



# **Australian Psychosocial Alliance**

**Mandatory Registration: Supported  
Independent Living (SIL) and Support  
Coordination.**

## About the Australian Psychosocial Alliance

The Australian Psychosocial Alliance (APA) includes Flourish Australia, Mind Australia, Neami National, One Door Mental Health, Ruah, Stride Mental Health, Open Minds and Wellways Australia. We are specialist providers of community managed mental health and wellbeing services in Australia, with most registered as NDIS providers with a particular focus on psychosocial disability.

Members of the APA have extensive experience providing recovery-oriented care and support which focuses on personal goals, participation and living a meaningful life. We have evidence of what works, and combine this with service delivery wisdom, to provide recovery-oriented services that support people to manage their symptoms and build their capacity to participate in society and manage their lives. This includes support to sustain a tenancy, build the skills to live independently, find fulfilling work, and build social connections.

The people who access our supports come from diverse communities across Australia, with each of our organisations having a clear commitment to promoting community inclusion and participation. We have experience providing services to at risk groups, such as LGBTIQ+ individuals, culturally and linguistically diverse communities, and Aboriginal and Torres Strait Islander people, as well as young people. We recognise the value of lived experience and seek to co-design services and approaches wherever possible.



# APA Submission to the NDIS Quality and Safeguards Commission: Mandatory Registration of Supported Independent Living and Support Coordination

## 1. Overview

The APA welcomes the opportunity to contribute to the consultation for the mandatory registration of National Disability Insurance Scheme (NDIS) Supported Independent Living (SIL) and Support Coordination (SC) providers.

We write this submission from our perspective as specialist providers of psychosocial disability support services, who have knowledge and expertise in the delivery of a range of housing and living supports, SIL and SC and extensive experience working across the disability and mental health service systems.

There are many NDIS participants and other consumers who seek out our services, or who transition through them as part of their support and recovery journey. Like many people with enduring mental health challenges and psychosocial disability, and the complex interplay of social and environmental factors, they encounter additional hurdles when navigating support services. These factors can include significant socio-economic challenges, such as barriers to employment, securing stable housing and social isolation. They are also less likely to have informal support networks compared to people with other disabilities<sup>1</sup>. This means that an appropriately regulated market of providers is crucial to ensuring that they have access to safe and high quality supports of their choosing.

All APA NDIS providers are registered with the NDIS. We invest significantly in quality improvement practices to ensure that not only do we not cause harm but to support our service users to live their best lives. As such, our organisations welcome the proposal for mandatory registration and are not impacted directly by the proposed timelines.

We note that this consultation occurs in isolation of commitment to a broader registration scheme and the proposed amendments to the NDIS Bill, which may impact on the penalty framework attached to registration. It is also occurring without clarity on the Government's intentions with regards to the recommendations to the NDIS Review (the Review). The APA supports the Review's recommendation for a risk-proportionate model for the regulation of all providers and workers (i.e.: universal registration), and the strengthening of the regulatory response to long standing and emerging quality and safeguards issues (recommendation 17). The Review also made recommendations to improve responsiveness of the scheme for people with psychosocial disability (recommendation 7), including registration of, and new standards for, psychosocial support service providers (action 7.4). A commitment to these recommendations would go some way to improve the quality of services and safeguarding of people with psychosocial disability within the scheme. Our recommendations reflect the imperative to implement appropriate safeguarding now, while also highlighting the (limited) scope of this consultation.

Our submission identifies that:

- Use of existing funding categories as a way of determining mandatory registration for high-risk supports is a problem as SIL does not adequately capture the full range of housing, living and support scenarios in which there are quality, safety and integrity issues and where unscrupulous providers are more likely to operate. For example, the current proposal will not include providers of supports to people who have high supports needs (including 24 hours support needs) but who do not need eight (8) hours of active support a day, including those with SIL equivalent packages.

