



The Hon Christian Porter MP
Minister for Social Services

MS17-000999

The Hon Kevin Andrews MP
Member for Menzies
Chair, Joint Standing Committee on the National Disability Insurance Scheme
Parliament House
CANBERRA ACT 2600

Dear Mr Andrews

Please find enclosed a copy of the Australian Government response to the Joint Standing Committee inquiry into *Accommodation for people with disabilities and the National Disability Insurance Scheme (NDIS)*.

The Government thanks the Committee and you, as the Committee Chair, for your contribution to the inquiry. The Government also thanks the individuals and organisations who have contributed to the inquiry. All contributions have added greater understanding about how affordable and appropriate accommodation for people with disabilities can be provided.

Of the six recommendations put forward, the Government agrees five, and notes one. The recommendation to *explore capital sharing, securitisation, and joint ownership options to expand the provision of appropriate disability accommodation* is being addressed through the Government's comprehensive housing affordability plan, including establishing the National Housing Finance and Investment Corporation, announced in the 2017-18 Budget.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'C Porter'.

The Hon Christian Porter MP
Minister for Social Services

Encl.



Australian Government

**Australian Government response to the Joint Standing
Committee on the National Disability Insurance Scheme report:**

**Accommodation for people with disabilities and the National
Disability Insurance Scheme**

October 2017

Government Response

Joint Standing Committee on the National Disability Insurance Scheme

Report on accommodation for people with disabilities and the National Disability Insurance Scheme

The Australian Government welcomes this report and recognises the ongoing work of the Joint Standing Committee on the National Disability Insurance Scheme (NDIS) in reviewing the implementation and administration of the NDIS.

Since the Committee released this report in May 2016, there has been much progress in the implementation of NDIS supports relating to housing and specialist disability accommodation (SDA).

On 1 July 2016, the NDIS commenced including SDA supports in participant plans, in alignment with the policy set out in the SDA Pricing and Payments Framework (agreed by Disability Ministers in December 2015).

Additionally, NDIS Rules to support National Disability Insurance Agency (NDIA) decision-making in relation to SDA were registered on 14 March 2017. These rules were the culmination of a significant work program undertaken by the Commonwealth, state and territory governments and the NDIA to ensure that the SDA supports were targeted appropriately to ensure that high needs participants receive the supports they require.

Allied to this process, was the continued exploration of housing needs for NDIS participants. NDIS participants can be supported to achieve housing goals through the provision of home modifications, domestic assistance, assistive technology and assistance to navigate the rental market.

Finally, the provision of affordable and accessible housing for the general population (including people with disability) remains the responsibility of state and territory governments. The Commonwealth provides assistance through Commonwealth Rent Assistance and through an ongoing work program to consider how to facilitate affordable and accessible housing in the community.

In relation to the response to the Joint Standing Committee's report, the Government has agreed five recommendations and notes one recommendation.

Government response to the Joint Standing Committee on the National Disability Insurance Scheme

Recommendation	Response
<p>1. The committee recommends that Commonwealth, state and territory governments work with national disability peak organisations and the Australian Building Codes Board to examine updating the Building Code of Australia in regard to accessibility.</p>	<p>Agree.</p> <p>The National Disability Strategy 2010-2020, agreed by the Council of Australian Governments (COAG) in 2011, provides a national policy framework for driving a more inclusive approach to the design of policies, programs and infrastructure so that people with disability can participate in all areas of Australian life. Under the Strategy, governments aim to improve community awareness of the benefits of universal design; and seek to develop approaches to increase the provision of universal design in public and private housing in both new builds and modification of existing stock.</p> <p>The Commonwealth, States and Territories are already working together through the Building Ministers' Forum (BMF) on building policy matters, including the National Construction Code (NCC) and issues such as accessibility. The NCC, of which the Building Code of Australia forms volumes 1 and 2, is not legislation. It is a best practice code that is then picked up and reflected in the building regulations for the States and Territories, which have constitutional responsibility for building regulation. The Australian Building Codes Board (ABCB) is a multi-jurisdictional board, co-funded by all jurisdictions. Its strategic work priorities are set by the BMF. The ABCB cannot undertake work that has not been agreed to by the BMF.</p> <p>The States and Territories have made progress towards increasing the stock of universal and accessible housing. The BMF continues to discuss the issue of accessibility, and continues to engage with key stakeholders on this issue including national disability peak organisations.</p> <p>At its last meeting in April 2017, the BMF discussed several important issues relating to accessibility. The BMF agreed to propose to COAG that a national Regulatory Impact Assessment (RIA) be undertaken as soon as possible to consider applying a minimum accessibility standard for private dwellings in Australia.</p> <p>Further, the BMF agreed an RIA will be undertaken to consider expanding the National Construction Code to include requirements for accessible sanitary facilities for people with a profound disability. The BMF also noted that some jurisdictions may progress requirements for accessible sanitary facilities independent of the national process.</p>

