Submission Cover Sheet

Inquiry into Specialist Disability Accommodation service delivery through Housing ACT

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Specialist Disability Accommodation in the ACT

ACT Government submission to the Standing Committee on Public Accounts and Administration Inquiry into Specialist Disability Accommodation service delivery through Housing ACT

Acknowledgement of Country

The Health and Community Services Directorate acknowledges the Ngunnawal people as traditional custodians of the ACT and recognise any other people or families with connection to the lands of the ACT and region.

We respect the Aboriginal and Torres Strait Islander people, particularly our Aboriginal and Torres Strait Islander staff, and their continuing culture and contribution they make to the Canberra region and the life of our city.

Produced by the Health and Community Services Directorate

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Introduction

The ACT Government is committed to an accessible and inclusive ACT, where people with disability can fully participate in all aspects of community life. A key component of this commitment is ensuring people with disability have access to safe, suitable and affordable housing.

Specialist Disability Accommodation (SDA) is one of the ways in which the housing needs of people with disability can be met; however, the role and function of SDA as a support under the National Disability Insurance Scheme (NDIS), how this support can be accessed by people with disability, and how it can be delivered by providers is complex.

This submission aims to provide clear contextual information about what SDA is and how it operates to support the Standing Committee in effectively considering the circumstances of Housing ACT's registration (and deregistration) as an SDA provider, and what impact this has had on people with disability living in its dwellings.

The ACT Government acknowledges that in taking steps to become an SDA provider, Housing ACT created an expectation among tenants and the community that this function would be operationalised, and SDA funding would be accessed. Whilst these expectations were not met, and no SDA funding has been accessed, Housing ACT has continued to maintain, repair and modify its properties to meet the needs of the people residing in its dwellings.

The ACT Government also recognises that people with disability are more vulnerable to system failures and therefore welcomes the Standing Committee's inquiry into these matters.

National Disability Insurance Scheme

The National Disability Insurance Scheme (NDIS) supports Australians with significant and permanent disability, along with their families and carers, to achieve better life outcomes.

It provides individualised funding packages to eligible participants so they can access reasonable and necessary disability-related supports to live safely, build skills, participate in the community, and pursue their goals. Such supports and services may include education, employment, social participation, independence, and health and wellbeing.[1]

The NDIS also funds some home and living supports that may be required because of a participant's disability support needs. These may include:

- Supports that build people's capacity to live independently in the community, including supports to improve living skills, money and household management, social and communication skills, and behavioural management.
- Home modifications to the participant's own home or a private rental property and on a case-by-case basis in social housing.
- Support with personal care, such as assistance with showering and dressing where these are required.
- Home help where the participant is unable to undertake these tasks due to their disability, such as assistance with cleaning and laundry.
- Supports to assist participants with finding and maintaining suitable housing.[2]

In limited situations, it may also include Specialist Disability Accommodation (SDA). SDA funding is only available to NDIS participants who meet strict eligibility criteria[3] and have extreme functional impairment and/or very high disability-related support needs. SDA dwellings include accessible design features that make it easier and safer for eligible NDIS participants to live more independently and allows other supports to be delivered better or more safely within the home.[4]

Other than SDA, the NDIS does not fund housing[5] for people with disability. Most NDIS participants will continue to access housing in the private market by owning or renting, or through social housing.

Specialist Disability Accommodation

SDA was introduced as a support under the NDIS in 2016. It was designed to stimulate the market to produce high quality, contemporary, accessible, well-designed housing for participants eligible for this type of support.

The National Disability Insurance Agency (NDIA) does not build, own, commission or lease SDA. The upfront cost to build or buy an SDA dwelling comes from the owner or investor in the

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[1] NDIS website – Reasonable and necessary support | NDIS

[2] NDIS website – Home and living supports | NDIS

[3] Further information about SDA eligibility is included at Appendix 1.

[4] NDIS website – Specialist disability accommodation | NDIS

[5] Housing in this context relates to the 'bricks and mortar' asset in which someone can live, whereas other supports (such as home modifications) relates to changes to housing that is otherwise provided.

dwelling; however, the funding strategy and pricing framework for SDA is intended to create a viable return on investment over the life of the property, recognising that capital costs can be higher for this type of home.

