SPECIALIST DISABILITY ACCOMMODATION

Supply in Australia

March 2020

SUMMER FOUNDATION

SVA Social Ventures Australia

The authors wish to thank project team members
Robin Zakharov and Samuel Thorp for their significant
contributions to the development of this report.

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Figures and Tables

GLOSSARY

CHP	Community Housing Provider
DSP	Disability Support Provider
NDIA	National Disability Insurance Agency
NDIS	National Disability Insurance Scheme
NFP	Not for Profit
SA3	Statistical Area level 3
SA4	Statistical Area level 4
SDA	Specialist Disability Accommodation
SIL	Supported Independent Living

Foreword

Social Ventures Australia and the Summer Foundation are very pleased to present this latest edition of *Specialist Disability Accommodation – Supply in Australia.*

It provides an update on the growth of Specialist Disability Accommodation (SDA) across Australia and the potential undersupply for SDA. It shares for the first time insights into current market sentiment and typical SDA management arrangements.

This report remains the most comprehensive snapshot of how the market is responding to the opportunity to expand housing supply for people with disability.

Our latest report finds that there are now more than 1,766 new SDA places in the construction pipeline as at 30 September 2019.

Combining this with the 1,190 New Build SDA places reported in the latest NDIS Quarterly Report as at 30 September 2019, this means there are now nearly 3,000 SDA places that are new or in the pipeline.

This is compared to the roughly 2,000 SDA places that were either new or in the pipeline in December 2018 as revealed in Social Ventures Australia and the Summer Foundation's first *Specialist Disability Accommodation – Supply in Australia* report published in March 2019.

The growth of SDA supply is a finding that should be welcomed by people with disability, governments, and the broader supply market.

Since the first report was released, the Australian Government has made a number of changes to policy settings for SDA to reduce the uncertainty in the market, which has influenced market sentiment among SDA providers, as we report in the following pages.

Social Ventures Australia and the Summer Foundation share a vision for an Australia where people with disability have access to high quality housing that meets their needs and fosters connection to communities.

We hope this report will inform and guide the next phase of investment in SDA by shedding light on current development activity and on jurisdictions and design categories where more focused efforts to generate supply might be needed.

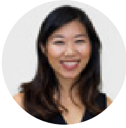
Prospective developers will also want to consider the housing needs and preferences of people who have or are eligible for SDA funding to ensure the suitability of any planned development.

Research on this is currently being undertaken by the Summer Foundation.

The SDA market remains in its infancy and there is much more to do to create an SDA market that delivers the scale of housing anticipated, however we are encouraged by the continued growth and development of the market.

Social Ventures Australia and the Summer Foundation look forward to continuing to work with people with disability, providers, investors and governments to create an SDA market that delivers on the vision of housing for people with disability.

Di Winkler
CEO,
Summer Foundation



Diana Ferner
Director, Consulting and Disability Lead
Social Ventures Australia

Executive Summary

Specialist Disability Accommodation Supply in Australia March 2020 presents an analysis of dwelling supply currently in development and areas of potential under or oversupply of Specialist Disability Accommodation (SDA) housing across Australia.

This report presents the findings of a new survey of SDA providers and developers undertaken across Australia in September 2019.

As with the previous *Specialist Disability Accommodation Supply in Australia* (published in March 2019), this survey collected data about new SDA housing projects in development in order to determine how many SDA places are being planned or are under construction.

New data was contributed by over 50 SDA providers and developers around Australia. Combined with data from the first survey of SDA places in development and still to be completed, this report identifies that there are 1,766 SDA places in development around Australia.

Estimated number of SDA places in development as at 30 September 2019

	SDA places in development
ACT	42
NSW	607
NT	0
QLD	443
SA	210
TAS	30
VIC	318
WA	116
National	**1,766**

While the SDA New Build market is still in its infancy in many parts of Australia, data analysis in this report indicates increased activity across Australia, particularly in Queensland and Western Australia.

When the number of dwellings reported in the SDA pipeline is combined with the enrolled New Build SDA reported by the NDIS, this indicates a total of 2,956 new SDA places enrolled or in development as at 30 September 2019.

Compared with our previous survey, the pipeline of SDA development continues to be dominated by High Physical Support properties; Apartments and Group Homes continue to be the dominant Building Types in the current pipeline.

We again examine the effect of the reported SDA development on SDA undersupply, previously reported in the *Specialist Disability Accommodation Market Insights report* (summerfoundation.org.au/resources/sda-market-insights/). Undersupply of SDA places continues to feature in major cities and in some rural areas of South Australia, Western Australia and Tasmania.

The profile of SDA providers and developers has changed in this survey with a stronger representation of private developers of SDA, compared to the first survey.

This report also presents the results of additional questions we put to SDA providers and developers for the first time on the current market sentiment and typical SDA management arrangements.

Roughly three-quarters of survey respondents were at least somewhat confident in the SDA supply market with 17% “very confident”. Half the survey respondents planned to build further SDA dwellings beyond their current commitments.

About half of all respondents indicated that their tenants have their housing services and support services delivered by separate organisations, with another quarter contracting housing services and support services under different contracts. This is a welcome move toward ensuring real choice and control for people with disability.

Background

What is SDA?

Specialist Disability Accommodation (SDA) is housing that has been specially designed to suit the needs of people who have 'extreme functional impairment' or 'very high support needs'.

SDA payments for individual participants under the NDIS enable them to pay to live in SDA housing. It is expected that around 28,000 people under the NDIS will be funded for SDA, with the NDIS eventually spending around $700 million per year on SDA payments.

SDA payments are provided for purpose-built housing for NDIS participants with very high and complex support needs to enable them to lead an ordinary life. These payments are made to a provider of an SDA property when someone who has been approved for SDA funding is living in it.

The SDA model of funding under the NDIS creates a user-driven market that enables people with disability to decide where they live and who they live with. The model will deliver better housing outcomes for people with very high and complex disability support needs.

The SDA housing market is a new and exciting market, which is expected to create thousands of new dwellings for people with disability over the next few years. However, there is complexity in the way policy governing SDA payments operates, as set out in the SDA Pricing and Payment Framework and associated documents (ndis.gov.au/providers/housing-and-living-supports-and-services/housing).

Since the last report was released, the Australian Government has made a number of important changes to policy settings for SDA.

These changes include:

- Policy and operational changes to expedite approval of SDA funding in NDIS participants' plans
- A review of SDA pricing assumptions (limited cost assumptions review) with resulting increases in some SDA pricing
- Establishment of a cross-sectoral SDA Reference Group to advise on SDA
- An SDA Design Standard
- An SDA Innovation Plan

Further policy changes are expected when revised SDA Rules are released in early 2020, in particular enabling more flexibility about who can live in an SDA dwelling (e.g. enabling family members to live together).

Previous SDA market analysis

The first *Specialist Disability Accommodation Supply in Australia* report, released in March 2019, identified 1,518 SDA places in the development pipeline. The report was based on the results of a survey sent to 450 SDA providers in late 2018.

The purpose of the survey was to collect data about SDA projects under development in order to determine how many SDA places were in the pipeline (i.e. being planned or constructed).

The key findings of the 2018 survey were:

- The SDA development pipeline was dominated by High Physical Support designs
- Very few Robust category dwellings were being built
- The most common building types were Apartments and Group Homes
- More than 80% of places were at pre-construction or construction stages of development
- Three-quarters of the expected supply was expected to be delivered by early 2020

The report also re-examined potential undersupply of SDA across Australia, based on a re-examination of the demand analysis reported in *Specialist Disability Accommodation Market Insights*, published in 2018.

Background (continued)

SDA data reported by the NDIS

The NDIS continues to report quarterly on the number of NDIS participants with SDA funding in their NDIS plan and the number of SDA dwellings enrolled. NDIS Quarterly Reports can be found at ndis.gov.au/about-us/publications/quarterly-reports.

The NDIS Quarterly Report for September 2019 reported that as at 30 September 2019 13,581 participants had SDA funding (4.4% of all NDIS participants) and 3,489 dwellings have been enrolled as SDA.

The first *Specialist Disability Accommodation Supply in Australia* report noted a number of limitations with the SDA data reported for the NDIS. These limitations still apply:

- The majority of NDIS participants with SDA funding in their plans would have transitioned to the NDIS within an existing living arrangement in supported accommodation, often in a group home. These participants automatically had SDA funding included in their plan, to reflect existing arrangements. The future housing preferences and reasonable and necessary funding for SDA is not known for this population.
- Limited information is available on the location of NDIS participants with SDA funding.
- No information is provided about the type of SDA funding they have (e.g. Design Category they are funded for) or whether they are seeking housing.
- It is difficult to determine the number of SDA places from the SDA enrolment data, as most tables report on the basis of dwellings, not places/capacity. An estimate of capacity can be derived from Table P6 (September 2019 report p. 393), which provides the number of enrolled SDA dwellings by capacity – maximum number of residents.
- The NDIS data does not include “in kind” SDA dwellings, owned by state and territory governments[1].
- Some jurisdictions continue to have a lag in data reported on SDA dwelling enrolments, especially Western Australia, which had not fully transitioned to the NDIS when this data was reported.

Latest NDIS enrolment data is compared with the latest survey data (September 2019) at p.35 of this report.

Earlier in 2019 the Australian Government announced it would introduce a pre-certification process for new build SDA dwellings. Details were released in October 2019, along with the release of an SDA Design Standard (ndis.gov.au/providers/housing-and-living-supports-and-services/housing/specialist-disability-accommodation/sda-design-standard#how-the-sda-design-standard-will-be-implemented).

[1] “In kind” supports in the NDIS are services pre-paid by governments as part of the transition from previous state and territory disability schemes. In kind SDA is housing owned by state and territory governments and these properties dominate current existing SDA supply.

Background (continued)

Survey Methodology

Once again, Social Ventures Australia partnered with the Summer Foundation to undertake a survey of SDA providers and developers, which was issued in September 2019.

The survey instrument used in 2019 was similar to the 2018 survey, capturing key aspects of SDA development projects:

- SDA Building type
- SDA Design category
- Number of bedrooms
- SDA capacity (number of SDA places, which could be fewer than number of bedrooms)
- Location
- Type of provider
- Expected date available for occupancy

There were slight changes to the data collected on stage of development, given that the NDIS is now publishing dwelling enrolment data. Data is now collected only for completed dwellings that have not yet had enrolment confirmed by the NDIS (and therefore would not appear in NDIS reports on SDA enrolled dwellings).

The stages reported against were:

A. Completed and pending confirmation of enrolment by the NDIA

B. Construction completed

C. Under construction

D. Development & building approval completed & contractually committed to build

E. Land secured, waiting for development approval, building approval and/or finance approval

The 2019 survey included additional questions to assess market sentiment in relation to further new SDA development, the nature of consultation occurring when designing SDA projects and a range of questions about existing SDA dwellings managed by the surveyed organisations including:

- Degree of separation of housing services and support services in the SDA dwellings being managed
- Methods of sourcing SDA tenants
- Views about ease of filling SDA vacancies

The previous distribution list for the survey was updated, and again drew from:

- The registered SDA provider list from the NDIS
- Organisations listing SDA vacancies and pending SDA developments on the Housing Hub (thehousinghub.org.au)
- Engagement with providers through peak organisations such as PowerHousing Australia and the newly formed SDA Alliance (representing new build SDA providers)
- Providers and developers who had engaged with the Summer Foundation through a range of events during the year, including a national SDA conference, held in March 2019[2]

A survey was issued in September seeking information on new SDA developments in the pipeline as at 30 September 2019.

The survey closed in late October 2019 and 84 responses were received. 52 organisations provided data on their SDA development activity and other providers indicated they had no activity planned. A small number of SDA providers advised they could not provide data for commercial reasons.

