

# Supported Independent Living Survey Results

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## Key findings

1. SIL providers are carrying substantial debt older than 30 days
2. About half of participants supported by responding organisations received a reduction in SIL funding during plan reviews undertaken during 2020–21
3. 58 per cent of responding organisations indicated that downgrades from higher intensity to standard support occurred for 20 per cent or more of their SIL participants
4. 54 per cent of responding organisations indicated that a reduction in the number of hours of support occurred for 20 per cent or more of their SIL participants
5. The average vacancy rate across responding organisations was 10 per cent
6. Participants supported by respondents received an estimated real average decrease in SIL funding of 4.24 per cent
7. Communication from the NDIA on SIL funding reductions was poor (providers indicated they were often not informed of the reduction directly)
8. The NDIA's reporting of averages hides the sometimes very significant impact of SIL funding reduction on individuals
9. The NDIA's approach of funding SIL with regard to what supports will be shared is inconsistent with the refusal to adjust funding for shared supports when there is a vacancy

## Background

Following on from NDS's Briefing Paper, members were invited to participate in a survey on SIL in October. A total of 123 validated responses were received from organisations providing SIL across the country. Organisations providing SIL vary greatly in the number of participants they support. Given it was a survey of NDS's members, it is not surprising that very small SIL providers are under-represented by survey respondents.

What is surprising is the growth in number of small SIL providers: the NDIA's September 2021 Quarterly Report indicates that 65 per cent of active SIL providers support 10 or fewer participants. These small providers, however, support a relatively small proportion of all SIL participants.

## Number of SIL providers who responded; Number of NDIS active SIL providers

Number of participants supported	SIL Survey responses		NDIA QR 30 Sept 2021	
	Number SIL Providers	Percentage	Number SIL Providers	Percentage
5 or fewer	9	7.3	554	51.2
6–10	22	17.9	150	13.9
11–50	50	40.7	279	25.8
51–100	23	18.7	54	5.0
101–250	11	8.9	34	3.1
251 +	8	6.5	10	0.9
<b>Total</b>	<b>123</b>	<b>100</b>	<b>1,081</b>	<b>100</b>

Of the survey respondents, approximately 25 per cent (n=31) supported 10 or fewer participants; 60 per cent (n=73) provided SIL supports for between 11 to 100 participants; and 15 per cent (n=19) supported more than 100 participants in SIL.

The 123 organisations that responded to NDS's survey provide SIL support services to just over 9,500 participants. As the NDIS Quarterly Report for September 2021 reported 25,600 participants in SIL, this survey represented 37 per cent of participants receiving NDIS SIL supports.

The survey was distributed to NDS Member organisations after the NDS Annual Market Survey. The themes and sentiments from both surveys are similar—pessimism, frustration and confusion, which is evident in the qualitative results:

"We are deeply worried about the impact on SIL process so much so that our Board are considering no longer providing this service. As we work with very complex clients this is a huge decision. However, SIL is losing money and is unviable now—we are very worried if this doesn't change we will have no choice but to cease this work."

"Substantial changes to funding are forcing our organisation to reassess our capacity to provide supports. We have a duty of care to our workers and participants to provide a safe working environment. NDIS funding is putting us in a position to fund supports out-of-pocket, relinquish supports or provide a model of care that puts participants and workers at risk."

### Findings: Changes to SIL funding

Overall, 96 respondents to NDS's SIL survey indicated that about half the participants they supported (50.4 per cent) had a reduction in funding in the plan review undertaken in the financial year ending June 2021. Close to 40 per cent received about the same level of funding, and just over 11 per cent received an increase.