There are a range of SDA design categories that attract different levels of funding. These categories provide different design features to ensure the SDA dwellings provide housing that responds to the varying needs of people with disability. Appendix 3 provides further information on these categories.

A dwelling is not SDA until it is enrolled with the NDIA by a registered SDA provider. An SDA provider must be registered through the NDIS Quality and Safeguards Commission.

The SDA payment acts as a contribution to the capital costs of the dwelling and its ongoing operational costs, such as maintenance. The SDA payment does not cover the cost of home modifications, as the features of an SDA dwelling are expected to meet the disability related support needs of participants. It also does not cover the daily support services delivered within the home.[6]

The amount of funding[7] available for an SDA dwelling varies according to its age, design category[8], location and features; however, it is important to note that while dwellings need to be enrolled as SDA by a registered SDA provider, SDA funding is attached to a participant's eligibility and plan, not linked to the dwelling.

As such, an SDA provider cannot submit a claim for an SDA payment unless the dwelling is occupied by an eligible NDIS participant (who has the relevant category of SDA included in their plan as a stated support) and who has a service agreement in place with the SDA provider.[9]

Participants may move to another SDA dwelling, subject to residential tenancy agreements, without penalty. The SDA funding will move with them to their new approved accommodation. Therefore, income from an SDA dwelling is not guaranteed as the property may be unoccupied or partially occupied for periods of time.[10]

SUMMARY

Not all people with disability are eligible for the NDIS.

Not all NDIS participants are eligible for SDA.

SDA is only for people with extreme functional impairment and/or very high support needs.

SDA funding is attached to an eligible participant's plan, not linked to a dwelling.

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[6] The NDIA strongly encourages that the provision of SDA and other home and living supports are delivered separately to avoid conflicts of interest and maximise choice and control for the NDIS participant.

[7] Further information about SDA funding and pricing arrangements is included at Appendix 2.

[8] Further information about SDA design categories is included at Appendix 3.

[9] NDIS website – Investment in SDA | NDIS

[10] NDIS website – Investment in SDA | NDIS

Housing ACT – SDA Provider registration

At the time SDA was introduced as a support under the NDIS, the NDIA offered some transitional provisions to manage the shift from state and territory-run disability housing systems into a nationally regulated SDA market. Essentially these provisions enabled the recognition of existing disability housing stock and established arrangements for people living in these dwellings to be eligible for the NDIS. They were intended to minimise disruption for people with disability whilst the SDA market, regulatory system, and pricing framework were established.

Housing ACT registered as an SDA provider with the NDIA in October 2017 to take advantage of these transitional provisions, and subsequently began work to understand the operational, resourcing and policy requirements of being a registered provider before enrolling any dwellings as SDA. It also delayed enrolling dwellings to assess how the private market would respond to the new SDA program and to determine the appropriate role for the ACT Government.

In 2018, Housing ACT began a project to enrol its dwellings with NDIA but faced challenges in obtaining clear and consistent advice from the NDIA on the conditions of enrolment and funding compliance obligations.

The NDIA made changes to the conditions and regulatory framework for SDA in 2019. This included an administrative requirement for Housing ACT's registration to be transferred from the NDIA to the NDIS Quality and Safeguards Commission on 1 July 2019 followed by a requirement for Housing ACT to apply for registration renewal.

In early 2020, the NDIA provided written advice to Housing ACT confirming the transitional arrangements it could utilise to enrol dwellings as SDA and the deeming provisions that would apply to individuals living in these dwellings under the NDIS, noting this process was different to standard SDA processes.[11] The NDIA advised that once the dwellings were enrolled and residents were deemed, it would notify Housing ACT of the SDA funding amounts applicable to each dwelling.

Based on this advice, Housing ACT enrolled 92 dwellings in June 2020, followed by a further 20 dwellings in August 2020. The NDIA confirmed the enrolment of these 112 dwellings[12] as SDA in November 2020.