[2] For more information about this conference go to getbuildingsda.org.au/national-conference-2019/

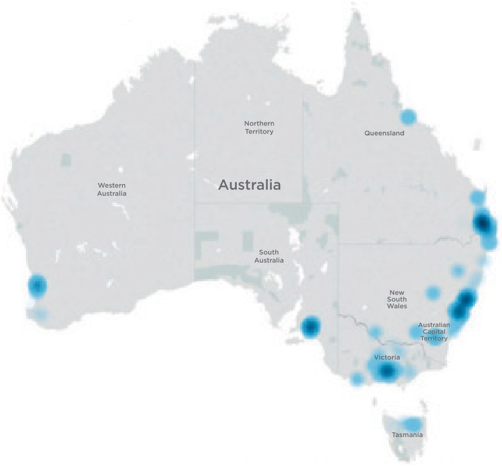
National Overview

A total of 1,684 SDA places were reported in development around Australia as at 30 September 2019, an increase of 166 places reported in the previous survey.

Taking into account activity in 2018 not reported in 2019, but where places would still be in development[3], the estimated total number of reported SDA places at September 2019 is 1,766 places.

The distribution of activity around Australia is illustrated in the following map (figure 1) and Table 1.

Figure 1 – Location of new SDA places



[3] A number of organisations which reported data in the 2018 survey did not participate in the 2019 survey. Nonetheless SDA places in development that had been reported in 2018 and not yet completed have been included in the estimated total SDA places in the pipeline at 30 September 2019.

Table 1 – Estimated total SDA places in development by jurisdiction

	SDA places in development
ACT	42
NSW	607
NT	0
QLD	443
SA	210
TAS	30
VIC	318
WA	116
National	**1,766**

Table 2 sets out the reported places in development in the 2 surveys and the estimated total used for this report.

Table 2 – Reported places in development by year data provided

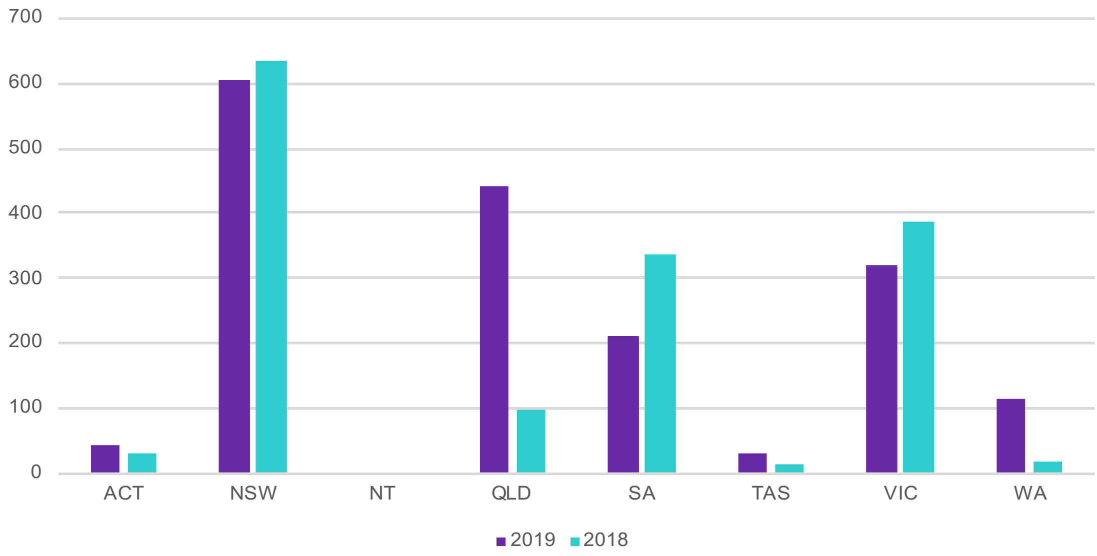
	Reported SDA places - Dec 2018	Reported SDA places - Sept 2019	Adjusted total SDA places in development - Sept 2019[4]
ACT	32	42	42
NSW	635	592	607
NT	0	0	0
QLD	99	428	443
SA	336	165	210
TAS	14	30	30
VIC	386	311	318
WA	16	116	116
National	**1,518**	**1,684**	**1,766**

[4] As above

National Overview

Figure 2 sets out the difference between reported places in development in the 2018 and 2019 surveys.

Figure 2 – New SDA places in development by jurisdiction – September 2019 compared with December 2018



The most SDA development activity is reported in NSW, although this has declined from the previous survey, as has activity reported in Victoria and South Australia. However there is a significant increase in SDA development activity reported in Queensland as well as in Western Australia and Tasmania.

Compared with data reported in the last report, most of the government-funded SDA development activity has now been completed in South Australia and Victoria. However the NSW Government initiative to replace institutional accommodation in the Hunter Valley is still underway and reflected in the latest survey results.

No data was received from organisations in the Northern Territory, although it is understood planning is underway for some new SDA development in that jurisdiction.

Type of new SDA reported

The NDIS provides funding for SDA on the basis of specified building types and design categories (refer to the SDA price guide: ndis.gov.au/providers/housing-and-living-supports-and-services/housing/specialist-disability-accommodation/sda-pricing-and-payments#sda-price-guide).

Building Type

Figure 3 illustrates SDA places reported by Building Type.

Apartments are the most frequent Building Type reported (852 places compared with 534 places reported in the previous survey).

Apartments are the dominant Building Type in all jurisdictions except NSW, SA, and Tasmania. NSW development is currently dominated by Group Homes, and SA and Tasmania by Villas/Duplexes/Townhouses (Table 3).

Figure 3 – New SDA places in development by Building Type – Australia

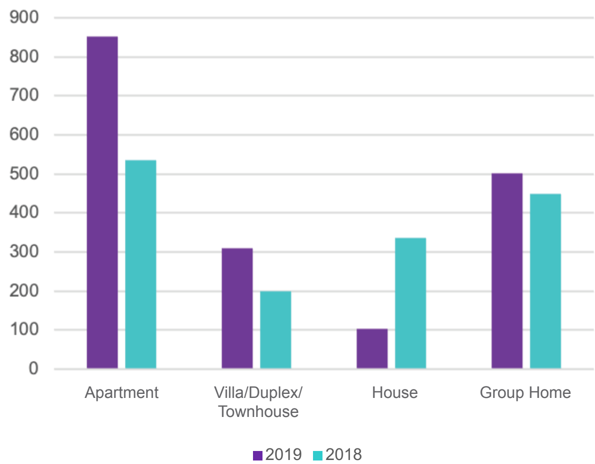


Table 3 – New SDA places in development by Building Type – by state/territory

	Apartment	Group Home	House	Villa/ Duplex/ Townhouse
ACT	22	4	0	16
NSW	193	386	20	8
QLD	316	49	42	36
SA	79	0	0	131
TAS	0	12	2	16
VIC	171	29	39	79
WA	71	21	0	24

Type of new SDA reported

Design Category

The SDA Pricing and Payment Framework establishes 4 Design Categories for new build SDA properties:

- Improved Liveability
- Fully Accessible
- High Physical Support
- Robust

Figure 4 illustrates SDA places in development reported by Design Category. High Physical Support continues to dominate the development pipeline for SDA, to an even further degree than reported in the previous survey.

Figure 4 – New SDA places by Design Category

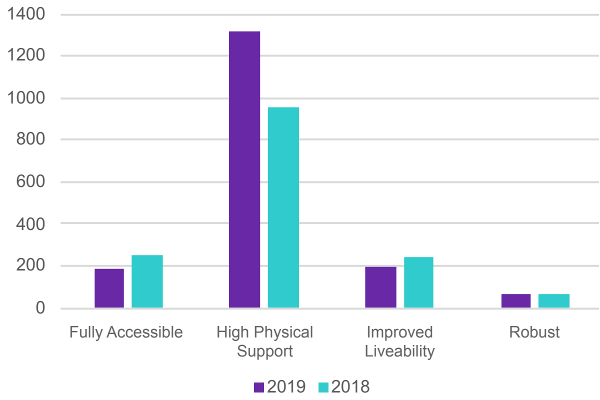


Table 4 illustrates the spread of SDA Design Categories across Building Types for all estimated SDA places in development across Australia as at September 2019.

Table 4 – New SDA places in Australia – Design Category by Building Type

	Fully Accessible	High Physical Support	Improved Liveability	Robust
Apartment	86	688	66	2
Group Home	30	414	0	57
House	0	96	4	0
Villa/Duplex/Townhouse	67	121	102	9

Stage of new SDA development

Figure 5 illustrates the stage of development for SDA projects in the pipeline, with most activity at pre-construction and construction stage, and around 100 places completed and waiting for enrolment with the NDIS.

Figure 6 illustrates the expected completion date of SDA supply reported in the latest survey, with most projects completing by early 2021.

Figure 5 – Estimated new SDA supply by stage of development

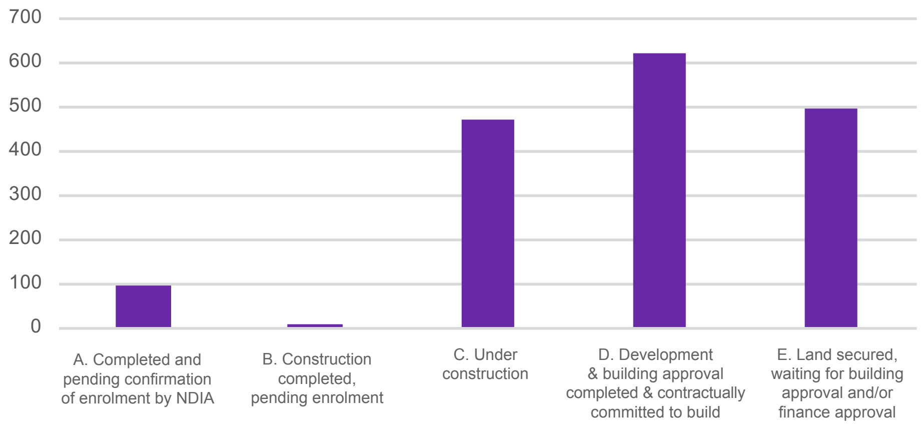
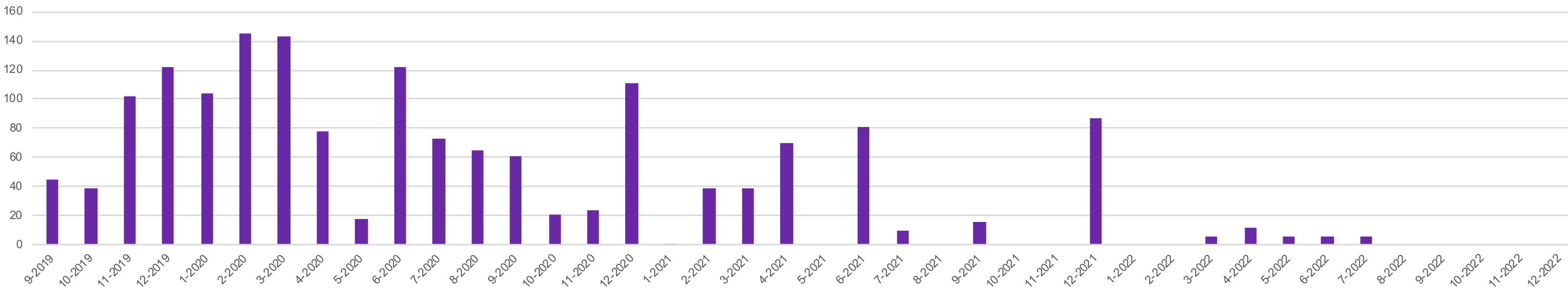


Figure 6 - Estimated new SDA supply by completion date



Profile of SDA providers and developers

The following charts and tables provide latest insights into estimated SDA development activity by different types of SDA providers and developers.

Compared with the previous survey, where community housing providers recorded the most development activity, the latest survey sees a more even spread of activity by other housing providers, including private and not-for-profit housing providers. This information is set out in Table 5 and Figure 7.

