

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

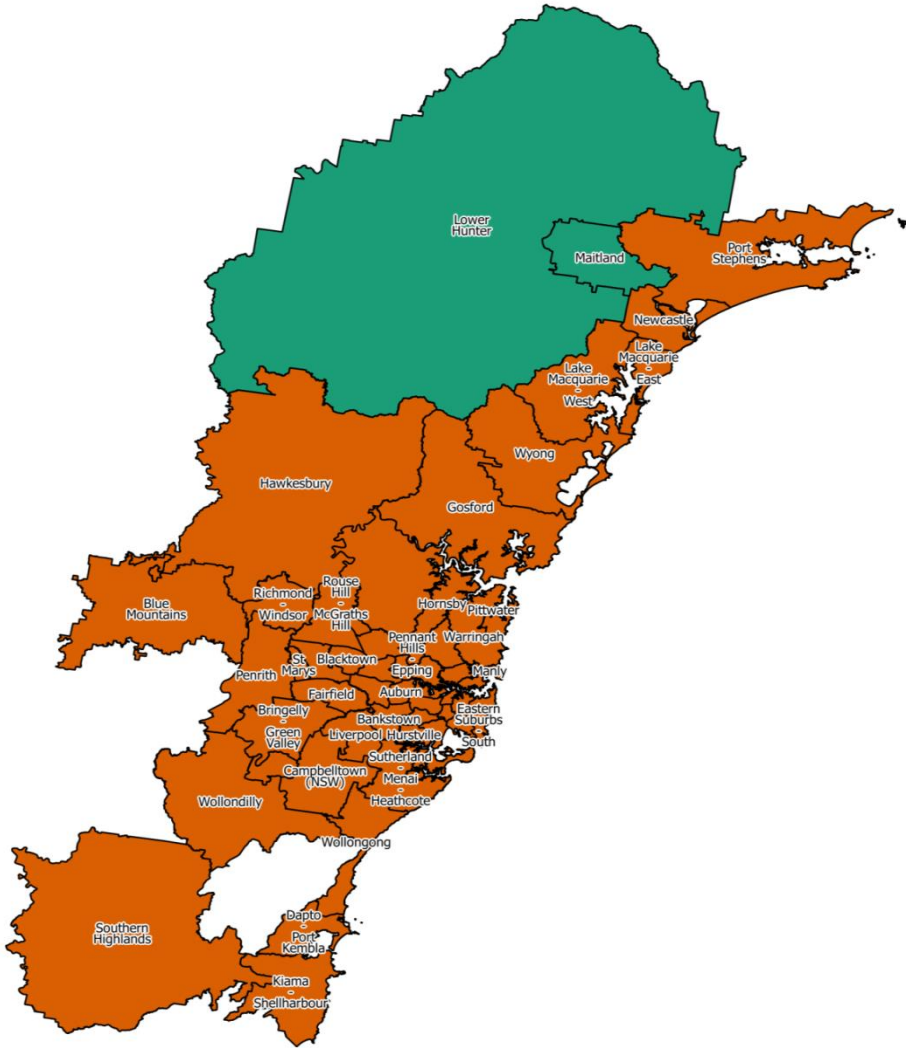
Demand-side	Supply-side
Enhanced control for tenants	Enhanced control for providers
Light-touch	Heavy-handed
Less effective without appropriate supply	Stimulates new supply
Improves affordability	Improves affordability as well as housing quality

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

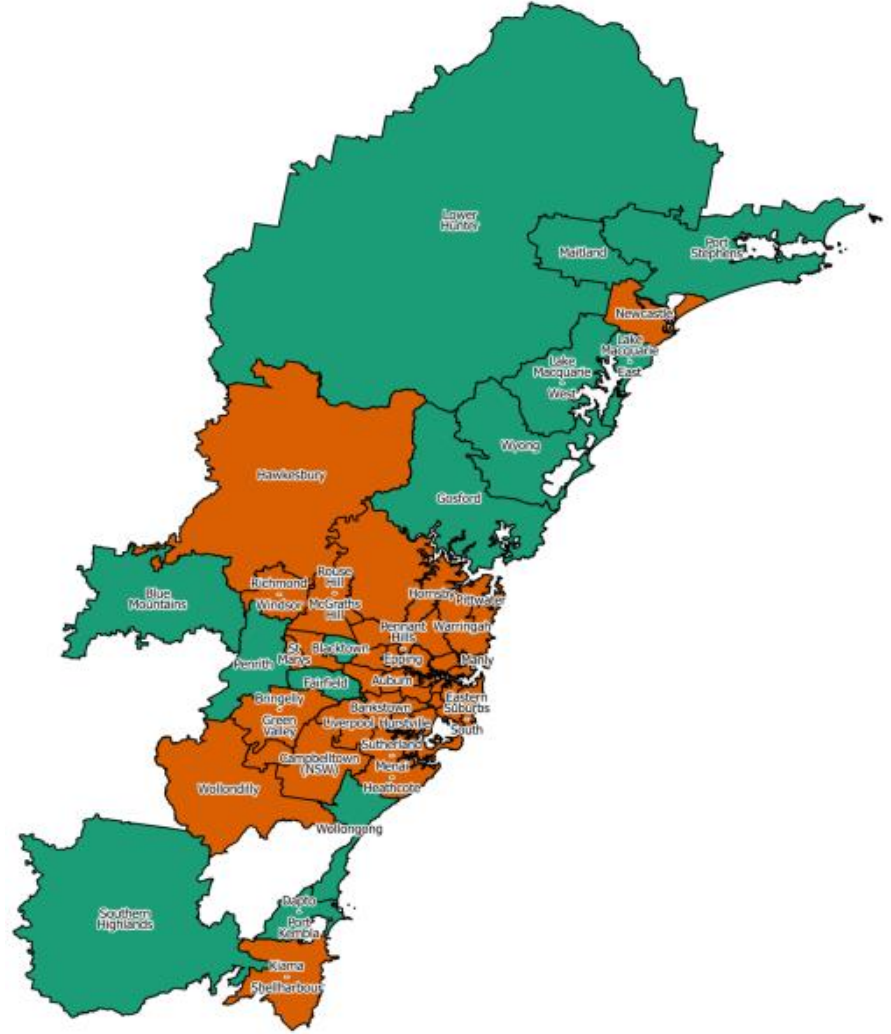
Median rent affordable at 30% of income

- Affordable
- Not Affordable



Median rent affordable at 30% of income, with additional \$72 p/w subsidy

- Affordable
- Not Affordable



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

- Wiesel, I. & Habibis, D. (2015), 'NDIS, housing assistance. choice and control for people with disability' *AHURI Final Report*, AHURI, Melbourne.



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