COTA TASMANIA
for older Australians

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Submission: Supported Independent Living (SIL): consultation on a possible commissioning approach

1. Overview

COTA Tasmania supports the Australian Government exploring a stronger market stewardship role where this can improve the availability, quality, safety and continuity of Supported Independent Living.

We recognise that a commissioning approach may help address areas where the existing market has not produced reliable or sustainable services. However, commissioning must be designed carefully for small and thin markets.

While SIL affects a relatively specialised cohort, it supports people with some of the most significant and complex support needs in the NDIS, including older participants for whom loss of appropriate community-based support may increase the risk of hospitalisation or inappropriate entry to residential aged care.

In Tasmania, participant "choice and control" can already be constrained by the practical availability of providers, suitable workers and appropriate housing. A commissioning model should therefore increase genuine choice and security rather than unintentionally reduce the number or diversity of providers willing and able to operate in Tasmania.

We particularly encourage the Australian Government to consider the needs of:

- participants living in regional, rural and remote communities;
- older NDIS participants;
- people whose informal support is provided substantially by ageing family members;
- people at risk of inappropriate or premature entry to residential aged care; and
- participants whose supports could be jeopardised by provider withdrawal, workforce shortages or other market failure.

2. About COTA Tasmania

COTA Tasmania is the leading advocacy organisation for older Tasmanians. We work to advance the rights, interests and wellbeing of older people and to ensure their voices and experiences are reflected in public policy and service design.

Our interest in this consultation particularly relates to older NDIS participants, people with disability approaching later life, ageing family carers, and the interaction between disability supports, housing, health services and aged care.

Tasmania's dispersed population, significant rural and regional communities, constrained housing market and workforce shortages also mean that changes to the way Supported Independent Living is commissioned may have different consequences here than in larger metropolitan markets.

3. Tasmanian Context

COTA Tasmania's analysis of the 2025 State of the Older Nation survey reinforces the importance of considering disability, ageing, housing and service access together [i].

More than one in five Tasmanian survey respondents aged 50 and over (21%) identified as living with disability. The experiences of this group were markedly poorer across several measures. Only 46% of respondents living with disability reported a positive quality of life, compared with 80% of respondents without disability.

Financial disadvantage was also disproportionately concentrated among older Tasmanians living with disability, with 40% of this group identified as living in poverty. In addition, 60% of respondents living with disability considered that government policies were not meeting the needs of people their age.

Housing is an important part of this picture. More than one third of older Tasmanian respondents (37%) reported being unable to adapt their current home to better meet their accessibility needs, while 31% of those considering moving identified a lack of suitable housing options as a barrier. Most people who contemplated moving wanted to remain in Tasmania and, where possible, in their existing community.

NDIS data[ii] also illustrates the significance of SIL within Tasmania's disability support system. As at 30 September 2025, the average annualised plan budget for Tasmanian participants receiving SIL was approximately $496,100, compared with $66,700 for participants who did not receive SIL. This reflects the generally high and complex support needs of people relying on SIL and the potentially serious consequences of disruption or provider failure.

For older participants, the stakes are particularly high. Tasmanian NDIA data as at 31 March 2025[iii] showed average annualised committed supports of approximately $461,500 for SIL participants aged 55–64 and $448,300 for participants aged 65 and over.

These findings reinforce COTA Tasmania's view that Supported Independent Living cannot be considered in isolation from the availability of appropriate and accessible housing, the sustainability of local support services and people's ability to remain connected to their existing communities. They also underline why continuity of support and effective market stewardship must be central to any commissioning model.

4. Response to Discussion Questions

Question 1: Which SIL participants could benefit most from additional government oversight?

COTA Tasmania considers there is a strong case for additional market stewardship where participants are particularly exposed to market failure.

This includes people living in areas with few providers or a limited disability workforce, as well as participants with complex needs for whom disruption of support could have serious consequences.

The consultation appropriately recognises geographic location as a relevant consideration and defines thin markets as circumstances where providers, workers or housing options are limited.

These circumstances are particularly relevant in Tasmania.

Additional government involvement may be beneficial where it provides greater assurance that essential services will actually be available and sustainable. However, additional oversight should not translate into a procurement model that further narrows the provider market.

COTA Tasmania also encourages specific consideration of older NDIS participants and participants supported by ageing carers.

People who entered the NDIS before age 65 can remain participants after turning 65. However, an older participant who subsequently moves permanently into residential aged care must leave the NDIS. This makes the availability of appropriate home and living supports especially significant.

An absence of appropriate SIL or housing should never become, in practice, the reason an older person with disability enters residential aged care.

Similarly, service planning should not assume that existing informal care arrangements can continue indefinitely. Parents, partners and siblings providing substantial support may themselves be ageing and experiencing declining capacity to provide care. Sustainable SIL arrangements must anticipate this rather than waiting for a family care arrangement to reach crisis point.

Question 4: How can innovation enhance the quality of SIL supports and outcomes?

COTA Tasmania strongly supports the consultation paper's recognition that SIL should work effectively alongside other home and living supports and should assist people to avoid inappropriate entry to residential aged care.

Innovation should not be understood simply as greater use of technology or new service models.

In a small jurisdiction, innovation can also mean developing flexible ways of pooling workforce, supporting services across geographic areas and coordinating disability, health, housing and community supports around an individual.