Table 5 – SDA development activity by type of provider

Provider type	Sept 2019	Dec 2018
Private disability service provider	54	33
Private housing provider	555	217
Community housing provider (CHP)	502	891
Not-for-profit housing provider (non-CHP)	404	90
Not-for-profit disability service provider	247	234
Prefer not to say/unknown	4	53
Total	**1,766**	**1,518**

Figure 7 SDA development activity (places) per SDA provider type

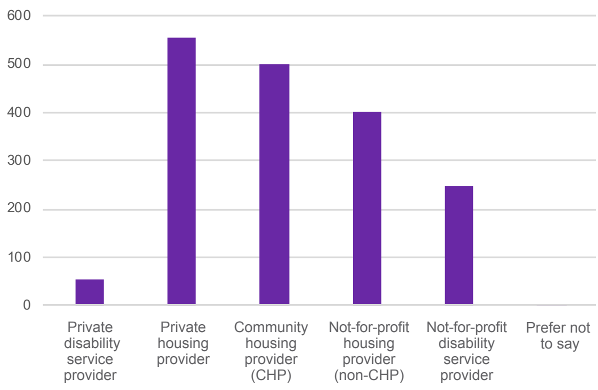
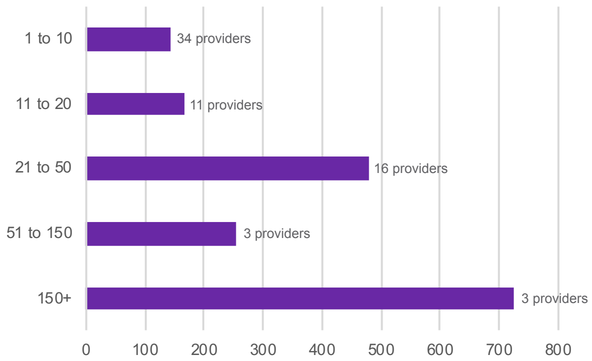


Figure 8 illustrates SDA providers by number of places being delivered. This data shows that 3 providers have large amounts of activity with more than 150 SDA places in development. Another 3 providers have between 51 and 150 places in development and 16 providers have between 21 and 5 places in development.

This indicates that 60% of places are being developed by just 6 providers/developers, and that 86% of SDA places being developed are reported by less than half of the SDA providers and developers reporting any development activity.

Figure 8 – SDA providers by scale of their SDA development activity



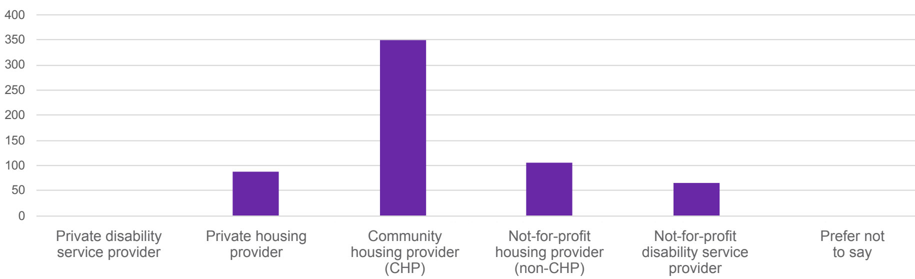
State and Territory snapshots

New South Wales

A total of 607 SDA places are estimated to be in development in NSW, a slight decline in the number of places previously reported for NSW (635 places). The NSW SDA development pipeline is dominated by High Physical Support (HPS) group homes, followed by HPS apartments. Nearly 60% of SDA development in NSW is being delivered by the community housing sector. 90% of NSW SDA development is contractually committed to build or under construction.

Design Category by Building Type – NSW	Fully Accessible	High Physical Support	Improved Liveability	Robust
Apartment	36	114	33	0
Group Home	10	341	0	35
House	0	20	0	0
Villa/Duplex/Townhouse	0	8	0	0

Profile of providers – NSW

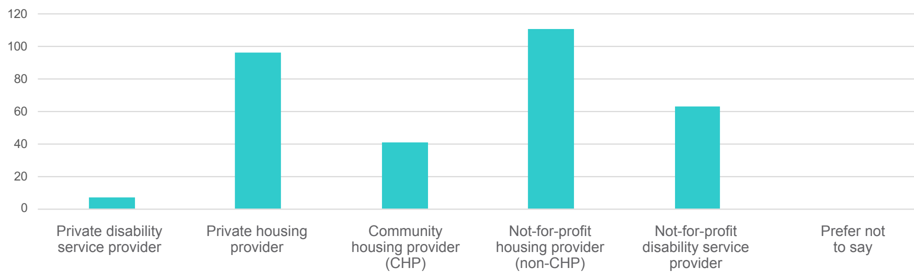


Victoria

A total of 318 SDA places are estimated to be in development in Victoria, a decline in the level of activity reported in the previous survey (386 places). The Victorian SDA development pipeline is dominated by apartments and villa/townhouse developments, with development occurring across all design categories for SDA. SDA development reported in Victoria is being delivered across sectors, particularly not-for-profit housing providers (35%) and private providers (30%). Around 50% of SDA development reported in Victoria is under construction or contractually committed to build and 48% is awaiting building and finance approval.

Design Category by Building Type – VIC	Fully Accessible	High Physical Support	Improved Liveability	Robust
Apartment	10	132	27	2
Group Home	8	7	0	14
House	0	34	2	0
Villa/Duplex/Townhouse	39	20	13	7

Profile of providers – Victoria



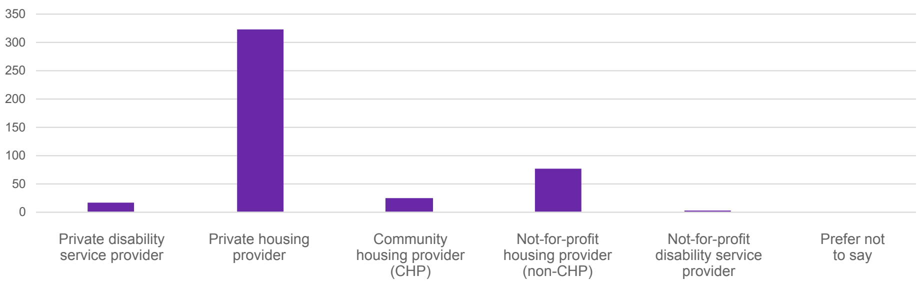
State and Territory snapshots

Queensland

A total of 443 SDA places are estimated to be in development in Queensland, a significant increase in the level of activity reported in the previous survey (99 places). The Queensland SDA development pipeline is dominated by High Physical Support apartments, with group homes, house and villa/townhouse developments also being reported. 75% of SDA development reported in Queensland is being delivered by private sector organisations, with most of the remaining development being reported by not-for-profit housing providers. Over 50% of SDA development reported in Queensland is still awaiting building and finance approval. 40% is under construction or contractually committed to build.

Design Category by Building Type – QLD	Fully Accessible	High Physical Support	Improved Liveability	Robust
Apartment	5	311	0	0
Group Home	0	41	0	8
House	0	42	0	0
Villa/Duplex/Townhouse	0	34	0	2

Profile of providers – QLD

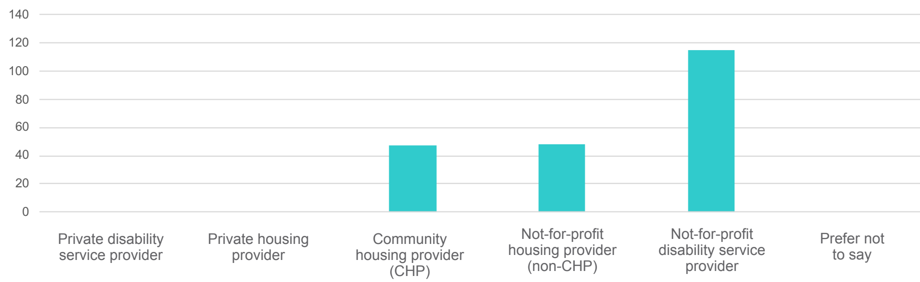


South Australia

A total of 210 SDA places are estimated to be in development in South Australia, a decline in the number of places previously reported (336 places). (This is largely due to the completion of government funded SDA construction in the previous reporting period). The SA SDA development pipeline is dominated by apartments and villas/townhouses across the Fully Accessible, High Physical Support and Improved Liveability categories. Nearly 70% of SDA development in SA is being delivered by not-for-profit disability service providers and the remainder by community and not-for-profit housing providers. 65% of SA SDA development is contractually committed to build or under construction.

Design Category by Building Type – SA	Fully Accessible	High Physical Support	Improved Liveability	Robust
Apartment	26	51	2	0
Group Home	0	0	0	0
House	0	0	0	0
Villa/Duplex/Townhouse	20	39	61	0

Profile of providers – South Australia



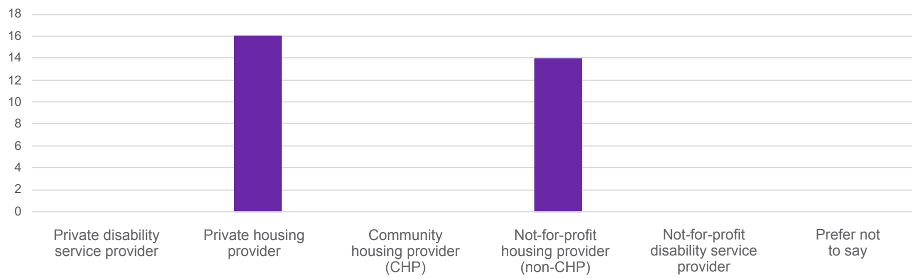
State and Territory snapshots

Tasmania

A total of 30 SDA places are estimated to be in development in Tasmania, a slight increase in the number of places previously reported (14 places). The Tasmanian SDA development pipeline comprises group homes and villas/townhouses across the Fully Accessible, Improved Liveability, and High Physical Support categories. SDA projects in Tasmania are being delivered by not-for-profit and private housing providers. The Tasmanian SDA projects are either completed and awaiting enrolment with the NDIA or contractually committed to build.

Design Category by Building Type – TAS	Fully Accessible	High Physical Support	Improved Liveability	Robust
Apartment	0	0	0	0
Group Home	12	0	2	0
House	0	0	0	0
Villa/Duplex/Townhouse	0	4	12	0

Profile of providers – Tasmania

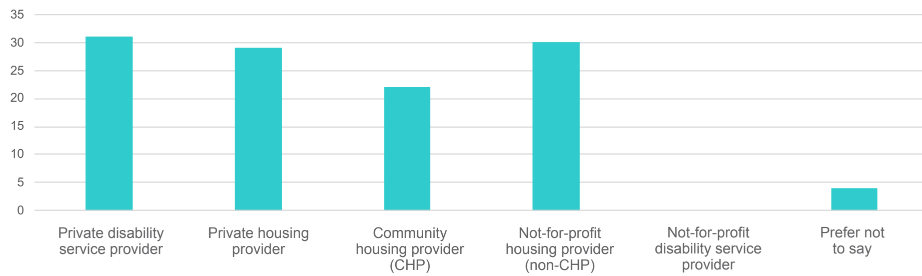


Western Australia

A total of 116 SDA places are estimated to be in development in WA, a significant increase on the level of activity reported in the previous survey (16 places). The WA SDA development pipeline is dominated by High Physical Support apartments. New SDA development reported in WA is fairly evenly split between private disability service providers, private housing providers, community housing providers, and not-for-profit housing providers. Most SDA development reported in WA is either awaiting building and finance approval or is contractually committed to build.

Design Category by Building Type – WA	Fully Accessible	High Physical Support	Improved Liveability	Robust
Apartment	9	58	4	0
Group Home	0	21	0	0
House	0	0	0	0
Villa/Duplex/Townhouse	8	0	16	0

Profile of providers – Western Australia



State and Territory snapshots

ACT

A total of 42 SDA places are estimated to be in development in the ACT, a slight increase in reported activity from the previous survey (32 places reported). The ACT SDA development pipeline comprises High Physical Support development only. Almost all SDA development in the ACT is being delivered by community and not-for-profit housing providers. All SDA development reported for the ACT is contractually committed to build or under construction.

Design Category by Building Type – ACT	Fully Accessible	High Physical Support	Improved Liveability	Robust
Apartment	0	22	0	0
Group Home	0	4	0	0
House	0	0	0	0
Villa/Duplex/Townhouse	0	16	0	0

Profile of providers – ACT








Where is the new SDA supply being developed?

Introduction to maps

The following maps indicate the extent of new SDA in development (as recorded in survey responses) mapped to SA4 level, which refers to Statistical Area Level 4 – for explanation of statistical areas, refer to the Australian Bureau of Statistics website: abs.gov.au/websitedbs/D3310114.nsf/home/Australian+Statistical+Geography+Standard+(ASGS) .