Respondents were asked to estimate (for participants receiving SIL supports at the end of June 2021) the percentage who had received an increase in SIL funding, who received about the same level, and who had received a decrease in SIL funding. The results are in the Table below:

<b>Number of participants supported</b>	<b>Funding increase</b>	<b>About the same</b>	<b>Funding reduction</b>	<b>Respondents (n=)</b>
5 or fewer	5.0	66.6	28.2	5
6–10	10.1	43.7	53.7	17
11–50	11.0	36.6	54.2	42
51–100	8.3	33.6	51.8	18
101–250	13.9	42.7	43.4	9
251+	28.6	34.6	36.8	5
	<b>11.2</b>	<b>39.4</b>	<b>50.4</b>	<b>96</b>

Across the respondents, the average SIL funding in a plan decreased from \$199,158 to \$196,202 from the year ended June 2020 to June 2021, a 1.5 per cent drop. This figure needs to be adjusted for an indexation rate (of 2.74 per cent). If we assume the impact of the timing of plan reviews is negligible, this survey indicates an average funding decrease of about 4.24 per cent across the period being surveyed.

Respondents expressed concern about the SIL funding changes that had been introduced from July 2020:

"SIL has been impacted significantly over the past 12 months. Whenever a decrease in the funding occurs there is no discussion or rationale provided."

"Changes to Rosters of Care and/or reclassifying participants with complex supports to standard supports without consultation. Shared SIL supports for participants living together are not assessed and funded at the same time. No response from NDIS about how to manage SIL participants living together and funding reduced from active nights to sleepovers. (i.e. four participants living together for more than 10 years, new plans received, one participant has been funded for active nights and the other three have been reduced to sleepovers without consultation. How does a Provider provide the supports (staffing) and be funded accordingly? These participants supports have not changed, if anything they are aging and require additional supports."

The SIL Briefing Paper outlined a number of ways in which the Agency was making adjustments to the funding provided to SIL participants: restricting prices (removing the ability to quote); downgrading participants from high intensity to standard care; and decreasing the hours of support within a Roster of Care. Respondents were asked to report on each of these impacts.

- **Price caps**

Prior to July 2020, 43 per cent of respondents (n=67) indicated they were quoting prices higher than the price caps in the NDIS price guide (note: this was permissible, with quotes approved if they were no more than 10 per cent higher than price caps). Forty five per cent indicated they did not, with 12 per cent unsure.

The 29 organisations that said they were quoting at prices higher than those in the NDIS price guide prior to July 2020 supported 3,199 participants at the end of June 2021.

- **Downgrading from higher intensity to standard care**

In the financial year 2020–21, 58 per cent of respondents (n=84) indicated that 20 per cent or more of the participants they supported were downgraded from higher intensity to standard care. The 49 organisations that reported this finding supported 3,699 participants at the end of June 2021.

This is a surprisingly high proportion.

"There is a trend in SIL service bookings to change all higher intensity plans to standard plans when service bookings are rolled over despite no change in the level of support provided."

- **Decrease in hours of SIL supports with the Roster of Care**

A similarly disturbing number of participants received a decrease in hours of SIL supports within their Roster of Care following a plan review during the financial year 2020–21. Of the 89 organisations that responded to this question, more than half of them (54 per cent) reported that 20 per cent or more of the participants received a decrease in the number of hours they were funded for SIL supports.

The 48 organisations that said 20 per cent or more of their participants were impacted by the decrease in hours of SIL supports supported 3,528 participants at the end of June 2021.

"ROC do not allow for anomalies such as if you have 3 participants in a house and 1 person decides to have 1:1 support, the ratio for the other two clients stays the same as the ROC, for organisations this could be a great loss in funds as technically those supports are now offered at a 1:2 support"

"We have a real issue with the NDIS not looking at all participants sharing a house at the one time. We have had a 1:3 arrangement where one participant had the evidence to receive active overnight shifts but she was only funded for 1/3 share of an active overnight shift and her 2 co-tenants received 1/3 each funding for a sleepover. This means we as a provider are providing active overnight shifts but aren't being funded appropriately."

- **Vacancies**

Vacancies also impact on the supports available to participants living in SIL, as they can result in inadequate funding for essential supports, such as an active overnight shift.

Approximately 580 vacancies were reported by the 53 respondents reporting vacancies in SIL properties as of 30 June 2021. These providers were providing SIL supports to 5,174 participants as of 30 June 2021.