At the point the dwellings were enrolled, Housing ACT did not have a clear understanding about the NDIS eligibility or package inclusions of the people residing in its dwellings, as this information is not routinely collected by Housing ACT and the NDIA's deeming provisions were expected to resolve this lack of clarity.

As such, the decision about which dwellings to enrol was largely based on consideration of the asset, mainly its design specifications and/or how it had been utilised historically, noting many of the dwellings had previously been government-owned and operated disability homes which

[11] Under these deeming provisions, people living in dwellings that were enrolled as SDA would be deemed to have SDA in their plans if they were NDIS participants and already receiving Supported Independent Living through their NDIS plan.

[12] Whilst 112 dwellings were originally enrolled as SDA, one dwelling was subsequently sold (in 2022) and another was redeveloped (in 2024) under Growing and Renewing Public Housing.

had been headleased to community housing providers when DisabilityACT was dissolved in 2015 as part of transitioning to the NDIS.

Following enrolment of the dwellings, Housing ACT began to explore options for how the SDA provider function could be operationalised.

In April 2021, Housing ACT underwent an external audit from an auditor certified by the NDIS Quality and Safeguards Commission. The audit confirmed that Housing ACT met all compliance requirements for a registered provider at that time.

Throughout 2021, Housing ACT was considering what contractual arrangements needed to be in place between parties to enable accessing SDA funds.

During this work, it was identified that the means testing requirements for accessing housing assistance conflicted with the SDA Rules (namely that it resulted in dual eligibility requirements: one for housing assistance and another for the NDIS) and undermined the NDIS' fundamental principle of 'choice and control'.[13]

It was also identified that an SDA provider must have a direct contractual relationship with the NDIS participant as a tenant/occupant of its enrolled dwelling. This requirement presented a significant barrier because Housing ACT's contractual relationship in headleased properties – which represented more than 75% of its enrolled dwellings – is with the headlessee, not the individual occupant.

By November 2021, it had become apparent to Housing ACT that the internal system changes required to operationalise SDA, involving multiple new processes and touchpoints across the organisation, and new contractual arrangements, would place additional strain on already stretched systems and operations, particularly in the context of the ongoing COVID-19 response. Consequently, Housing ACT deferred work to operationalise SDA to meet other competing government service delivery priorities.

Whilst some work was undertaken in 2022 to consider alternative delivery options for SDA in the enrolled dwellings, it did not progress. Work to understand the options to operationalise the SDA provider function recommenced in 2023.

In late 2023, the final reports from the *Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability* (Disability Royal Commission) and the *National Disability Insurance Scheme Review* (NDIS Review) were both handed down. These reports spoke to the importance of choice and control and for all people with disability to exercise autonomy and choose how they wish to live. Both reports canvassed significant national reform to SDA and disability housing more broadly, and as such, consideration of the ACT Government's role in SDA provision was expanded to consider this disability reform agenda.

Furthermore, lessons learned from engaging with tenants under Growing and Renewing Public Housing became especially pertinent to any consideration of operationalising SDA. This shifted thinking from predominately asset- and finance-based considerations to putting the people already living in the enrolled dwellings, their families and carers, at the centre of decision making. The key to which was seeking to understand the individual preferences and needs of people residing in the dwellings.

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[13] Choice and control recognises a participant's right to make decisions about the supports they receive. This includes selecting the type of supports, determining how and when they are delivered, and choosing service providers.

During 2024, significant engagement was undertaken with the ACT Human Rights Commission, the Public Trustee and Guardian, and the Official Visitors for Disability Services to determine the most appropriate approach to engaging with people with disability about their living arrangements. It was recognised that a sensitive approach would be required that enabled reasonable adjustments to be made as required, noting the more important reasonable adjustment would likely be time. At this point, work was progressed to develop a person-by-person, dwelling-by-dwelling approach to engagement that included drafting letters and factsheets.