Recommendation	Response
<p>2. The committee recommends that accommodation for people with disability be integral in the development of affordable and social housing policy proposals.</p>	<p>Agree.</p> <p>The Commonwealth Government understands that housing is fundamental to the welfare of all Australians. From a social perspective it promotes and improves employment, educational and health outcomes. From an economic perspective it is a driver of participation and productivity as well as consumption, investment and savings in the economy.</p> <p>One of the key objectives of the National Disability Strategy (NDS) is to ensure that people with disability are included in the planning of a social, public and affordable housing strategy which will guide state policy until 2020. An equitable approach to the delivery of social, public and affordable housing is a critical component to facilitating enhanced social participation of people with disability.</p> <p>As part of the 2017-18 Budget, the Treasurer announced a comprehensive housing affordability plan designed to improve housing outcomes for Australians through unlocking supply, creating the right incentives and improving outcomes for those most in need. The measures in this plan will provide an additional \$900 million in Commonwealth funding over the next four years, to increase the supply of new housing and improve outcomes for all Australians across the housing spectrum.</p> <p>The most significant of these new measures is the new National Housing and Homelessness Agreement (NHHA). The new NHHA will seek to enhance accountability, transparency and consistency across States and Territories and will target jurisdiction-specific priorities including increasing housing supply, planning and zoning and renewal of public housing stock while also supporting the delivery of frontline homelessness services.</p> <p>The new NHHA will replace the current National Affordable Housing Agreement (NAHA) and National Partnership Agreement on Homelessness (NPAH) and will result in around \$1.5 billion being available to States and Territories for housing and homelessness from 2018-19. This funding will incorporate ongoing and indexed homelessness funding, which will provide certainty to frontline services for Australians who are homeless or at risk of becoming homeless.</p> <p>The Commonwealth has assisted with the establishment of Livable Housing Australia (LHA), which promotes the voluntary adoption of the Livable Housing Design Guidelines Standards across Australia. The Guidelines have been developed to provide assurance that a home is easier to access, navigate and live in, as well as more cost effective to adapt when life's circumstances change. All</p>

Recommendation	Response
	<p>new public housing being built across Australia now incorporates some level of these standards for the benefit and independence of people living with disability and the elderly.</p> <p>Commonwealth Government funding of up to \$10 million was made available under the Specialist Disability Accommodation Initiative (SDAI). The SDAI is designed to help address immediate community need for specialist disability housing in areas outside NDIS trial sites, as determined by geographic location or age cohort (as of 11 February 2016 when the funding round closed) by providing 'top up' funding to:</p> <ul style="list-style-type: none"> • increase the availability of accommodation for people with disability who the applicant anticipates will be eligible for the NDIS, with a particular focus on: <ul style="list-style-type: none"> ○ those housed in inappropriate accommodation settings; and ○ those with ageing carers who are in need of a long-term, sustainable arrangement; and • identify project initiatives with self-sustaining specialist disability housing models which could be scaled up in the future. <p>As of August 2017, eleven projects have been funded and are scheduled to be completed progressively from the end of September 2017.</p> <p>The 'top up' nature of this funding reflects the fact that the grant recipients needed to demonstrate that they had acquired the majority of their project's funding from another source. The project also needed to be substantially planned and ready to proceed.</p>
<p>3. The committee recommends the Commonwealth government explore all possible proposals for disability accommodation, and the ways it can assist in bringing them to fruition.</p>	<p>Agree.</p> <p>The Australian Government is committed to improving the housing experiences of Australians living with disability. The provision and regulation of affordable housing is primarily the responsibility of the individual state and territory governments. However, as outlined in the response to recommendation 2, the Commonwealth Government has implemented a number of housing proposals aimed at increasing the supply of affordable housing for all Australians, including people with disability.</p> <p>In addition to this, a key element of the NDIS is that it can support eligible participants to improve their ability to live independently in the community. NDIS participants will receive individualised planning to identify the supports needed to enable their goals to be met. This can include home modifications, personal care and domestic assistance in the home that helps a participant with activities of daily living such as dressing and showering, as well as cooking and cleaning in the home. These supports, which</p>

Recommendation	Response
	<p>make the particular housing situation suitable for their needs, can enable a person with disability to live independently in a home of their choosing.</p> <p>Additionally, at the April 2015 Disability Reform Council meeting, Ministers agreed that there is a need to expand the supply of specialist disability housing and continue supporting the current stock of specialist disability housing. As such, the NDIS introduced SDA supports from 1 July 2016. SDA is housing that enables people with very high needs to receive the support they need. SDA support will provide funding towards the cost of the physical environment for eligible NDIS participants to live and receive their daily supports. SDA may include special designs for people with very high needs or may have a location or features that make it feasible to provide complex or costly supports for independent living.</p> <p>The NDIS SDA benchmark prices also include a special category of housing called “innovation” which will, in the future, be available for new design categories and respond to new market needs. The NDIA intends to develop an evidence base on innovative design to inform this work. To assist this, the NDIA Board’s Independent Advisory Council (IAC) has formed a Housing Innovation Reference Group to consider evidence from future housing showcases and innovative housing pilots.</p>