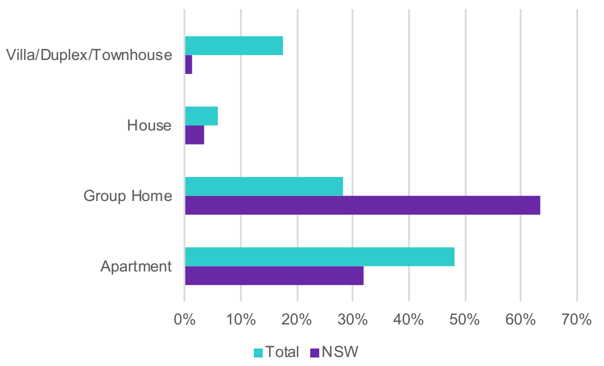
Charts for each jurisdiction compare the distribution of estimated new SDA in development in that jurisdiction by Building Type and Design Category with the national figures from the survey.

Note that these figures do not represent all SDA development activity as a number of providers who may have SDA developments underway did not respond to the survey.

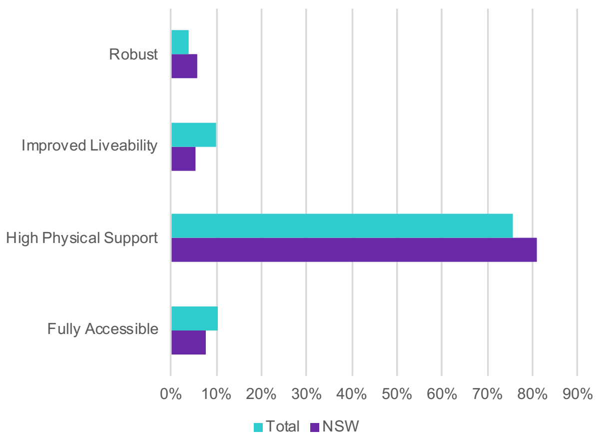
Detailed data by SA4 is provided in Appendix B from p.38.

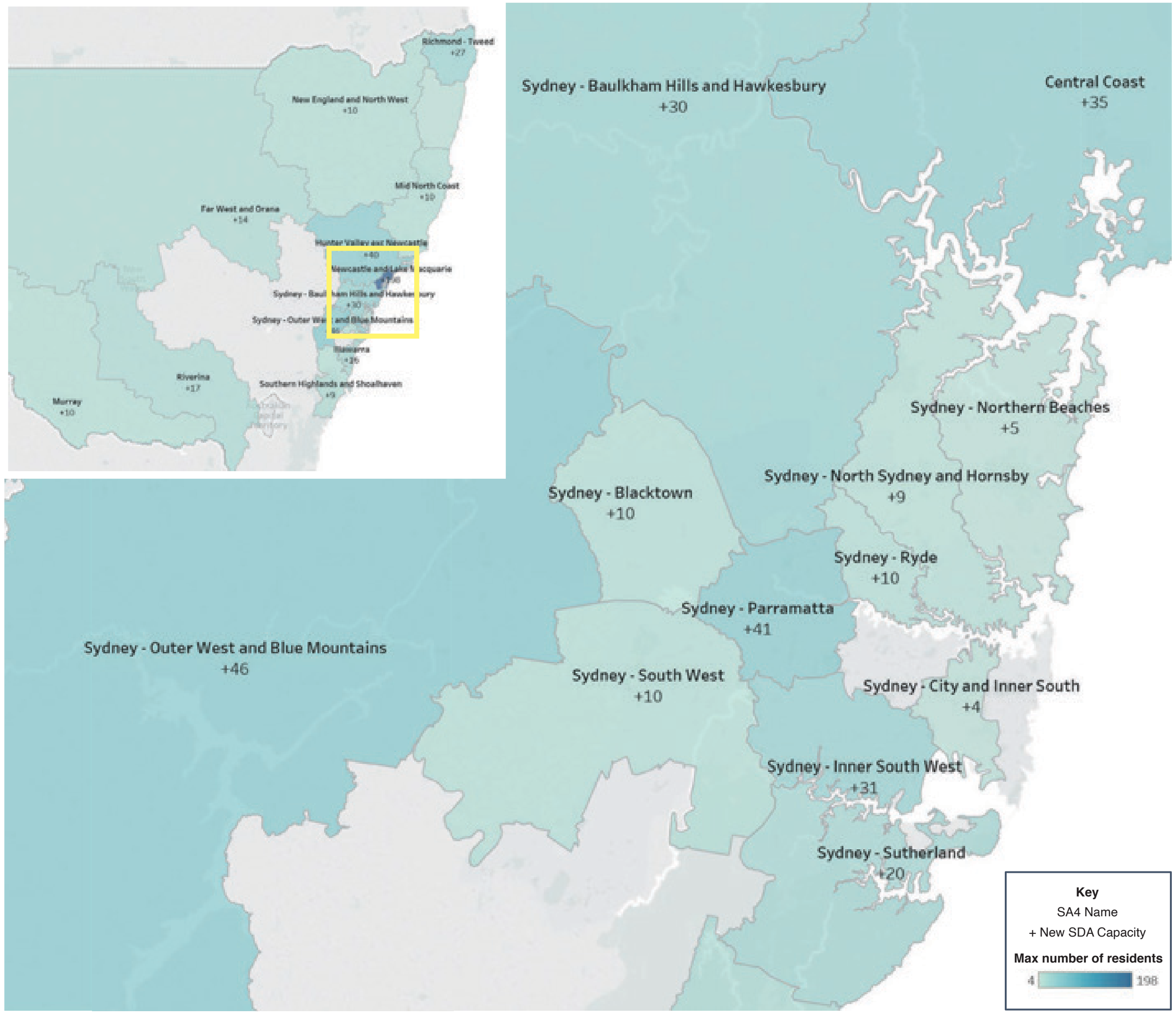
Map 1: New South Wales – New SDA development