In August 2024, the planned engagement with people living in the SDA-enrolled dwellings was paused and a new approach was pursued that involved conducting client service visits to Housing ACT-managed dwellings, engaging with headlessees, and continuing to address administrative and legal barriers to accessing SDA funding. Appendix 4 provides a summary of the complexities and issues that were being considered.

Housing ACT's registration as an SDA provider was due to expire on 15 September 2024[14]. It made an application to renew its registration on 13 September 2024 and on 11 October 2024 it was advised by the NDIS Quality and Safeguards Commission that an Approved Quality Auditor must be appointed to undertake a recertification audit as part of its renewal application.

Quotes were sought from auditors in late 2024/early 2025; however, based on preliminary advice from the auditor before being appointed, Housing ACT requested an extension to its registration renewal from the NDIS Quality and Safeguards Commission in March 2025. This extension was granted on 23 June 2025 and Housing ACT's registration was extended to 14 December 2025.

On 25 August 2025, the NDIS Quality and Safeguards Commission advised Housing ACT must appoint an auditor by 12 September 2025 and submit its recertification audit report no later than 23 November 2025.

On 10 September 2025, Housing ACT advised the Minister for Homes, Homelessness and New Suburbs of the status of the registration and possible options and outcomes. Housing ACT assessed that while it may achieve some of the audit outcomes based on existing policies, practices and procedures, it remained unlikely to meet all requirements as some of the fundamental settings did not exist for Housing ACT to operationalise an SDA function and this could not be achieved by December 2025.

On 7 October 2025, the Minister for Homes, Homelessness and New Suburbs agreed to Housing ACT's advice that the reregistration audit be discontinued and that the NDIS Quality and Safeguards Commission be advised of Housing ACT's intention to allow for the registration to lapse on 14 December 2025.

Housing ACT advised the NDIS Quality and Safeguards Commission of this decision on 7 November 2025. Housing ACT deregistered as an SDA provider on 14 December 2025 and its 110 dwellings were unenrolled as SDA.

[14] Noting Housing ACT had applied to renew and sought to engage an auditor, the registration was effectively extended to enable the renewal application process to be undertaken and completed.

Letters were sent to tenants in the Housing ACT-managed former SDA-enrolled dwellings and the occupants of former SDA-enrolled dwellings headleased[15] to a community housing provider advising them of the deregistration in January 2026.

SDA funding

Enrolling a dwelling as SDA means the property meets the necessary design and compliance guidelines under the NDIS. It does not give a provider the right to claim SDA payments, noting that SDA funding is attached to a participant's eligibility and plan, not linked to the dwelling.

To be eligible to claim an SDA payment:

- The dwelling must be enrolled as an SDA dwelling with the NDIS Quality and Safeguards Commission, and the registered provider must have the necessary certifications required by the SDA Rules.
- The dwelling must be occupied by an eligible NDIS participant who has the relevant SDA design category included in their plan as a stated support.
- The eligible participant must choose to receive SDA from the provider and there must be a written service agreement between the provider and the participant.

In other words, without an eligible participant and a contract, no SDA payment can be claimed, regardless of the enrolment status of the dwelling.

Housing ACT had not established whether any of the people living in its SDA-enrolled dwellings were eligible for the NDIS and had SDA included in their plan as a stated support. Furthermore, there were no service agreements in place between Housing ACT and the people living in the dwellings to enable SDA provision.

As such, Housing ACT was not eligible to claim SDA payments for the dwellings it had enrolled as SDA and no funding was drawn down whilst it was a registered SDA provider.

Potential revenue for the period Housing ACT was registered as an SDA provider and had SDA-enrolled dwellings cannot be reliably quantified as SDA payments vary according to factors that are highly individualised and subject to change.

These include whether eligible participants were approved for SDA in their plans, which design category they were entitled to, whether they would have chosen to have their SDA provided by Housing ACT, whether there were any vacancies in the dwellings, and what NDIA pricing arrangements were in place at points in time.

Given these uncertainties, any calculation would be highly speculative.