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<sup>1</sup> 76% of NDIS participants with a primary psychosocial disability receive informal support from family and friends compared to 94.7% of NDIS participants without a primary psychosocial disability (National Mental Health & Wellbeing Study, AB, 2023)

- A review of the registration categories is required to ensure that all high-risk supports are included in the mandatory registration categories. This should include all providers under Registration Category 0115 **and** an additional classification of high-risk supports in the home:
  - Individualised Living Option providers: While it may not be possible to regulate Individualised Living Option arrangements (and the chosen “host”), mandatory registration of those involved in the development/exploration of an ILO proposal will provide some safeguarding to ensure that the arrangements are not exploitative (this is consistent with the recommendation for support coordinators to be subject to mandatory registration). An alternative would be to ensure that a (registered) support coordinator is involved in all ILO proposals.
  - All high risk supports delivered in a home. Preferably, the NDIA would consider a new classification of supported housing/housing and living support (to ensure, at a minimum, that all group housing and support arrangements are captured under mandatory registration).
  - All medium and short-term accommodation providers.
- If the expansion of the proposed mandatory registration category does not occur there will be incentives for providers to move from operating as a registered SIL provider to an unregistered housing and support provider. It also risks the creation of a two-tiered supported living market which will undermine the quality and ethical provider market resulting in providers exiting and reduced choice for NDIS participants. Both scenarios lead to an increase in the risks of exploitation for people with disability.
- The pricing for the delivery of Support Coordination does not allow for the overhead costs associated with quality service provision. This has led to growth of the market of small providers and sole traders who are unregistered. The NDIA will need to consider pricing as part of the transition strategy to re-attract quality providers into the market.

## 2. Recommendations

- **Mandatory registration:** That registration for all Supported Independent Living and Support Coordination providers be made mandatory.
- **Timely transition:** That SIL and SC providers have a maximum of six months from the implementation date to become registered.
- **Continuity of mandatory registration across home high risk supports:** That mandatory registration apply to Individualised Living Options providers, Short and Medium Term Accommodation Supports (that is to the whole of Registration Group 0115) and that it include a new classification of high risk supports in the home. These should be required to be registered within a six month period from implementation.
- **Pricing strategy must reflect the real costs of Support Coordination in the transition to mandatory registration:** Market conditions for SC must be addressed concurrently in the transition to mandatory registration.

### 3. Mandatory registration for all high intensity housing and living supports.

#### 3.1 Not all people with high support needs receive SIL

The NDIS Review identified approximately 3000 participants with psychosocial disability having a level of funding requiring 24/7 living supports at a 1:3 ratio or above – or equivalent to a SIL package<sup>2</sup>. This group of participants have high support needs, including 24 hours support, but as they do not always require eight (8) hours of active support a day, their packages are not identified as SIL and the providers delivering the support are not classified as SIL providers.

The Review further identifies that these participants have the most complex support needs and require intensive mental health and disability support delivered by specialised staff, including to respond to significant behavioural management and risk management issues<sup>3</sup>.

The Review's findings are consistent with the experience of the Mind Haven program, which provides 188 supported housing places across Australia, currently with 163 residents. Haven residents require and purchase 24-hour overnight support, and a mix of group and individual support. Average expenditure from the NDIS package for support to live at the Haven is \$113,350 per annum. Only 47/163 packages are classified as SIL.

The private sector has for many years marketed itself to people with mental health issues and psychosocial disability, for example through boarding houses and supported residential services. Since the advent of the NDIS and access to its funding, we have seen these services increasing fees to align with NDIS budgets, preferencing residents who have NDIS budgets and an increasing number of smaller group homes in which people can rent a room and be provided with support by the housing provider. They are for all intents and purposes closed environments, can (and most likely do) exercise unregulated and reported restrictive practices and are subject to minimal (or in the case of small houses no) external scrutiny. Several APA members support participants who have come into their programs following a poor experience in these settings, including being “thrown” out when funding has been expended, subject to abuse from co-residents, prevented from choosing who is providing supports, “yelled at” by inexperienced staff and funding being used for inappropriate purposes.

Under the proposed scope of the mandatory registration requirements, many of these providers would not be captured, and with no proposal for a similar level of registration on the table it appears that they will be able to escape the quality standards and oversight that this category of registration needs to meet individual and community expectations.