NSW – SDA new supply by Building Type



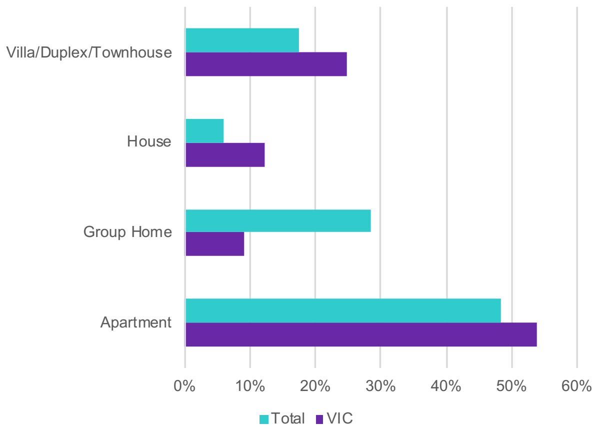
NSW – SDA new supply by Design Category



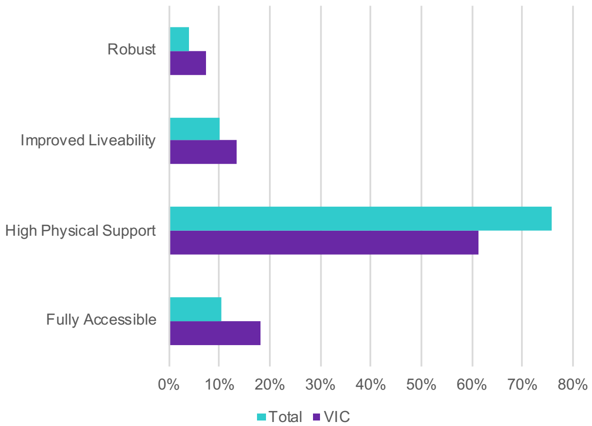


Map 2: Victoria – New SDA development

VIC – SDA new supply by Building Type

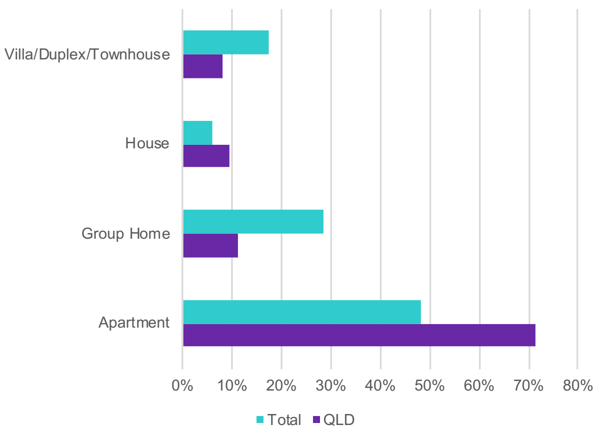


VIC – SDA new supply by Design Category

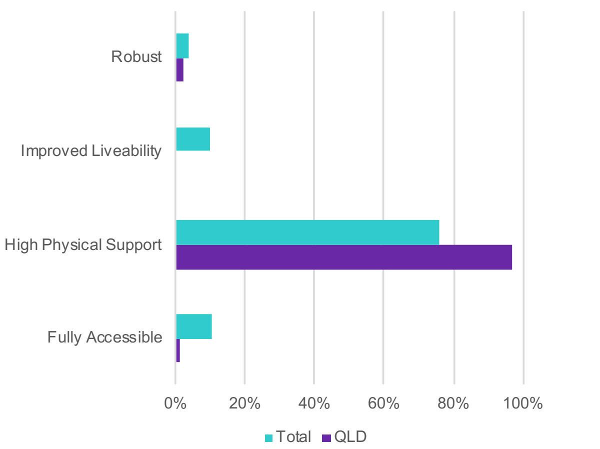


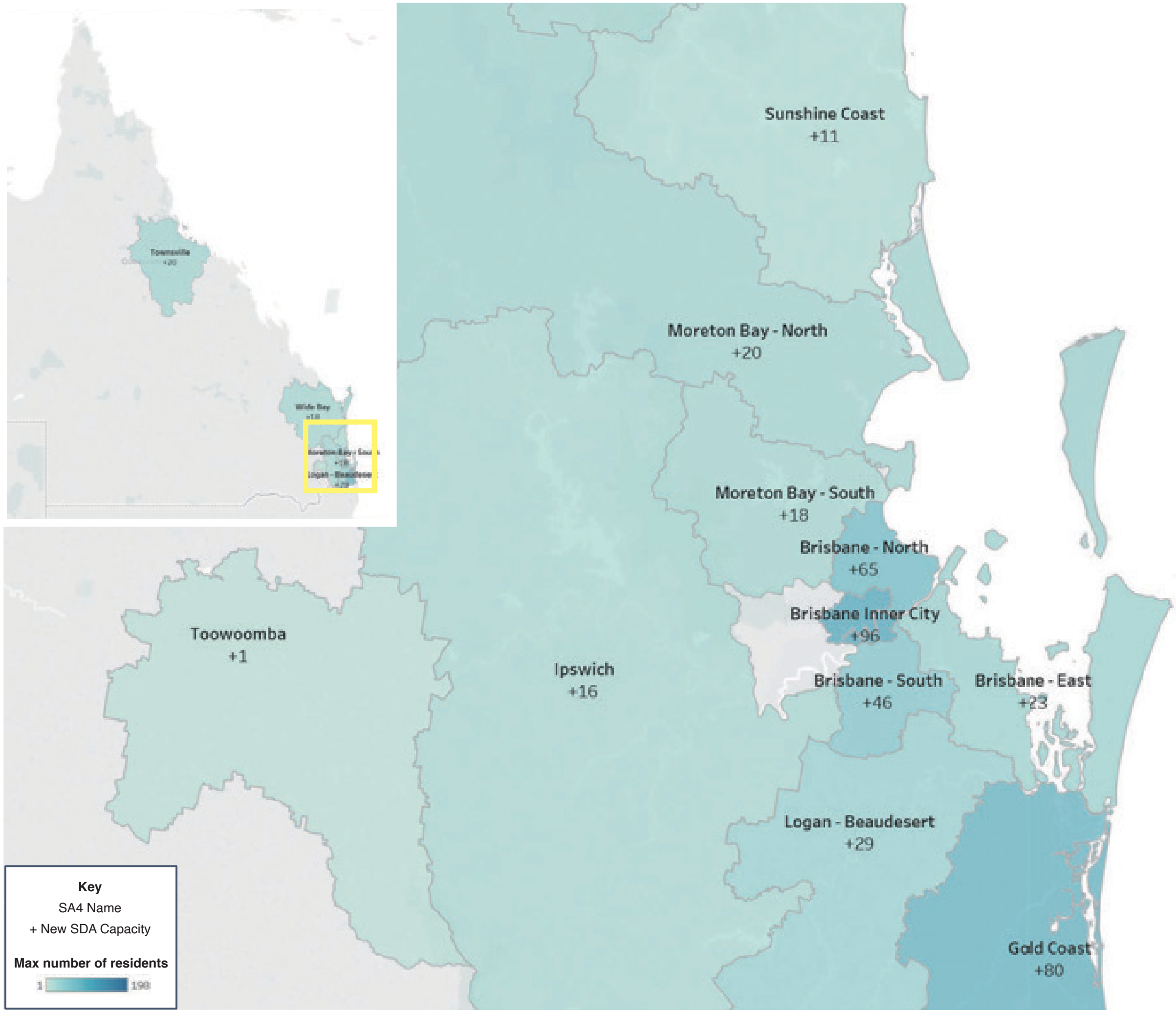
Map 3: Queensland – New SDA development

QLD – SDA new supply by Building Type



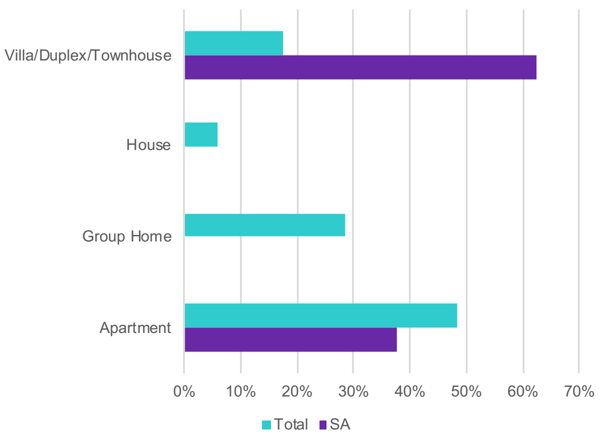
QLD – SDA new supply by Design Category



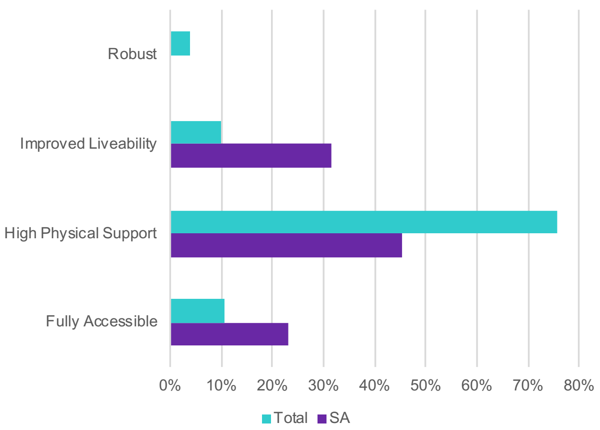


Map 4: South Australia – New SDA development

SA – SDA new supply by Building Type

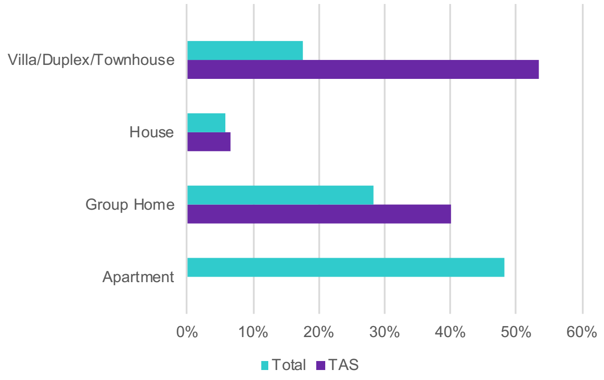


SA – SDA new supply by Design Category

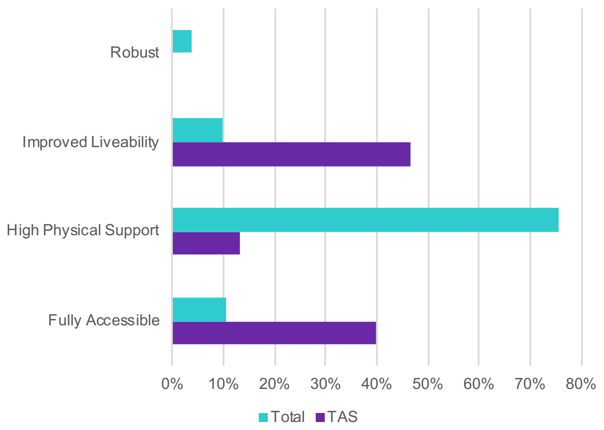


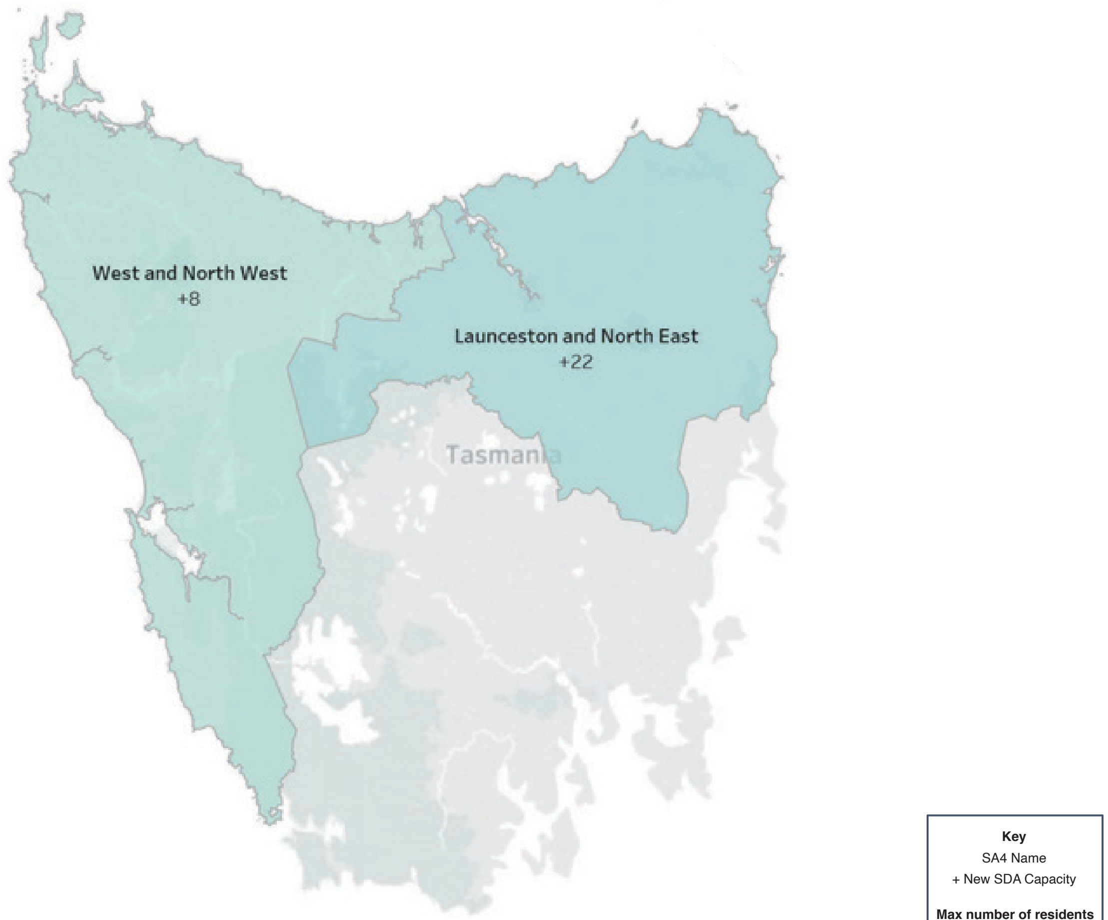
Map 5: Tasmania – New SDA development

TAS – SDA new supply by Building Type



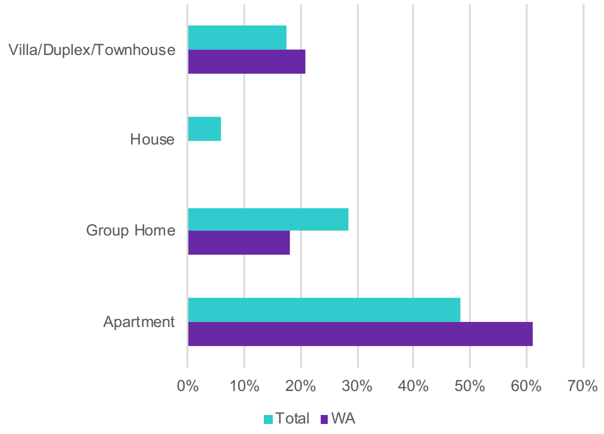
TAS – SDA new supply by Design Category



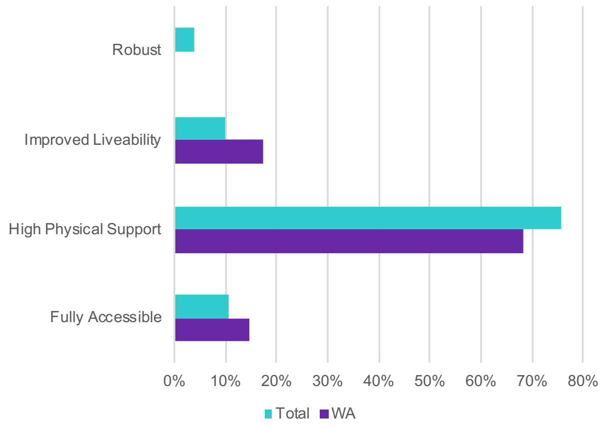


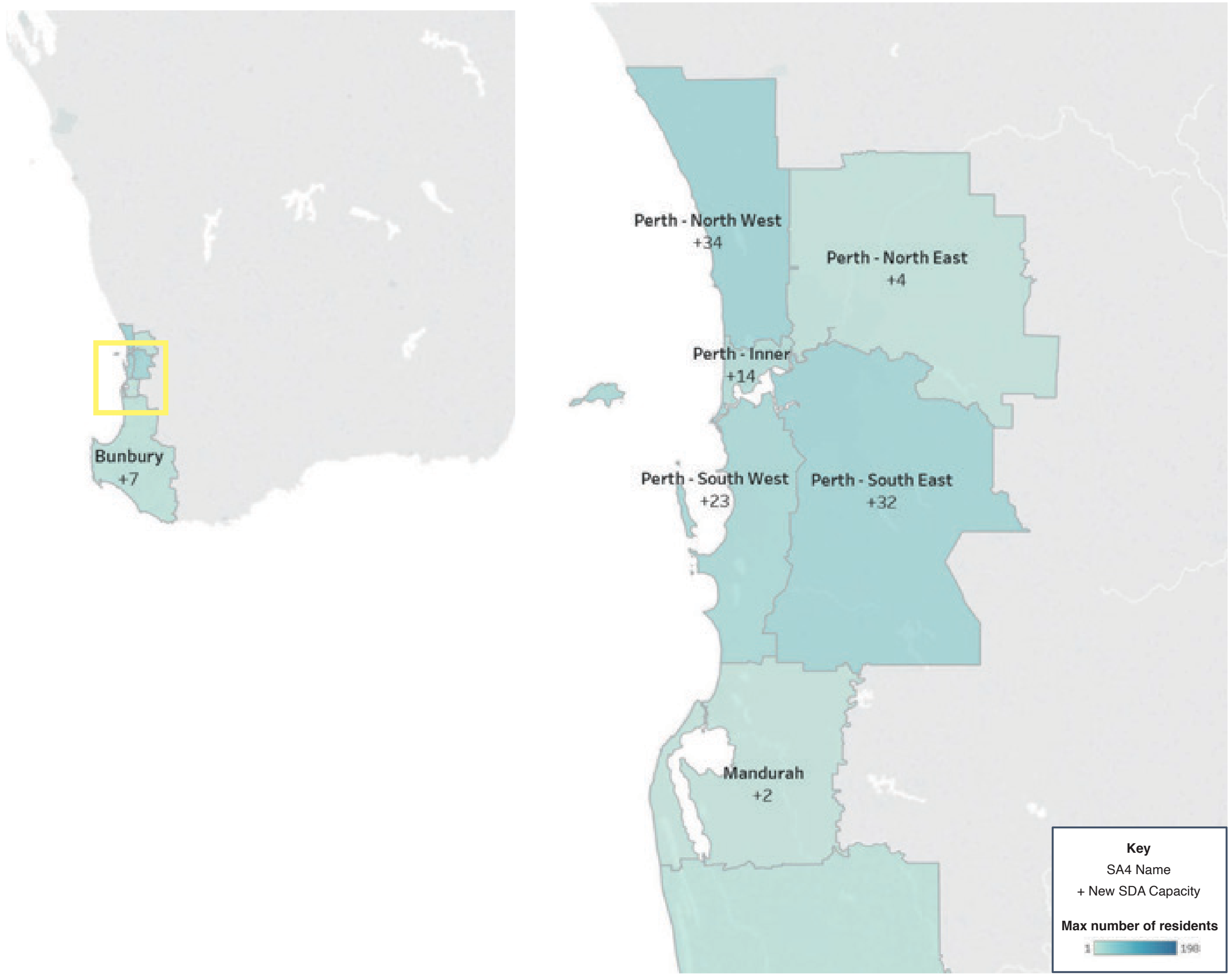
Map 6: Western Australia – New SDA development