Repairs, maintenance and modifications

Regardless of whether a property was enrolled as SDA, Housing ACT continued to provide maintenance, repairs and modifications to meet the needs of tenants, headlessees and occupants. These activities were funded as part of Housing ACT's business-as-usual operations,

[15] Some of the former SDA-enrolled dwellings were headleased to 3 CHPs; however, following engagement with these providers following deregistration, 2 indicated that correspondence with occupants was not required because of the nature of how these dwellings were being used (i.e. not for people with disability).

and no tenant with disability had works delayed or denied because of the lack of progress to operationalise SDA.

Between January 2020 and December 2025, over 6,370 repairs and maintenance work orders were completed across the 110 SDA-enrolled dwellings, at a total cost of approximately $3.97 million. Table 1 breaks this expenditure down by category.

Table 1: Repairs and maintenance expenditure on SDA-enrolled by category, 2020-25

Category	2020	2021	2022	2023	2024	2025	Total
Capital/ Planned	$105,142	$40,109	$371,028	$149,018	$319,095	$103,799	**$1,088,191**
Reactive	$366,207	$209,841	$359,361	$304,479	$290,426	$325,432	**$1,855,747**
Cyclical	$82,742	$73,177	$87,805	$122,005	$115,269	$119,386	**$600,384**
Vacant	$7,228	$4,125	$157,250	$82,931	$100,134	$67,126	**$418,794**
Total	**$561,319**	**$327,252**	**$975,444**	**$658,433**	**$824,924**	**$615,743**	**$3,963,115**

During this period, 105 disability modification work orders were completed across 42 of the 110 SDA-enrolled dwellings, at a total cost of almost $850,000. The increase in expenditure in 2025 can be attributed to extensive upgrades that were delivered at one property at a cost of approximately $167,000.

Table 2 provides a summary of the disability modification spending in the SDA-enrolled dwellings, compared to the total spend across the Housing ACT portfolio for this period (being approximately $11.8 million across 1,800 properties).

Table 2: Disability modification expenditure, 2020-25

	SDA-enrolled dwellings	Total Portfolio
2020	$65,810	$2,045,256
2021	$114,632	$1,343,313
2022	$169,143	$2,387,856
2023	$7,304	$1,759,681
2024	$164,752	$3,240,685
2025	$324,921	$1,030,808

Total	**$846,562**	**$11,807,599**

If a NDIS participant lives in public housing and needs modifications to their home (such as grab rails, level taps or a simple access ramp), the NDIS consider it the role of the public housing authority to make reasonable adjustments. However, if the participant needs highly specialised or high-cost home modifications (such as widening a doorway or redesigning bathrooms to enable use of a shower chair or hoist), the NDIS might be able to fund them. Before doing so, the NDIS must first assess if the public housing provider has an alternative suitable home or if they can help the participant find a home with a different community housing authority.[16]

It is important to note home modifications are a separate support provided under the NDIS. The NDIS does not fund home modifications if the participant is receiving SDA, as SDA dwellings are expected to meet certain design features and meet the disability related support needs of participants before they can be enrolled.

Next steps

The ACT Government is engaging with people living in the previously enrolled SDA dwellings to understand their housing needs and preferences, as well as their NDIS and SDA eligibility. The information gathered through this engagement – as well as findings from the Standing Committee's inquiry – will be used to inform future decision making about the ACT Government's future role in the provision of SDA.

However, it is important to remember that SDA is only one of a range of housing options that can support positive housing outcomes for people with disability. As such, any future decision-making about SDA will be considered in the context of the reform agenda arising from the Disability Royal Commission, the NDIS Review, the ACT Disability Strategy 2024-33 and the *Disability Inclusion Act 2024*.

[16] NDIS Website – Our Guidelines – Home Modifications | NDIS

Appendix 1: SDA eligibility

SDA is only included in the plans of NDIS participants who meet specific eligibility criteria and need specialised homes.