This indicates approximately 10 per cent of the available SIL places were vacant, often resulting in inadequate funding in a property to cover the cost of shared supports.

“No clear process in the sector of working together for SIL vacancies - tenancy matching is such an important part of the SIL process yet is not funded or supported - need more in-depth transition funding and trial funding for testing a tenancy match before you have to commit.”

"SIL is being funded for individuals with no regard to the viability of the houses. In previous years – [name of organisation] built two houses with four bedrooms - not for the sole purpose of having three participants in them - they were only ever going to have two participants with complex needs. The fourth bedroom is now being considered a vacancy and funding is being reduced because of this. Even though there was never any intention of having a third participant in these houses."

- **Outstanding payments**

A concerning figure from this survey is that 57 respondents report that they are owed a total of over \$35 million for NDIS SIL supports that has been outstanding for more than 30 days.

The average NDIS SIL supports amount outstanding for more than 30 days is \$625,000. One organisation reported they have over \$10 million NDIS SIL Supports outstanding for more than 30 days.

The survey found that on average respondents reported that 45% of their organisation's income is from NDIS SIL supports. This is potentially a massive debt carried by provider organisations, as a result of delays in payment by the NDIS for SIL supports.

“The lengthy delays in receiving SIL money, the lack of response from the SIL team to Change of Circumstances continues to be an issue. We can't stop service delivery whilst we wait for responses - where do people live?”

## **Discussion**

The NDIA has targeted SIL over the past year, determined to slow the growth of expenditure on SIL supports. From the NDIA's point of view, the strategy has been successful. Many participants and providers would give a very different assessment.

As reported in the NDIA's Annual Financial Sustainability Report<sup>1</sup>, SIL participants, while comprising only 5.7% of all participants in the scheme, SIL participant plan costs make up 34% of the overall costs in the financial year 2020-2021.

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<sup>1</sup> NDIA: Annual Financial Sustainability Report Summary – Interim update, July 2021, page 25. <https://www.ndis.gov.au/news/6590-ndis-financial-sustainability-report-release>

The latest NDIS Quarterly Report (September 2021) has acknowledged that in the last year:

“Plans have decreased marginally on average from the previous year, but are still well above plan budgets from two and three years ago. [33% increase in overall plan budgets and 31% increase in the daily activities component of the plan budgets over the three years].”

The latest report also states:

“At the individual participant level, plan budgets go up and down depending on the circumstances of individual participants. From 30 September 2018 to 30 September 2019, the proportion of plans between \$100,000 and \$250,000 decreased from 53 per cent to 35 per cent, and this further decreased again between 30 September 2019 and 30 September 2020, from 35 per cent to 22 per cent. Over the same time period the proportion of plans between \$350,000 and \$500,000 increased from 10 per cent to 24 per cent. The number of plans between \$500,000 and \$750,000 also increased from 2 per cent to 12 per cent. These changes reflect large increases in average plan budgets of between 13 per cent and 17 per cent per annum overall.”

These statements of averages hide the impact on individual participants living in SIL arrangements (and often on those they share with). A plan review has been triggering a reduction in the supports available to many SIL participants. The impact on individuals (and those they live with) can be substantial.

The NDIS Quarterly Report also touches on the SIL changes since 2020, including:

“SIL support value calculations have been made by a national team of highly trained and dedicated SIL Assessors at plan review. This ensures a consistent approach to SIL supports across all participants. **Changes to SIL support budgets are communicated by the Assessors to providers and support coordinators at this point prior to final approval of the Participant’s whole plan.** All proposed variations to SIL plan budgets greater than or equal to \$50,000 are also subject to a second oversight process by senior delegates to ensure reasonable and necessary decisions are being made.”

Many providers would be shocked by this claim. Too often they report they are not contacted by planners to inform them of changes the NDIA has made to a SIL budget.