We also understand that the NDIA is increasingly moving away from providing SIL packages and encouraging ILO as an alternative. For example, APA members have reported a significant decline in the allocation of SIL packages, as well as decreasing values. For people with a psychosocial disability, the ILO arrangements provide a particular gateway to exploitation, with hosts able to manipulate expenditure decisions for their own benefit and particularly where there may be a threat of loss of housing if the person does not comply. In the absence of being able to properly regulate hosts, ILO providers should be registered to provide a safeguarding approach in the development and coordination of the proposed package (in a similar way that support coordinators are expected to be registered as a safeguarding approach).

Ultimately, we believe that an appropriate graduated risk management approach does require mandatory registration of all providers who are delivering high intensity daily supports (including those defined as general supports in the NDIS review), such as high intensity daily personal activities, supports that require additional skills and training (such as complex bowel care or injections) and supports involving significant 1:1 contact with people with disability. Additionally, any setting providing accommodation and support (whether short or

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<sup>2</sup> NDIS Review Supporting Analysis, p523

<sup>3</sup> NDIS Review Supporting Analysis, p523

medium term) should be included in this mandatory category given the identification of group accommodation settings as being high risk.

We note that the APA view is consistent with the Review recommendations of mandatory advanced registration and in-depth observational auditing of providers delivering the highest-risk housing and living supports, such as 24/7 living supports – as well as mandatory registration or enrolment of all other housing and living supports (proportionate to risk) (see Action 17.1).

### 3.2 Safeguarding provisions in the NDIS Act should apply equally to all providers

The APA submission to the NDIS Quality and Safeguards Commission on the proposed legislation to strengthen the regulatory powers of the NDIS Commission (December 2024) questions the need for increased penalties, the importance of parity with other legislative frameworks and not duplicating legislation and penalties.

It also highlights concerns that it treats registered and non-registered providers differently, creating incentives for providers to not be registered with flow on concerns to both quality and participant welfare (as described above) and to the market of quality service providers. The APA is concerned that it will perpetuate a two tiered system, with services investing in the quality processes to meet registration standards unable to compete with the un-registered market on price (unless this is addressed) and ultimately quality registered providers (and workforce) leaving the market, leading to a decrease in quality, less choice and few providers willing and able to support those with the most complex needs.

### 3.3 Timely transition

Given the known issues and concerns about quality of care and risk of exploitation, and because these issues and the need to address them has been on the agenda since December 2023 (when the NDIS Review report was released), and flagged prior to this in the Disability Royal Commission Report in September 2023, the delay of action is already too late and a twelve month transition from implementation leaves too many people at risk.

The APA recommends that the transition period should be shortened to a maximum of six months. However, the NDIA will need to play an active role in managing a smooth and rapid transition to mandatory registration. This should include active market stewardship to ensure the re-entry of quality service providers (for example, through addressing pricing concerns – see below) and supporting the community and sector during this period to ensure continuity of support and care for participants.

## 4. Mandatory Registration of Support Coordination

The APA is supportive of the proposed changes to the registration category for Support Coordination and to make registration mandatory for all providers delivering any level of Support Coordination under this group. The APA supports a six-month transition to mandatory registration for Support Coordination.

However, the impact of the current pricing and regulatory framework on the current state of the market will need to be addressed if mandatory registration is to be achieved without disadvantaging participants. While there are many concerns with the extent to which current NDIS pricing reflects the real costs of quality service delivery<sup>4</sup>, they are amplified in the case of Support Coordination where current pricing requires operation with minimal overheads. The current pricing strategy has supported growth in small providers whilst forcing large providers to exit due to financial sustainability issues. These ‘overheads’ include investment in staff support, training, quality, safety and compliance and are critical to having a quality and regulated registered market.

The NDIA will need to play an active role in managing a smooth and rapid transition to mandatory registration, including to address pricing concerns, and support existing providers to transition or enter (or re-enter) into Support Coordination.

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<sup>4</sup> See APA Submission to the Independent Health and Aged Care Pricing Authority (or contact [kate.paterson@mindaustralia.org.au](mailto:kate.paterson@mindaustralia.org.au) for a copy)