NDIS participants eligible for SDA are:

- Under the age of 65 years at time of meeting access to the NDIS.
- Have an extreme functional impairment or very high support needs – this means the participant has a lot of difficulty doing daily tasks on their own or sometimes may not be able to do them at all. The daily tasks include mobility, personal care and self-management.
- Meet the SDA needs requirement and the NDIS funding criteria – this means that the NDIS will confirm that the SDA combined with other supports will lead to better outcomes for the participant including improving, maintaining or preventing functional capacity from getting worse, reducing future support needs and creating better connections to family and community.

SDA funding is designed to work together with different NDIS supports to provide participants with choice and control. If participants have a home and living goal, the NDIS will explore options that are right for them to best meet home and living supports.

Appendix 2: SDA funding and pricing arrangements

The SDA Pricing and Payments Framework[17] was agreed by Australian governments in 2020 and sets out the long-term pricing and payments framework for determining the funding of the land and built elements of SDA dwellings. Consistent with this long-term framework, the NDIA regularly updates its pricing arrangements and price limits which detail how SDA funding is calculated. The most recent edition is the Pricing Arrangements for SDA 2025-26.

The Framework seeks to promote the provision of high quality and innovative supports that enable people with disability to maximise independent lifestyles and full inclusion in the community.

The Framework aims to give participants, providers and investors long-term certainty about the ongoing role of SDA under the NDIS, while allowing room for growth, renewal, change and innovation in SDA supply over time.

When combined with participant contributions and land price inflation, the NDIS funding should be sufficient to cover the efficient cost of providing accommodation over the SDA dwellings full lifecycle and should allow providers to attain finance in the private market to meet these lifecycle costs.

In addition to the SDA payment from the NDIS, the provider may also charge a rent contribution directly from the NDIS participant living in the SDA dwelling. This includes a Maximum Reasonable Rent Contribution from the tenant (capped at 25% of the Disability Support Pension, plus Commonwealth Rent Assistance or equivalent for a person receiving a different source of income).

Commonwealth Rent Assistance (CRA) is a non-taxable payment paid by the Australian Government to help eligible people in receipt of certain social security payments supplement the cost of renting. People must be paying rent above a minimum threshold in the private rental market or in non-government community housing. People paying Government rent are not eligible for CRA. Rent paid to the Commissioner for Social Housing is considered Government Rent. As such, public housing tenants are not eligible for CRA.

[17] https://www.health.gov.au/sites/default/files/2025-07/specialist-disability-accommodation-pricing-and-payments-framework.pdf

Appendix 3: SDA design categories

The SDA Design Standard outlines the design requirements for all SDA dwellings to provide participants with access to high-quality housing that responds to their needs. The SDA Design Standard applies to all new build and refurbished SDA dwellings from 1 July 2021.

The SDA Design Standard is different to the Liveable Housing Australia Design Standard.[18]

The SDA Design Standard currently has 4 design categories for different housing types as set out in the SDA Rules:

- **Improved liveability** - housing that has been designed to improve 'liveability' by incorporating a reasonable level of physical access and enhanced provision for people with sensory, intellectual or cognitive impairment. For example, walls and floors that are very easy to see by the participant. This SDA design standard is comparable to the Liveable Housing Australia (LHA) Gold Standard and Class C adaptable classifications, but has some additional requirements.[19]
- **Robust** - housing that has been designed to incorporate a high level of physical access provision and be very resilient, while reducing the likelihood of reactive maintenance and reducing the risk to residents and the community. This type of design category may suit participants who need help managing complex and challenging behaviours.
- **Fully accessible** - housing that has been designed to incorporate a high level of physical access provision for people with significant physical impairment. For example, using a manual or powered wheelchair at home.
- **High physical support** - housing that has been designed to incorporate a high level of physical access provision for people with significant physical impairment and requiring very high levels of support. For example, a ceiling hoist, backup power supply, or home automation and communication technology.

Prior to the SDA Rules being adopted in 2020, the design standards included a category of housing called 'Basic' which was available in the early stages of SDA:

- **Basic** – housing without specialist design features but with a location or other features that cater for the needs of people with disability and assist with the delivery of support services. Basic designs cover older properties that were enrolled in the scheme when it first began. Properties can no longer be enrolled as 'Basic' as this category has been grandfathered by the NDIA.

