

MAV Sector Submission Senate Inquiry into Support at Home

August 2026



Climate volatility, social fragmentation, digital disruption and rising costs are reshaping the way we live, work, and connect. Local government is where these global challenges turn into local responses – strengthening trust and resilience through the places, services and experiences people rely on every day.

The Municipal Association of Victoria (MAV) is the legislated peak body for local government in Victoria, advocating for all 79 councils across the state.

MAV works closely with councils, state and federal governments and global experts across industry and academia to deliver services and solutions grounded in local knowledge and community needs across metropolitan, rural and regional Victoria.

MAV offers sector-specific, not-for-profit procurement and insurance services, a local government innovation lab and statewide annual learning, convening programs designed to support Victorian local government to meet the challenges of a fast-changing future.

ACKNOWLEDGEMENT OF COUNTRY

We acknowledge the traditional custodians of the land on which we live. We recognise their continuing connection to land, waters and culture and pay our respects to their Elders past, present and emerging.

DISCLAIMER AND COPYRIGHT

This submission has been prepared by the Municipal Association of Victoria (MAV). The MAV is the statutory peak body for local government in Victoria, representing all 79 municipalities within the state. © Copyright MAV

1	<i>Executive Summary</i>	3
2	<i>Introduction</i>	4
3	<i>Local government and the aged care system</i>	5
4	<i>Service system design assessment and Support at Home</i>	5
	<i>Participant contributions</i>	7
	<i>Hardship arrangements</i>	8
5	<i>Ongoing impact of aged care reforms on local government</i>	8
6	<i>Conclusion</i>	9

1 Executive Summary

Victorian local government supports the Australian Government's vision for a modern, rights-based aged care system that enables older Australians to live safely, independently and with dignity in their own homes for as long as possible.

However, councils are increasingly concerned that the implementation of Support at Home and the Single Assessment System is creating barriers to achieving this objective. Complexity, assessment delays, restricted access to funding, rising costs and participant contributions are affecting older people, families, carers and providers. The loss of place-based assessment and service delivery has also weakened connections between people, services and the communities in which they live.

These pressures are being felt across the aged care system. Councils report increasing pressure on CHSP as people remain on the program while waiting for Support at Home or choose not to take up funding because of cost. Some councils have had to limit or stop accepting new CHSP referrals because funding cannot meet the inflated demand. Councils are also subsidising the cost of care and investing in service navigation and support to respond to gaps in the broader system.

MAV recognises the significant changes the Australian Government has already made to Support at Home and acknowledges that reform of a system of this scale will require ongoing adjustment. However, further changes are needed to ensure the system delivers its intended outcomes.

MAV calls on the Australian Government to:

1. **Extend CHSP beyond July 2027 and provide certainty about its future**, recognising its ongoing role in prevention, early intervention and social connection.
2. **Review the Single Assessment System and Integrated Assessment Tool against transparent measures.**
3. **The Australian Government should remove barriers to timely access to care.** This includes addressing assessment and service commencement delays, restricted access to funding and Minimum Service Offers.
4. **Review the Support at Home participant contribution model**, including its impact on access to essential non-clinical supports and whether rising costs are deterring people from taking up care.
5. **Ensure Commonwealth funding supports sustainable community-based service delivery**, including reviewing Support at Home and CHSP funding arrangements.

MAV supports an aged care system that puts people, place and home at its centre and recognises local knowledge, relationships and community capacity as essential to keeping older people safe, supported and connected to their communities.

2 Introduction

Victorian local government supports the Australian Government's vision for a modern, rights-based aged care system that enables older Australians to remain living safely, independently and with dignity in their own homes for as long as possible. Councils recognise the importance of implementing the recommendations of the Royal Commission into Aged Care Quality and Safety and support reforms that improve access, strengthen quality, increase transparency and deliver a sustainable aged care system.

