013, December 2019, p.108 [link](#)

¹¹ Australian Government, Response to the 2019 Review of the National Disability Insurance Scheme Act 2013 report, August 2020, [link](#)

Models for support

Much of the disability housing market in Australia is still utilising outdated models of housing and support, most notably group home-like housing. As of September 2021, there were 16,347 participants receiving SDA payments, and 10,000 SDA places in a group home setting with 4 or more other people living at the home¹². In the same month, there were 25,647 participants receiving SIL payments¹³.

The NDIS provides an opportunity to put into practice a range of housing models for people with disability, recognising that each individual will have different needs and wants for both their housing and support in the home, and that may also change over time. In September 2021, the NDIA launched its [first market information request for home and living demonstration projects](#), specifically for SIL models. This is a positive step towards fostering innovative models of housing and support for participants. At the time of writing, the outcome of this request has not been made public.

The Summer Foundation's submission to the Joint Standing Committee on the NDIS Inquiry into SIL (2019) stated that independent living housing models achieve better outcomes for individuals as well as lower costs than group home settings. One important way to improve the cost effectiveness of the SIL model is to maximise participant independence through accessible design and collaborative care models, which can reduce the hours paid support staff are needed.

One innovative model of housing for people with disability is on-site shared support (OSS) in co-located SDA, also called concierge or the 10+1 model¹⁴. This allows participants to live alone while having support available on-site in emergency or unscheduled times. As found in Summer Foundation's [Support in SDA Apartments](#) research, this model allows individuals to retain and build independence, privacy and control.

To best ensure the supports are reasonable and necessary, as per the definition under Section 34 of the [NDIS Act 2013](#), and are "effective and beneficial for the participant, having regard to current good practice", the following points should be considered:

- SIL provides the flexibility for participants to share supports, allowing participants to build greater independence and to reduce the overall cost of supports. However, SIL funding applications are most often reviewed individually, which means submitting for shared support can be bureaucratically challenging. It would be beneficial for participants to have their funding for SIL determined and reviewed collectively to allow for shared arrangements, where requested by the participant.
- To ensure a participant's NDIS funding best meets their housing needs, an applicant's housing and housing supports should be considered together. A participant's housing impacts the support they require in that home. If a participant is funded for housing and housing supports at separate times, or is not funded for housing and only for supports, it can create a situation in which the participant is forced into inappropriate housing or support.

¹² Summer Foundation, January 2022, Support in Specialist Disability Accommodation Apartments.

¹³ NDIA, NDIS Quarterly Report 2021-22 Q1, 30 September 2021, [link](#)

¹⁴ Summer Foundation, Moving into new housing designed for people with disability: Evaluation of tenant outcomes, Interim Report, July 2021, [link](#)

“When we do just say emergency support, it does sound so irregular. Whereas if they were to really factor in how often people do call on them, and how much money it is saving them, sharing that support between 10 people, it’s – it adds up so much...When they’re not living, you know, in our shoes it’s hard for them to really see how regularly we do call on them, and it is saving them money. It’s saving the NDIA money because we’re all sharing that support. Instead, if I didn’t have that, I’d have to have someone here, you know, near 24 hours a day. So – which, I don’t want, and they don’t want to pay for.

Casey - Participant

“There is an efficiency in a shared support component. Whether that’s concierge, or SIL, or other forms of shared support. Whereas when they’re (the NDIA) looking at costs associated with the same people sharing a house, for example, there’s a greater understanding around those support arrangements, and a perception that there’s a greater sharing of supports...I think a really important issue is around the NDIA regarding supports as value for money. And obviously a concern is the agency not understanding the efficiencies of a shared support model in a clustered SDA typology. So some of the solutions there revolve around, first of all, an understanding of the efficiency that these models offer. And then around the eligibility of participants that are best suited to these models...We know it’s a cost-effective model, so I believe it’s working quite well. But the challenge is educating the Agency and people within government as to why it’s a cost-effective model.”

SDA Provider 1ii

Recommendations

Recommendation 1: The NDIA to facilitate innovative models of housing and support that maximise participant independence and lower costs.

- a. Accessible housing that is designed for independent living can both foster greater autonomy and reduce costs when compared to group home settings. The NDIA should actively work with SDA market investors, developers and SIL providers to facilitate the creation of a range of accessible housing models. As part of the Home and Living consultation, NDIA opened a process for innovative models of SIL. This work has not yet been released but is urgently needed, and should be actively building best practice and innovative SIL models.

Recommendation 2: The NDIA to mandate the involvement of participants, their families and supports in SIL application and development.

- b. In line with recommendations from the Tune Review, the NDIA should require SIL providers to involve participants and their families in the decision-making process, in particular in developing their application for SIL funding. This will encourage transparency and negotiation between parties.

Recommendation 3: The NDIA to create practice standards for the delivery of SIL services.

- c. Though the NDIA has released SIL provider guidance, it is focused on funding and the application process. SIL should be included in the NDIS Practice Standards and Quality Indicators to ensure there are consistent standards across all those providing housing and housing supports.

Recommendation 4: The NDIS Quality and Safeguards Commission to mandate the separation of housing and other support services as a condition of NDIS provider registration.

- d. The Summer Foundation has found that when a provider both manages housing and support services provided in that home, it presents a conflict of interest. This can occur in closed setting SIL homes. The participant commonly experiences less choice and control in their schedule and is less able to feel empowered to complain about any support.

Recommendation 5: If a participant shares supports with others, the NDIA should allow them to access a collaborative or shared plan review so shared supports are not negatively impacted by another participant's change in funding.

- e. Shared supports, such as in the 10+1 model, are an innovative way in which participants can find greater independence and SIL costs can be reduced. In order for these supports to be stable and balanced across all participants, the NDIS should assess the needs of all involved participants collectively. If one person's SIL funding is reduced, and they require shared support, the costs to provide the support is often borne by other tenants, or the SIL provider may reduce the level of service to everyone.