Recognising that group homes were where people with disability were living and had been a core component of the suite of disability services funded by state and territory governments prior to the NDIS, many legacy properties and other older existing disability homes were permitted to be enrolled as 'Basic' dwellings under transitional arrangements when SDA was

[18] This Standard provides a set of technical provisions that if complied with enable dwellings to better meet the needs of the community, including older people and people with mobility limitations. Livable housing design focuses on creating homes that are easy to enter, navigate, and adapt over time to meet the changing needs of occupants, including older adults, people with disabilities, families with young children, and those with temporary injuries.

[19] Gold Standard and Class C cannot be automatically enrolled as SDA Improved Livability without these additional requirements being met.

first introduced. These properties had minimal modifications and did not meet the standards of other SDA design categories.

These transitional arrangements sought to facilitate the transition of the existing residents and stock of supported accommodation into the NDIS and also encourage replacement, change and innovation over time.

With recent findings on the disadvantages and limitations of group homes, including recommendations from the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability, the NDIA and states and territories have implemented several initiatives to support the phasing out of group homes enrolled as SDA. For example, the NDIA no longer provides SDA payments for enrolled SDA properties with 11 or more residents and is progressively ceasing SDA payments for properties with 6 to 10 residents.[20]

[20] https://www.health.gov.au/resources/publications/disability-royal-commission-progress-report-2025/volume-7-inclusive-education-employment-and-housing/recommendation-743-a-roadmap-to-phase-out-group-homes-within-15-years?language=en&book_active_tab=content

Appendix 4: Complexities and issues

A range of structural, regulatory and practical challenges inhibited Housing ACT's ability to implement SDA in a manner that is consistent with the rules and requirements of the NDIS and the operations of the ACT Government. The following section outlines some of these issues and complexities.

Complying with NDIS Rules

The SDA provider is obligated to ensure compliance with SDA Rules in the operation of the SDA dwellings and the NDIS Quality and Safeguards Commission undertakes regular independent checks to ensure compliance. To operate as an SDA provider, Housing ACT would have to meet a range of foundational requirements, spanning tenancy management, financial administration and tenant engagement. The level of servicing and active oversight in SDA provision is high and requires specialist functions for effective delivery.

Eligibility for SDA cannot be means tested

Under section 11 of the SDA Rules, a NDIS participant is eligible for SDA if they have 'an extreme functional impairment' or 'very high support needs' and meet the SDA needs requirements. Eligibility to SDA funding is not subject to means testing.

However, under current instruments of the *Housing Assistance Act 2007*, initial and ongoing eligibility for housing assistance is means tested. This directly contradicts the SDA Rules. To comply with the SDA Rules, a new notifiable instrument or a new or amended housing assistance program under the Act would be needed to allocate and provide SDA as an SDA provider.

Alternatively, the Housing ACT properties could be headleased to an SDA provider who takes on all the responsibilities of SDA. The SDA Pricing and Payments Framework requires the Territory to charge market rent or charge and recover from these providers a cost of capital equivalent to the land component in the benchmark price to prevent over-subsidising.

Contractual relationship with participant

The primary role of an SDA provider is to grant occupancy to the eligible NDIS participants in the matching design category of SDA dwellings, which includes establishing and maintaining SDA service agreements with each tenant.

In the dwellings headleased to community providers, Housing ACT does not have a direct relationship with the residents as Housing ACT's contractual relationship is with the headlessee.

While there does not appear to be any provision in the SDA framework that requires the registered provider (i.e. Housing ACT) and the SDA provider (such as a community housing provider registered to provide SDA) to be the same, the enroller of the dwelling is obliged to ensure that the dwelling complies with the conditions of enrolment. For this reason, practical difficulties may arise if different SDA providers enrol the dwelling and provide SDA at the dwelling.

In the event the community housing provider was also an SDA provider, the head lease arrangements would need to change to comply with the requirement to charge market rent or recover from the provider a cost of capital equivalent to the land component in the benchmark price.