Across Australia, more than 130 councils continue to deliver federally funded aged care services, including a small proportion that have opted to deliver Support at Home. Councils currently represent more than 10 per cent of Commonwealth Home Support Program (CHSP) providers, many of whom are actively managing the impacts of reform on their services and communities.

As the peak body for local government in Victoria, the MAV draws on the sector's experience of Support at Home and highlights systemic challenges that remain unresolved.

Support at Home and the Single Assessment System represent a significant shift away from the place-based, person-centred care historically delivered in Victoria. These reforms, alongside the Aged Care Act 2024, have disrupted functions that previously supported a responsive and connected aged care system and introduced new barriers to access.

While the Aged Care Act sets out a bold and important vision, the design of Support at Home has disconnected people and services from the communities where workforce, volunteers and clients live. System complexity, cost and the continued rationing of care have reduced access, increased costs and distorted governments' understanding of demand.

The aged care system needs to put people, place and home back at its centre. Older people should be able to access care when and where they need it through a system that is simple to navigate and connected to their communities. Support at Home must be reoriented towards this goal.

This submission builds on MAV's previous response to the Inquiry into the Transition of the CHSP into Support at Home Program. MAV continues to call for an urgent commitment from the Minister for Aged Care and Seniors to extend CHSP beyond July 2027 and to commit to its future as a grant-funded community-based, prevention program.

3 Local government and the aged care system

The marketisation of aged care services has significantly reduced the number of Victorian councils delivering care. However, all councils continue to promote the health and wellbeing of older people. Councils have trusted relationships with their communities, understand local service systems, and are often the first point of contact for people seeking help navigating Commonwealth systems.

For decades, councils have demonstrated their commitment to prevention and early intervention through the delivery of CHSP services, support for older people navigating aged care, investment in age-friendly communities and partnerships with local health, community and volunteer organisations.

Councils are increasingly concerned that the implementation of Support at Home, combined with ongoing uncertainty about the future of CHSP, is undermining the system's ability to keep people at home and out of residential and hospital care.

4 Service system design assessment and Support at Home

Support at Home and the Single Assessment System have fundamentally shifted aged care away from place-based, person-centred care. Their implementation has increased complexity for clients, families, carers and providers.

The reforms have not been implemented cohesively or systematically. Instead, piecemeal commitments and policy design, in some cases predating the Royal Commission into Aged Care Quality and Safety, have been rushed into place with limited support for providers and clients.

Single Assessment System

The Single Assessment System (SAS) was intended to simplify and streamline access to aged care. It replaced the Regional Assessment Service (RAS) and Aged Care Assessment Teams (ACAT).

Historically, Victorian councils delivered place-based assessment services through RAS. LGA-based RAS services strengthened Victoria's aged care system through their deep understanding of local communities, service availability and integrated service systems.

In the name of national consistency, Victoria's RAS model ceased in 2024 and was replaced by the SAS, ending LGA-based assessment services. The SAS now operates across large regions, and in some cases local knowledge of service systems and service availability has been lost.

Poorly planned implementation of the SAS, workforce gaps exacerbated by a lack of workforce transition planning, compulsory annual service plan reviews, challenges with the Integrated Assessment Tool (IAT), and overreliance on phone-based assessments are undermining the effectiveness of the aged care assessments.

Councils report that increased use of phone-based assessments creates risks and administrative burdens for providers, as critical information about clients' physical environments may be missed. This includes hoarding, pets, mobility issues and other risks. Phone-based

assessments create additional work for providers' intake staff who adjust care plans to reflect actual need.

Councils also report difficulties in supporting clients to access urgent or increased care due to assessment wait times. Anecdotal evidence suggests that the introduction of the IAT has resulted in fewer referrals to services such as social support groups and personal care. Some providers report that this is severely affecting their ability to meet CHSP key performance indicators (KPIs).