WA – SDA new supply by Building Type



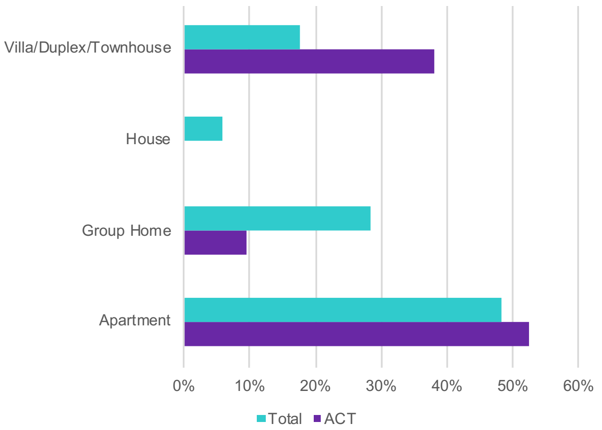
WA – SDA new supply by Design Category



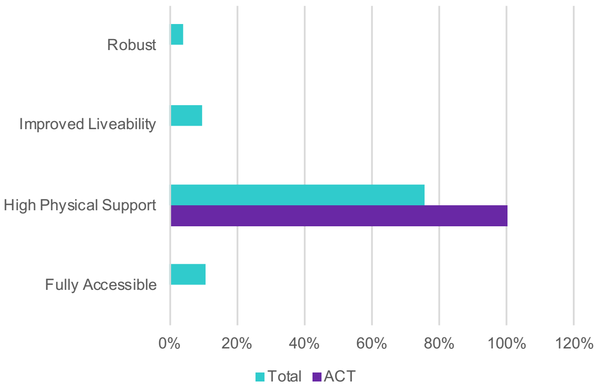


Map 7: ACT and Northern Territory – New SDA development

ACT – SDA new supply by Building Type



ACT – SDA new supply by Design Category



Modelling SDA undersupply

The 2018 *Specialist Disability Accommodation Market Insights* report modelled the supply of existing SDA (based on the number of people receiving disability accommodation services under the pre-NDIS system) to identify and map potential areas of SDA undersupply.

"Undersupply" was modelled in that report using a proxy indicator of SDA supply from pre-NDIS administrative data. (Refer to Technical Notes, p.43).

At a jurisdiction level, the Market Insights report found that significant undersupply for SDA places exists in NSW, Victoria, Queensland and WA, not taking into account any potential need to replace existing SDA stock.

The results from this report (summarised in Table 5) indicate that efforts continue to be underway to develop new SDA places, but there remains a long way to go to make up the SDA supply shortfall.

Note: The data sources used in Table 6 below and maps on the following pages are not based on SDA data reported by the NDIS due to limitations on the detail of the NDIS SDA data. An analysis of SDA dwelling data reported by the NDIS is provided on p.35.

Table 6 - SDA modelled undersupply, taking into account estimated existing supply and SDA supply in development

	New SDA Supply*	Existing SDA residents (pre-NDIS)	National distribution of SDA places (per capita)	SDA shortfall (places)**
Australian Capital Territory	42	212	471	213
New South Wales	613	5,738	9,029	1,971
Northern Territory	-	165	286	105
Queensland	443	3,340	5,656	1,716
South Australia	210	1,720	1,998	7
Tasmania	30	511	603	45
Victoria	312	4,262	7,210	2,411
Western Australia	116	1,582	2,985	1,282
National	**1,766**	**17,530**	**28,238**	**7,750**

*Estimated new SDA places in development ** Takes into account estimated new SDA supply

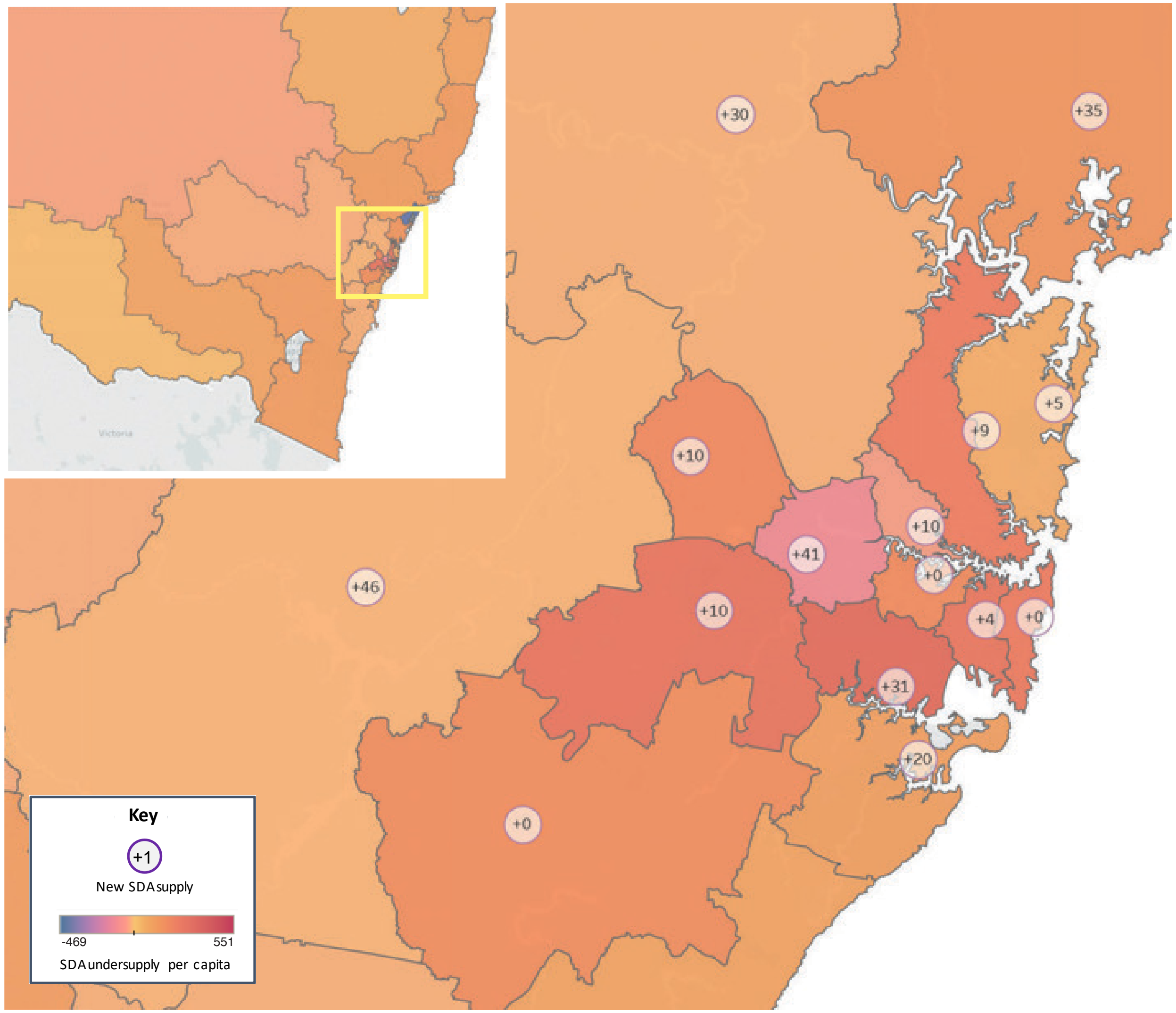
Map 1: New South Wales – SDA Undersupply

Highest areas of SDA undersupply

SA4	Reported pipeline*	Modelled shortfall less new SDA supply (new build plus pipeline)**
Sydney - Inner South West	31	347
Sydney - South West	10	299
Sydney - City and Inner South	4	287
Sydney - Eastern Suburbs	0	261
Sydney - North Sydney and Hornsby	9	249
New South Wales	**613**	**1,971**

*Reported from survey

**Takes into account reported new supply



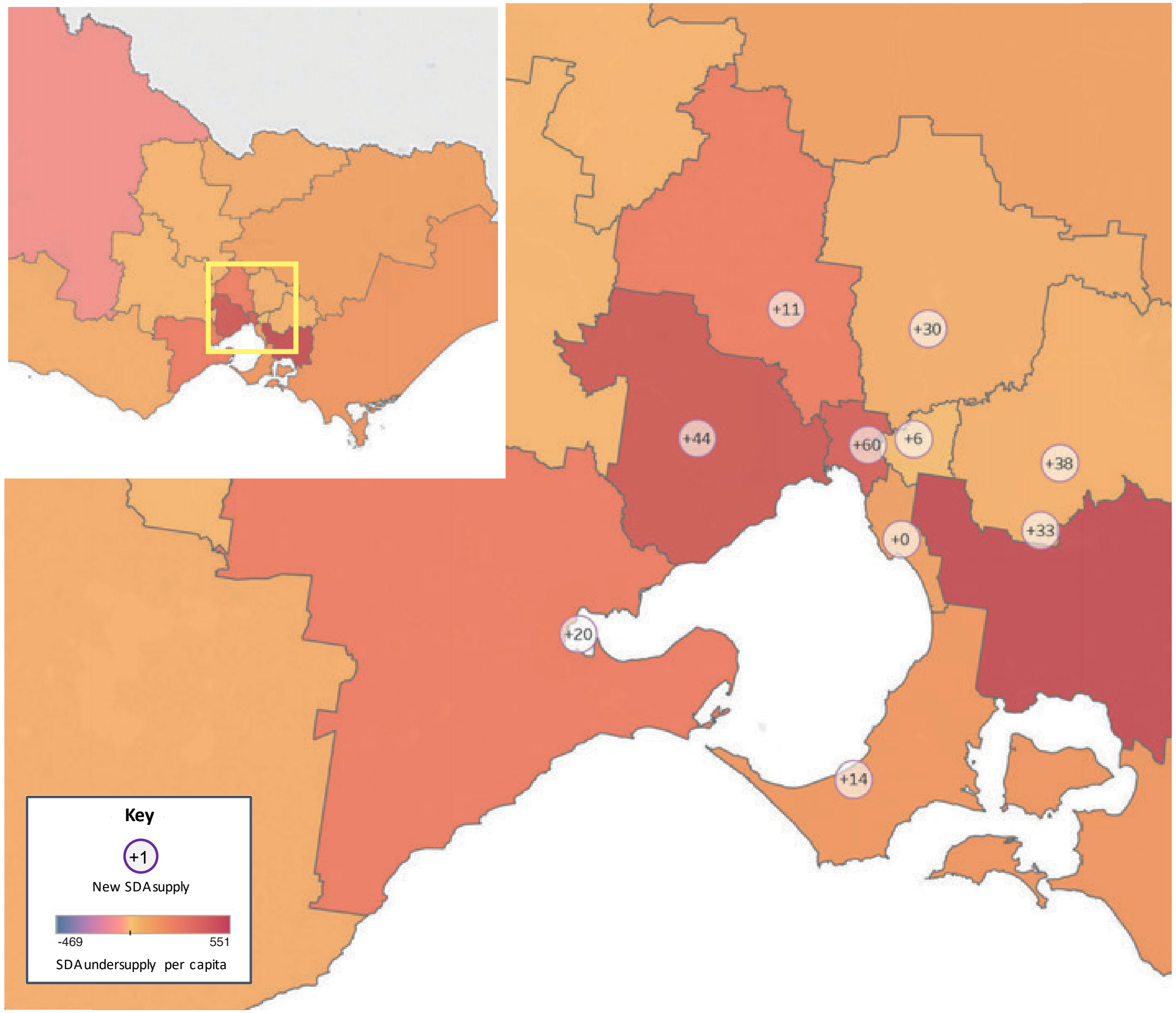
Map 2: Victoria – SDA Undersupply

Highest areas of SDA undersupply

SA4	Reported pipeline*	Modelled shortfall less new SDA supply (new build plus pipeline)**
Melbourne - South East	33	551
Melbourne - West	44	474
Melbourne - Inner	60	428
Geelong	20	263
Melbourne - North West	11	252
Victoria	**312**	**2,411**