Waitlisting and allocating SDA properties

There is no existing system for maintaining a waitlist and allocating SDA dwellings according to SDA Rules within ACT Government. A policy framework and systems would need to be developed to operate waitlists and allocations across government and non-government provision to maximise participant choice and control.

Other jurisdictions that have progressed SDA provision, either directly or indirectly, have generally retained disability service functions within government, including Supported Independent Living service provision. In these jurisdictions access pathways based on assessing needs and/or panels for allocations are in operation or under development.

Vacancy rates

Other SDA providers, both government and non-government, report experiencing high rates of vacancies in SDA dwellings for a range of reasons. For example, it can be challenging to match a NDIS participant with a specific category of SDA listed in their plan with a room available in a corresponding category of dwelling at the time of need. It is also often difficult to place a new tenant into an existing dwelling with 4 or 5 other tenants. In some instances, appropriate accommodation of a person's disability requires they live alone. These challenges increase with older, less suitable housing stock.

The experience of other SDA providers indicate they are holding vacancy rates of around 20% across their portfolio. One of the community housing providers headleasing the former SDA-enrolled dwellings from Housing ACT has also previously reported vacancy rates of 30% on some of the this stock.

These challenges can lead to long delays in finding suitable accommodation for people in need and also result in high vacancy rates posing significant financial risk on managing the property. The NDIS Pricing and Payments Framework makes some provision for addressing the unique challenges in managing vacancies and transfers in SDA.

Data quality and accessibility

Under the *Privacy Act 1988 (Cth) (Privacy Act)* and the *National Disability Insurance Scheme Act 2013 (NDIS Act)*, participant data is rightly protected and could not be shared without participants granting permission for ACT Government to access information on their eligibility for SDA and type of SDA. This permission required a tenancy agreement to be in place between the Commissioner for Social Housing and the tenant.

This information also could not be requested directly from community housing provider tenants as the headlease agreement does not require sharing of the information, and sensitive information is protected under the *Privacy Act* without agreement by the tenant.

Data available through the NDIA platforms frequently had delays in updates. Changes to contact email addresses for ACT enrolled properties were submitted by ACT staff through the NDIS Portal but only showed on the site several months later with direct involvement of NDIA. This data delay was still evident in February 2026 where Commissioner owned properties were still listed on SDA finder despite unenrolment being confirmed in December 2025. Data is key in understanding the full SDA picture, yet quality and accessibility of data has been a consistent barrier.

Role of Commonwealth Rent Assistance

The SDA Pricing and Payments Framework is structured so that SDA funding is sufficient to cover the full lifecycle costs of appropriate accommodation after accounting for a reasonable rent contribution from the participant and land price inflation. The maximum reasonable rent contribution is defined at 25% of a participant's Disability Support Pension (plus 25% of any pension supplement) and 100% of Commonwealth Rent Assistance (CRA).

CRA is payable to eligible people who rent in the private rental market or community housing, but not people who pay government rent. Rent paid to the Commissioner for Social Housing (the legal entity that had enrolled the 110 SDA dwellings) is considered government rent and does not attract CRA in accordance with the Commonwealth *Social Security Act 1991*.

It is more expensive to operate as an SDA provider than a public housing provider due to the additional compliance requirements of the NDIS, relationship management requirements with support providers and the higher level of tenancy support more frequently required by SDA tenants.

The ACT Government would need to cover the difference in the SDA Pricing and Payments Framework or utilise a different rental arrangement. This could include using a different service entity of government or establishing a long-term land lease arrangement of the dwellings with a non-government SDA provider.

Discontinuing eligibility of legacy properties

The national disability reform agenda acknowledges that many participants who transitioned from previous disability service systems have never had a comprehensive NDIS assessment of their housing needs, and their eligibility for SDA is linked to them residing in the same ageing property under NDIS transition arrangements.

This is reflected in Action 9.8 of the NDIS Review which recommends all Australian Governments should agree and implement an intergovernmental strategy for upgrading and repurposing ageing SDA stock owned by states and territories. The review has also proposed the eventual grandfathering of the Improved Liveability design category of SDA dwellings.

ACT Government