Other councils report concerns that, under Support at Home, the IAT is assessing clients at lower levels of need than their previous Home Care Packages, even as their care needs increase. Correcting an inaccurate or inadequate assessment requires reassessment through the same pathway. This increases demand on SAS providers and further increases assessment wait times.

MAV recommendation:

Review the Single Assessment System and Integrated Assessment Tool against transparent measures.

The review should examine whether assessments are timely, accurate and appropriate, including the use of phone-based assessments. Regular public reporting across all assessment regions should be made available.

Access to Support at Home

The Australian Government has committed to reducing average in-home aged care wait times through faster access to Support at Home places, increased supports and improved assessments.¹

This is a critical goal, but achieving it requires the government to address the broader barriers and pinch points that restrict access to care. With demand for aged care expected to increase as Australia's population ages, this must include the full continuum of care, including supports outside the formal aged care system and CHSP.

Like other providers, councils report long wait times for assessments and for care once approved. These delays create flow-on impacts across the aged care system.

Some councils report having to 'close their books' to new CHSP referrals because of insufficient funding and increasing numbers of clients remaining on CHSP while waiting for Support at Home. In some areas, councils have not accepted new referrals for more than 12 months because funding does not meet demand and growth funding is unavailable.

The rationing of care through the restricted release of Support at Home funding and the use of partial packages, known as Minimum Service Offers, continues to place pressure on clients, those waiting for care, families and providers. In many cases, clients and providers remain unclear about when full funding will become available.

Support at Home has also increased the cost of care through its individualised funding model. Compared with grant-funded programs such as CHSP, complex invoicing and associated provider arrangements increase administrative costs under Support at Home. By extension, these increase the cost to clients based on the participant contribution framework.

¹ [Australian Government, Budget 2026–27: A stronger care system for all Australians](#)

For culturally and linguistically diverse (CALD) older people, this complexity is compounded where people are unfamiliar with Australia's social service system and have little or no English. Supporting these communities in accessing and understanding their care requires targeted support, investment, and capacity building for mainstream and ethno-specific providers.

MAV acknowledges the government's significant changes to Support at Home, including removing compulsory co-payments for personal care, exempting payments from the National Redress Scheme and Stolen Generations Redress Scheme from aged care means testing, and amending the Aged Care Act to remove burdensome governance requirements for local government providers.

MAV recommendation

The Australian Government should remove barriers to timely access to care.

This includes addressing assessment and service commencement delays, restricted access to funding and Minimum Service Offers.

Government should also assess demand across the aged care continuum, including people who remain on CHSP, delay taking up Support at Home, decline care because of cost, or cannot access services because providers lack capacity.

Without this broader view, low utilisation can be mistaken for lower demand. Further changes to Support at Home will be needed to achieve its intended outcomes.

Participant contributions

Support at Home has introduced another barrier for clients: compulsory participant contributions or co-payments. Access is no longer simply a question of waiting for care. People must also determine whether they can afford it.

The current co-payment structure is fundamentally flawed. It covers the full cost of clinical support services while imposing high costs on non-clinical services that help keep people safe and well at home.² This risks leading people to choose not to use important supports such as meals and domestic assistance.

Because co-payments are based on service unit costs, they have the greatest impact on those least able to afford them.

MAV is not opposed to people who can afford it contributing to the cost of their care. Historically, CHSP client contributions have covered up to 10 per cent of the program's overall costs.

However, Support at Home participant contribution rates are determined centrally, limiting providers' ability to balance service costs with the objective of keeping people safe and well at home. Aboriginal Community Controlled Organisations (ACCOs) have also used flexible fee arrangements to ensure clients do not face barriers to culturally appropriate and culturally safe care.

Instead, Support at Home co-payments can penalise people for requiring more support and deter clients from accepting or using Support at Home funding. This is likely to become more common as more non-grandfathered clients enter the system or unit prices increase over time.