*Reported from survey

**Takes into account reported new supply



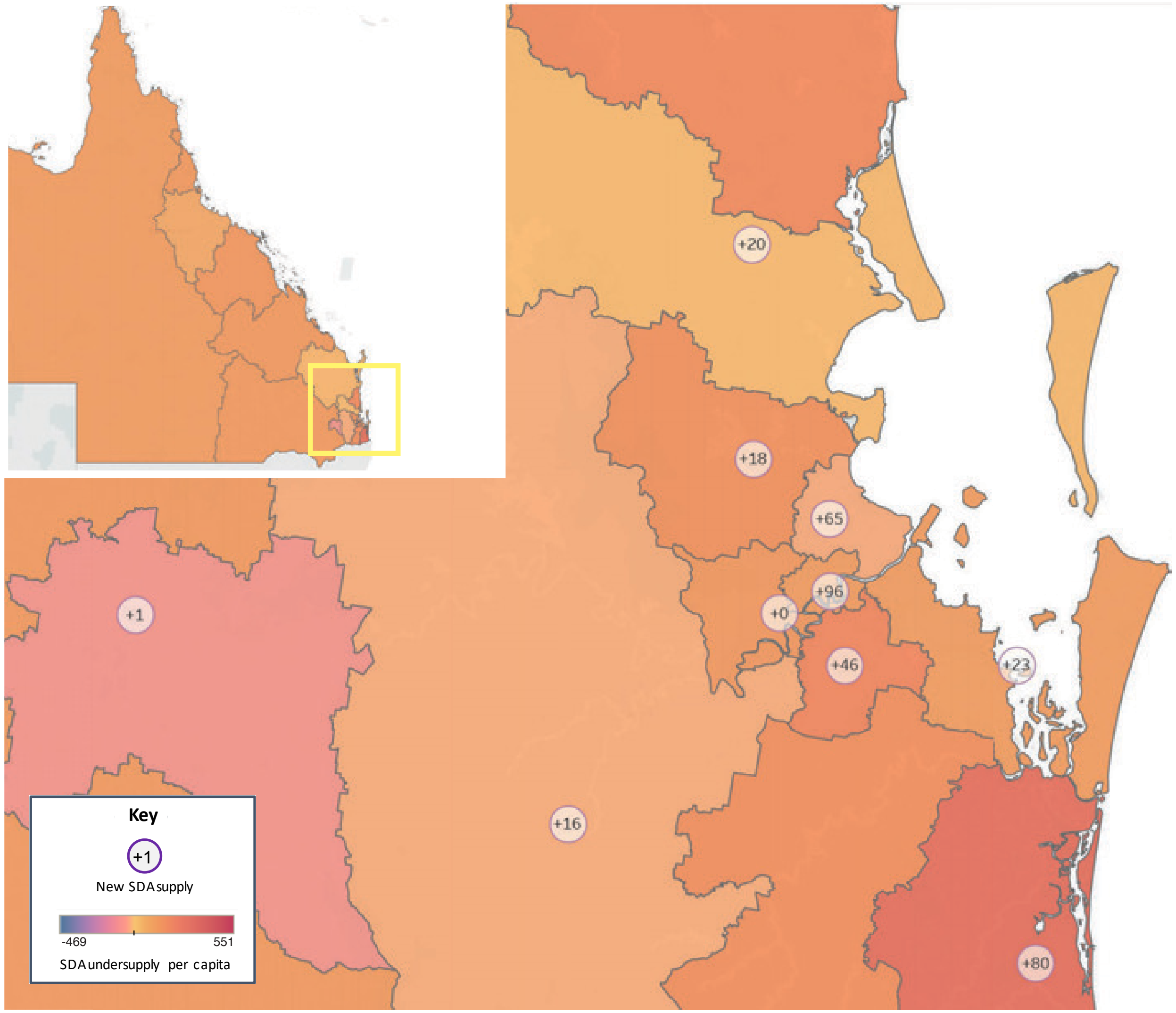
Map 3: Queensland – SDA Undersupply

Highest areas of SDA undersupply

SA4	Reported pipeline*	Modelled shortfall less new SDA supply (new build plus pipeline)**
Gold Coast	80	327
Brisbane - South	46	197
Sunshine Coast	11	180
Logan - Beaudesert	29	152
Moreton Bay - South	18	137
Queensland	**443**	**1,716**

*Reported from survey

**Takes into account reported new supply



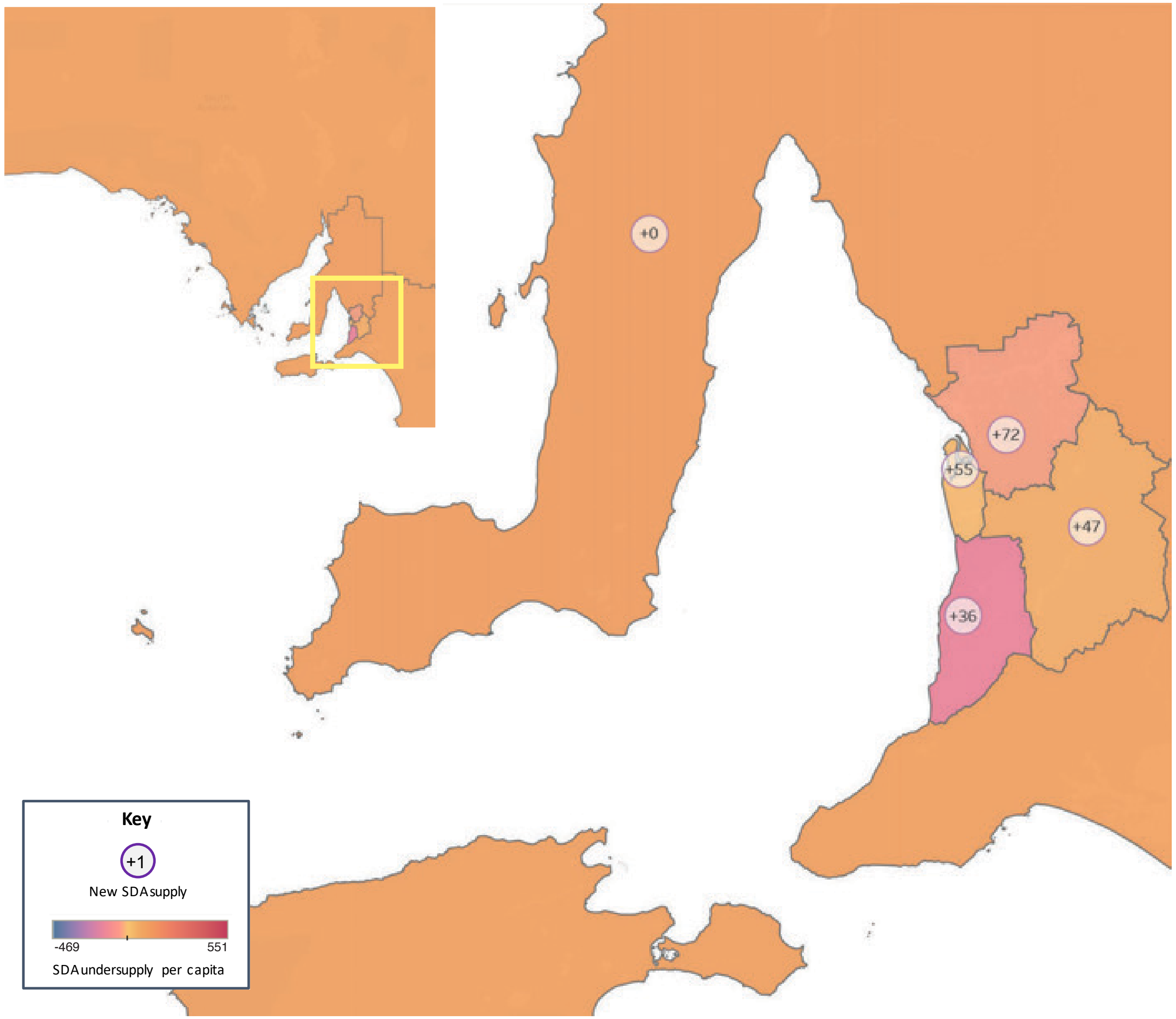
Map 4: South Australia – SDA Undersupply

Highest areas of SDA undersupply

SA4	Reported pipeline*	Modelled shortfall less new SDA supply (new build plus pipeline)**
Barossa - Yorke - Mid North	0	79
South Australia - South East	0	63
South Australia - Outback	0	62
Adelaide - Central and Hills	47	34
Adelaide - West	55	-3
South Australia	**210**	**7**

*Reported from survey

**Takes into account reported new supply



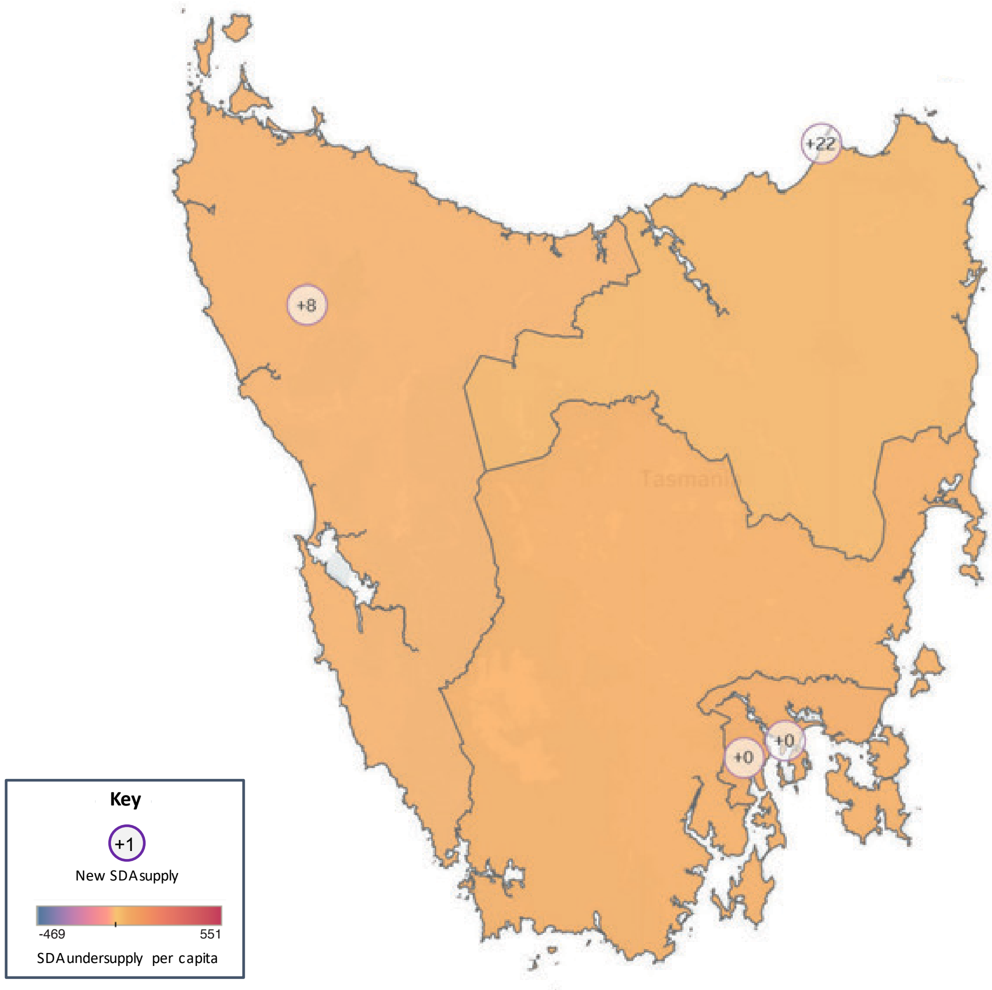
Map 5: Tasmania – SDA Undersupply

Highest areas of SDA undersupply

SA4	Reported pipeline*	Modelled shortfall less new SDA supply (new build plus pipeline)**
Hobart	0	29
South East	0	21
Launceston and North East	22	4
West and North West	8	-9
Tasmania	**30**	**45**

