NDIS, housing assistance and choice and control for people with disability

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About the NDIS

- Choice & control, independent living, community participation, insurance approach, early intervention
  - From $7 to $22 billion p/a
  - Individualised funding
  - National agency

- Fully rolled out nationally in 2019

- 460,000 participants eligible for individualised support packages
The NDIS and housing

- Unmet need in affordable housing for 83,000-122,000
  - Adults living with parents (50,000)
  - Institutions & congregate housing (20,000)
  - Affordability stress in private rental (30,000-40,000)

- Importance of housing
  - Independent living & community participation
  - Cost of NDIS

- NDIS not responsible for housing, except
  - Home modifications
  - User cost of capital for 6% of participants
Key questions

- Who will fund housing assistance for NDIS participants?
- What is the preferred form of housing assistance for NDIS participants?
## Demand-side / Supply-side housing subsidies

<table>
<thead>
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<th>Demand-side</th>
<th>Supply-side</th>
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<tr>
<td>Enhanced control for tenants</td>
<td>Enhanced control for providers</td>
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<td>Light-touch</td>
<td>Heavy-handed</td>
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<td>Less effective without appropriate supply</td>
<td>Stimulates new supply</td>
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<td>Improves affordability</td>
<td>Improves affordability as well as housing quality</td>
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Demand-side housing subsidies

- Consistent with NDIS individualised approach
- Appropriate for NDIS participants renting privately but in housing stress (30,000-40,000)
- Small subsidies can make a big difference
The substitution of 2 weekly hours of paid support (or two weekly taxi trips), can fully offset the cost of a private rental subsidy of $72 per week.
Supply-side housing subsidies

- Funders and providers of new housing can control its:
  - Cost
  - Design
  - Location
Housing that reduces costs of support

- Location of housing can enable access to informal support
- Location close to jobs, services can reduce the cost of taxis
  → 73,000 NDIS participants will not be able to use public transport
- Accessibility standards can reduce paid support for mobility and self-care.
- Sharing or a keyring model can enable pooling of support
Housing that reduces costs of support

- The substitution of 5.5 weekly hours of paid support through housing design and location can fully offset the cost of an annual $10,000 subsidy (NRAS)
Improved shelter and non-shelter outcomes

- Health benefits
- Secure tenure (social inclusion)
- Culturally appropriate for indigenous people with disability
Risks in supply-side approach

- Inflexible allocation systems
- Congregation
Final remarks

- Unmet need in affordable housing for NDIS participants
- ‘Who will fund?’ remains an unanswered question
- Need for mixed approaches, depending on specific circumstances
  - Role for demand-side housing assistance for people appropriately housed in all respects other than affordability
  - Role for supply-side subsidies in stimulating new supply that meets both NDIS participants’ needs and policy objectives (cost-effectiveness)
References