² [Australian Government, Support at Home participant contributions](#)

Hardship arrangements

Current hardship arrangements are complex and create significant risks. They place responsibility on older people to navigate challenging application processes and expose providers to risk where clients are ultimately found ineligible and unable to repay paused full-fee contributions.

Reports that financial hardship applications have almost doubled since 1 November 2025 tell only part of the story. People who avoid accepting Support at Home and remain on CHSP, or reject care altogether, are not captured in these figures.

This reinforces the need to assess the impact of participant contributions across the aged care continuum, rather than relying only on utilisation data.

MAV recommendation

The Australian Government should review the Support at Home participant contribution model because it risks making essential support unaffordable.

The review should consider:

- the impact of participant contributions on access to non-clinical supports such as meals and domestic assistance
- whether rising costs are deterring people from taking up Support at Home
- people who remain on CHSP or decline care because of cost
- trends across the aged care continuum, rather than service utilisation alone.

A contribution model should not create a financial incentive for people to forgo the supports intended to help them remain safe and well at home.

5 Ongoing impact of aged care reforms on local government

Councils are absorbing system pressure

Most councils providing aged care in Australia, including in Victoria, do so through CHSP. CHSP is likely buffering the real demand for Support at Home while clients delay taking up packages or wait for them to become available.

Victorian councils continue to subsidise the cost of CHSP care. For some, this contribution amounts to hundreds of thousands of dollars. Councils are also increasingly investing in service navigation and support roles, particularly councils that have ceased delivering funded aged care services.

The introduction of Support at Home and the Aged Care Act 2024 has significantly increased the administrative, compliance and reporting obligations on providers, further increasing costs.

Across CHSP and Support at Home, rural and regional councils report that funding does not reflect the true cost of service delivery and that thin-market grants are an inefficient, short-term fix to a central design feature of Australia's aged care programs.

Aged care services are vital to their communities, but councils cannot be relied upon to compensate for gaps in Commonwealth aged care funding or service capacity.

MAV recommendation

The Australian Government must ensure Commonwealth funding supports sustainable community-based service delivery.

CHSP funding arrangements should be urgently reviewed to ensure councils can continue to deliver sustainable community-based services.

Local government investment demonstrates the value councils place on supporting older people in their communities. It should not become the mechanism through which Commonwealth system gaps are routinely absorbed.

The future of CHSP

CHSP continues to provide a critical safety net for people who are not adequately supported by Support at Home or cannot access it.

Councils report that people remain on CHSP while waiting for Support at Home, while others choose not to take up Support at Home funding because of participant contributions. This means CHSP is absorbing some of the pressure created elsewhere in the system.

CHSP also provides prevention, early intervention and social connection supports that are distinct from the more individualised model of Support at Home.

MAV recommendation

The Australian Government must extend CHSP beyond July 2027 and provide certainty about its future.

CHSP should be retained and strengthened as a prevention, early intervention and social connection program, rather than treated simply as a transition pathway into Support at Home.

6 Conclusion

Support at Home was intended to help older Australians remain safely and independently at home. Councils' experience indicates that significant barriers remain, including assessment delays, system complexity, restricted access to funding and rising costs.

These pressures are being absorbed across the system, with CHSP and councils increasingly supporting people who cannot access, afford or take up Support at Home.

Further reform is needed to ensure aged care is accessible, sustainable and connected to local communities. MAV calls on the Australian Government to extend CHSP beyond July 2027 and commit to its future as a prevention, early intervention and social connection program.

A successful aged care system must put people, place and home at its centre, with local knowledge and community connections recognised as essential to keeping older people safe, supported and connected to their communities.

MAV would be pleased to provide clarification on any information in this submission. For further information, please contact inquiries@mav.asn.au

Municipal Association of Victoria
Level 5, 1 Nicholson Street, East Melbourne VIC 3002
PO Box 24131, 6 Southern Cross Lane, Melbourne VIC 3000
Telephone: 03 9667 5555 Email: inquiries@mav.asn.au www.mav.asn.au