Recommendation	Response
<p>4. As part of the analysis of proposals, the committee recommends the Commonwealth should assess how financially accessible they are for people with disability and their families.</p>	<p>Agree.</p> <p>The provision of affordable housing is primarily the responsibility of the individual state and territory governments. However, the Commonwealth Government has undertaken a number of steps aimed at expanding the supply of affordable and social housing dwellings suitable for tenants with a disability (see response in recommendation 2).</p> <p>Additionally, the benchmark prices for NDIS SDA support are designed to result in a competitive price that attracts market players to supply new and affordable dwelling stock. In addition to this funding (included in their plan), NDIS participants will be expected to make a reasonable rent contribution to their SDA provider which is no more than 25 per cent of Disability Support Pension (DSP) and other supplements, and 100 per cent of Commonwealth Rent Assistance (CRA), if applicable. This rental payment is comparable to social housing rents and provides an affordability safeguard for participants. NDIS participants are also able to pay a higher rental contribution if they wish, in order to access higher cost accommodation, similar to the experience for private renters. Additionally, for NDIS SDA participants who are financially able, the SDA payment can be utilised in owner-occupier situations.</p> <p>In 2011, the Productivity Commission recommended that as part of the SDA payment, the NDIS should separate accommodation costs from support costs that high-needs individuals have greater ability to choose their accommodation and separately choose their care supports. The SDA policy does this by separating support and accommodation providers and giving participants greater visibility over the cost of their supports and enabling them to make informed decisions. Additionally, it is a requirement under the NDIS that board payments (such as food or utilities) are separated from the accommodation support, again giving participants greater visibility over what they are paying.</p>

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<p>5. The committee recommends that the Department of Social Services clarify the status of the Supported Accommodation Innovation Fund, and if the fund is no longer available, whether it will be replaced with another initiative to assist in the development of innovative housing solutions for people with disability.</p>	<p>Agree.</p> <p>The Supported Accommodation Innovation Fund (SAIF) was established to build innovative, community-based supported accommodation places for people with disability. On 3 April 2012, the former Prime Minister, the Hon Julia Gillard MP, announced the 21 organisations responsible for building 27 supported accommodation and respite projects for people with disability under the SAIF. SAIF was a time limited programme with \$60 million committed over a three year period. The final funding agreements under SAIF concluded in December 2016. The fund is no longer available.</p> <p>More recently the Commonwealth implemented the Special Disability Accommodation Initiative (SDAI), which provided funding of up to \$10 million in grants to help address immediate community need for disability housing in areas outside NDIS trial sites as of 11 February 2016. The SDAI will help address the immediate community need for specialist disability accommodation in a limited number of locations outside of NDIS trial sites (as determined by the geographic location or age cohort as of 11 February 2016). The SDAI will focus on community-led projects to:</p> <ul style="list-style-type: none"> • increase the availability of accommodation for people with disability, who the applicant anticipates will be eligible for the NDIS, with a particular focus on: <ul style="list-style-type: none"> ○ those housed in inappropriate accommodation settings; and ○ those with ageing carers who are in need of a long-term, sustainable arrangement. • identify project initiatives with self-sustaining specialist disability housing models which could be scaled up in the future. <p>As of August 2017, eleven projects have been funded and are scheduled to be completed progressively from the end of September 2017.</p> <p>Additionally, in July 2016, SDA supports were introduced into NDIS plans. SDA enables participants to use their supports to access a dwelling type that meets their needs. Participants receive a thorough needs assessment through the Housing Options Package (the first step in determining whether SDA is suitable for the participant), which assists participants to explore their housing aspirations. This process helps to determine the kind of reasonable and necessary housing supports a person may need, including home modifications, in-home personal supports, assistive technology and assistance navigating the rental market.</p>

Recommendation	Response
<p>6. The committee recommends the Commonwealth government explore capital sharing, securitisation, and joint ownership options to expand the provision of appropriate accommodation for people with disability.</p>	<p>Noted.</p> <p>As part of the comprehensive housing affordability plan announced in the 2017-18 Budget, the Government will provide \$63.1 million over four years from 2017-18 (including \$4.8 million in capital) to the Department of the Treasury to establish the National Housing Finance and Investment Corporation (NHFIC).</p> <p>The NHFIC will operate an affordable housing bond aggregator. The function of the bond aggregator is to provide cheaper and longer term finance for community housing providers by aggregating their borrowing requirements and issuing bonds to the wholesale market at a lower cost and longer tenor than bank finance. The design of the affordable housing bond aggregator and the NHFIC will be informed by the Affordable Housing Implementation Taskforce.</p> <p>The Government also announced that it will work with state and territory governments, and the private sector, to identify any impediments to rent-to-buy and shared equity schemes and promote the expansion of these schemes to help more low to moderate income Australians into home ownership.</p>