Any commissioning approach should therefore encourage:

- flexible service models suited to small communities rather than requiring metropolitan-scale models;
- collaboration between providers rather than unnecessary duplication in areas with scarce workforce;
- better transitions from hospital back to community living;
- early planning where an ageing family carer is likely to become unable to continue providing substantial support;
- coordination between the Commonwealth and Tasmania on housing availability; and
- appropriate use of technology where it increases independence and safety without replacing necessary human support or restricting choice.

Commissioning should also permit local innovation. Overly prescriptive national contracts or service specifications could inadvertently discourage providers from adapting their models to Tasmania's geography and workforce conditions.

Question 5: How can effective participant choice and control be enhanced, including in regions with smaller populations?

This is a particularly important issue for Tasmania.

Choice is meaningful only when realistic alternatives exist. In some communities, a participant may theoretically be able to choose their provider, worker or living arrangement but in practice have very limited options because of workforce availability, housing supply or provider coverage.

The consultation specifically recognises that participant choice may be constrained where there are fewer providers, smaller workforces or limited housing options.

COTA Tasmania therefore recommends that any commissioning model distinguish between nominal coverage and actual service capacity. A provider contracted to cover a region should be able to demonstrate that it has, or can establish, a workforce capable of delivering the promised service.

Government should also be cautious about reducing the provider pool through commissioning. A model dominated by a small number of large national providers could reduce rather than enhance choice, particularly if smaller locally based providers are unable to meet procurement or administrative requirements designed for much larger organisations.

Participants should retain meaningful involvement in decisions about:

- where and with whom they live;
- their daily routines and activities;
- the workers providing personal support;
- their provider; and
- changes to support arrangements.

Where commissioning results in a change of provider, continuity should be actively managed and participants should not be expected simply to adapt to whatever alternative the commissioning process produces.

Question 6: What is needed to ensure SIL providers are sustainable?

Provider sustainability is inseparable from participant security.

A provider exiting a metropolitan market may cause inconvenience and disruption. In a thin regional market it may leave participants without a viable alternative.

COTA Tasmania therefore supports active market stewardship, including government intervention where necessary to maintain essential capacity.

Any commissioning framework should recognise the genuine additional costs associated with operating in smaller and dispersed markets. This may require:

- regional or thin-market pricing arrangements;
- longer-term contracts that support workforce development and service stability;
- realistic recognition of travel and workforce costs;
- incentives or obligations to maintain services outside major population centres;
- proportionate administrative and reporting requirements; and

- contingency arrangements where a provider becomes unable or unwilling to continue delivering services.

COTA Tasmania would be concerned if commissioning were primarily used as a mechanism to consolidate providers or constrain expenditure without adequately considering the consequences for service availability.

The most efficient model on paper will not be sustainable if providers cannot recruit staff, participants cannot access appropriate housing, or services disappear when they become commercially difficult to deliver.

The housing and aged-care interface

COTA Tasmania particularly asks the Australian Government to ensure that the relationship between SIL, housing, health care and aged care is considered throughout this work rather than as a secondary issue.

SIL funding cannot solve an absence of suitable housing. Nor should residential aged care become a default accommodation response because an appropriate disability support or housing option cannot be found.

This is particularly important for people approaching or over 65 who are already NDIS participants. Current NDIS arrangements allow existing participants to remain in the Scheme after 65, but an older participant who subsequently permanently enters residential aged care must leave the NDIS.

A commissioning model should therefore include effective Commonwealth–state mechanisms for identifying gaps in housing and support capacity before people reach crisis.

5. Recommendations

COTA Tasmania recommends that any further development of SIL commissioning:

1. recognise Tasmania and other small jurisdictions as distinct service markets, rather than applying assumptions based primarily on large metropolitan markets;
2. include specific mechanisms to address thin markets, including realistic regional pricing and market stewardship;
3. require evidence of actual local service and workforce capacity, rather than accepting nominal geographic coverage;
4. protect participant choice, continuity and established support relationships, including where commissioning results in provider changes;
5. avoid procurement arrangements that unnecessarily exclude smaller local providers or increase market concentration;
6. specifically consider older NDIS participants and ageing family carers in future design and consultation;
7. strengthen coordination between disability supports, housing, hospitals and aged care, including measures to prevent inappropriate entry to residential aged care; and

8. require continuity and contingency arrangements where providers withdraw or services become unsustainable in thin markets.

6. Conclusion

COTA Tasmania sees potential value in a more active government role in those parts of the SIL market where current arrangements do not reliably provide safe, high-quality and sustainable supports.

For Tasmania, however, the test of any commissioning approach must be practical: does it increase the real availability, security and choice of supports for participants, including those outside major population centres?

Commissioning should not replace an imperfect market with a smaller and more concentrated one.

Done well, it could instead provide the market stewardship required to ensure that where a person lives does not determine whether they can access appropriate support, remain connected to their community and continue living in the setting of their choice.

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[i] COTA Tasmania, *State of the Older Nation – Tasmanian Briefing Paper, 2025* COTA Tas Briefing Note - SOTON Analysis Tas 2025.pdf

[ii] National Disability Insurance Agency, *Tasmania Quarterly Performance Dashboard – 30 September 2025* QR-Q1-202526-Tas-Dashboard.pdf

[iii] National Disability Insurance Agency, *Quarterly Report to Disability Ministers – 31 March 2025, Supplement E*, Table K.35.Quarterly report to disability ministers Q3 2024-25 Supplement_0.pdf