The qualitative results of NDS’s survey indicate that communications by the Agency to providers has almost certainly deteriorated over the past year. When analysed, 38% of the qualitative results cite communication problems with the Agency, centring around the lack of information as to why plans have changed.

"The biggest issue as an organisation that is occurring for us is that we submit a Roster of Care for review and then we receive no correspondence back until we realise it is on the myspace portal with the fund's information. This has been difficult, and quite often we may be providing supports that are not approved, so straight away we have issues with the client's funding."

"Our recent experience is that NDIS are reducing our SIL funding without correspondence or even so much as a revised ROC. I can cite two situations whereby one client was due to receive \$210K funding and NDIS made a service booking for \$130K without any correspondence. The second situation is similar whereby the participant was receiving \$340K and their funding was reduced to \$160K. Many of our other residents are having their SIL funding cut by anywhere between \$10 to \$40K without correspondence from the NDIS. Even after having reviewed ROC submitted with evidence"

"There has been significant changes without sufficient communication. The changes all trend towards the outcome of reducing the funding which puts pressure on providers to be able to continue to provide the same level of supports which the participants have become accustomed to."

Vacancies are effectively adding to the decrease in supports available to some participants.

The NDIA's SIL Operational Guideline<sup>2</sup> indicates the NDIA takes shared supports into account when developing a participant's funding for SIL:

**What ratio of support do you need?**

Once we work out what hours of support you need in an ordinary week, we then need to work out your ratio of support for these hours. A ratio of support means how many disability support workers will provide your support, and how many participants you'll share this support with.

We'll consider what ratio of support meets your disability support needs and meets our [NDIS funding criteria](#), including value for money. This covers all your shared support needs, including the times you need more support, and the times you need less support.

However, the same Operational Guideline indicates if some of the shared support funding is lost from a SIL arrangement due to a vacancy, the NDIA will not 'top up' the lost funding for that shared support. This is grossly unfair and potentially unsafe to the participants who continue to live in the property.

**What if there is a vacancy in your shared living arrangement?**

A vacancy is where another participant stops sharing support permanently or for a long time. This means you don't share your support with as many people.

We don't fund vacancies in your shared living support arrangement. We fund supported independent living based on your support needs, not based on the arrangements of the other people who share your support.

A supported independent living provider shouldn't increase the price of supported independent living or claim extra funds from your plan to cover vacancy periods.

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<sup>2</sup> Viewed at <https://ourguidelines.ndis.gov.au/supports-you-can-access-menu/home-and-living-supports/supported-independent-living> on 29 November 2021

You should talk with your supported independent living provider about how they will manage vacancies. Your service agreement should include how your provider will manage vacancies in your shared housing.

Vacancies can take many months—even more than a year—to fill (with the decrease in number of participants becoming permanent in some houses). The level of funding provided for a shared support should be adjusted if the number of participants sharing the cost of that support changes.

## **Conclusion**

Reductions in SIL funding since July 2020 have been widespread. A high proportion of participants have experienced reductions their hours of SIL support and/or are being funded at a lower price (with the NDIA generally making unilateral decisions on these matters). When reporting on SIL, the NDIA relies heavily on averages. This can hide the impact of funding cuts on individual participants.

From the provider point of view, there is concern that decreases in funding could impact on the safety of the supports provided to participants (such as needing to use less skilled staff because of the downgrade from higher intensity to standard). And the administrative impact on providers of responding to these adjustments (and additional negotiations) has been huge and costly.

Also of concern, is the substantial debt being carried by providers. It should not be occurring.

The sector seeks to work with the NDIA to agree and implement improved SIL processes.

## **November 2021**

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**National Disability Services** is the peak industry body for non-government disability services. It represents service providers across Australia in their work to deliver high-quality supports and life opportunities for people with disability. Its Australia-wide membership includes more than 1200 non-government organisations which support people with all forms of disability. Its members collectively provide the full range of disability services—from accommodation support, respite and therapy to community access and employment. NDS provides information and networking opportunities to its members and policy advice to State, Territory and Federal governments.