*Reported from survey

**Takes into account reported new supply



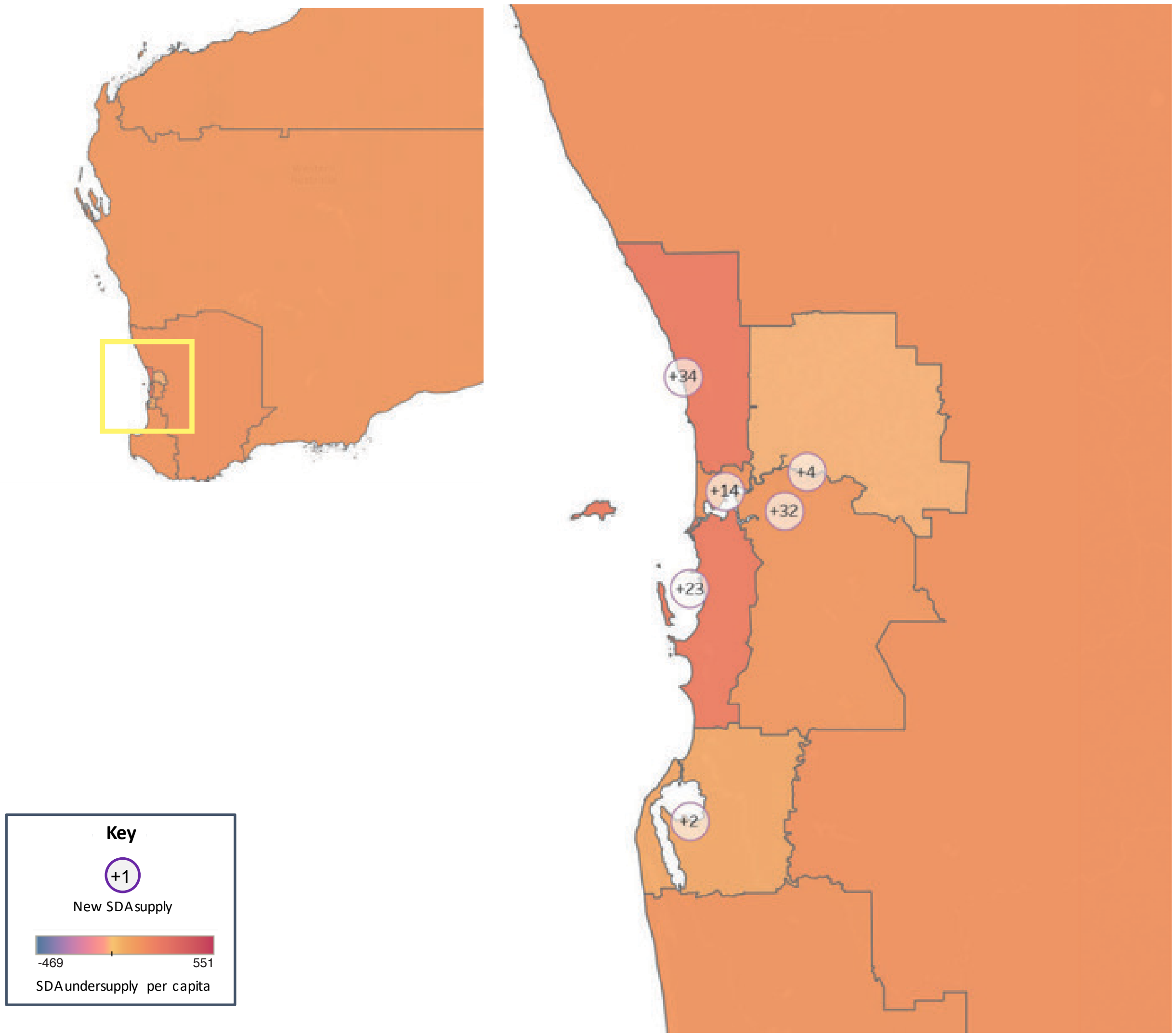
Map 6: Western Australia – SDA Undersupply

Highest areas of SDA undersupply

SA4	Reported pipeline*	Modelled shortfall less new SDA supply (new build plus pipeline)**
Perth - North West	34	268
Perth - South West	23	256
Western Australia - Wheat Belt	0	140
Bunbury	7	128
Perth - Inner	14	125
Western Australia	**116**	**1,282**

*Reported from survey

**Takes into account reported new supply



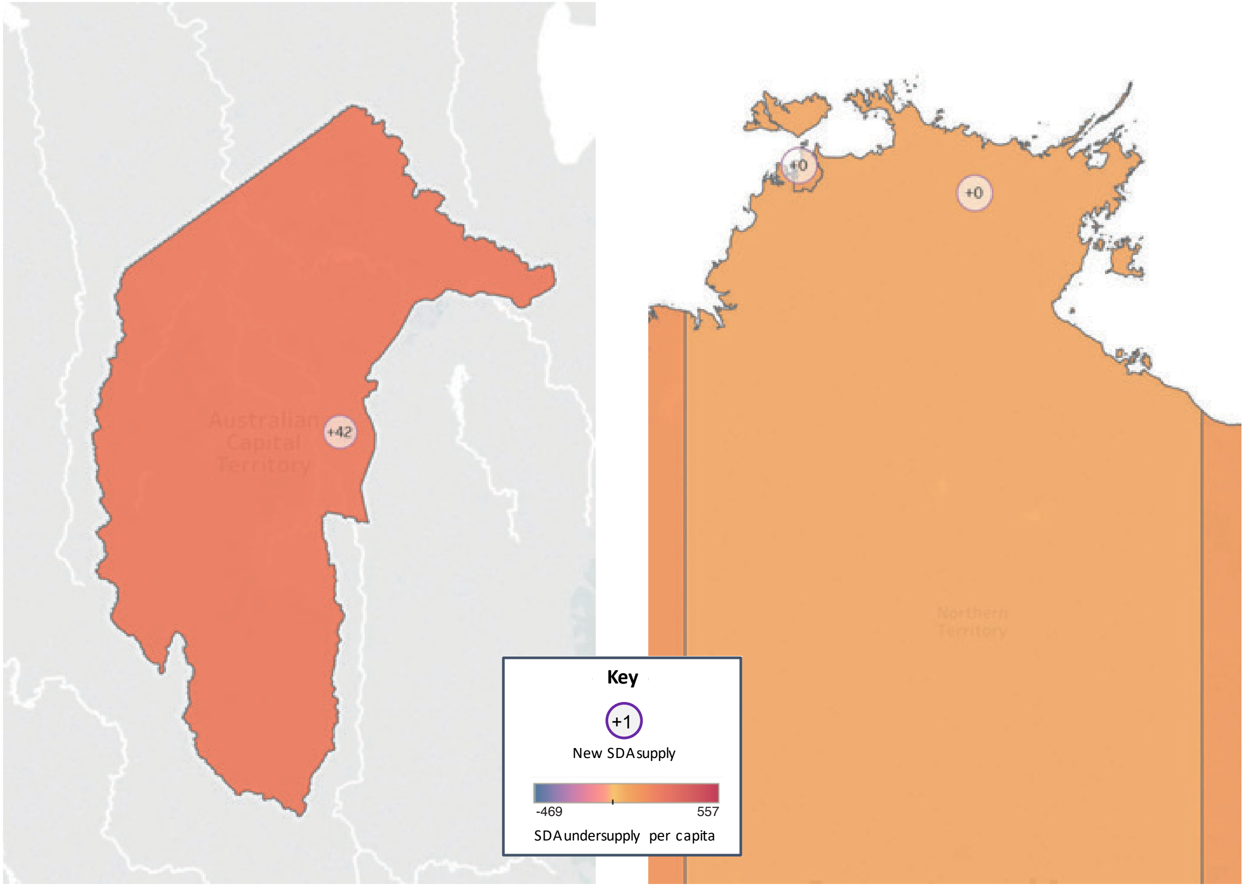
Map 7: ACT and Northern Territory – SDA Undersupply

Highest areas of SDA undersupply

SA4	Reported pipeline*	Modelled shortfall less new SDA supply (new build plus pipeline)**
Australian Capital Territory	**42**	**213**

*Reported from survey

**Takes into account reported new supply



Provider views about future SDA development

Several new questions were included in the latest survey of SDA providers, asking for provider views about:

- Confidence in the SDA market
- Plans for future SDA development
- Approach to consulting on SDA project designs

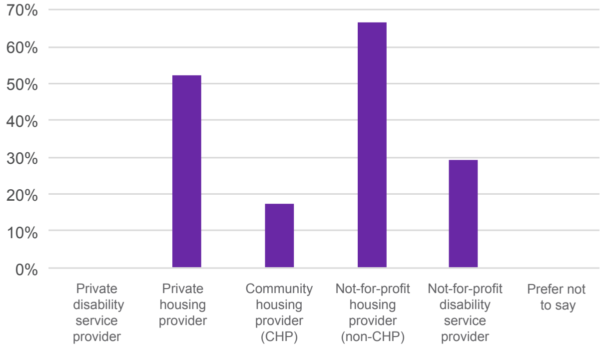
Note that more providers (84 respondents) responded to these questions than those who provided data on current projects (53 respondents).

Confidence

Figure 9 indicates the level of confidence that different types of providers have in the new SDA market.

Three-quarters of survey respondents were at least somewhat confident in the SDA supply market, with 35% being “slightly” or “very” confident (17% of respondents were “very confident”). Private housing providers and not-for-profit (non CHP) housing providers had the highest levels of confidence in the SDA supply market.

Figure 9 – Proportion of providers who are ‘slightly’ or ‘very’ confident by provider type



In comments made on the survey about why that response was provided, those who were “very confident” mentioned reasons such as:

- Growing interest from investors, or capital secured
- Committed to delivering the benefits of SDA housing to people with disability
- “Huge” demand
- Seeing more people with SDA funding in their NDIS plans

Those who were “slightly” or “somewhat confident” mentioned:

- NDIS policy changes (about SDA) and maturing of market
- Scheme is new and market is undersupplied
- Improvements in processing times by the NDIA
- Lack of available information about potential tenants
- Slow and “clunky” NDIS processes (for approving SDA funding to NDIS participants)
- Access to those in existing accommodation (e.g. group homes) may be “restricted by the current provider”

Those who were less confident about the SDA market mentioned:

- Slow and “painstaking” process for NDIS participants to seek approval of SDA funding
- Concerns with poor communication by NDIA staff with SDA providers
- Unsure about demand
- Very difficult to connect with potential tenants

Provider views about future SDA development (continued)

Plans to build further SDA dwellings

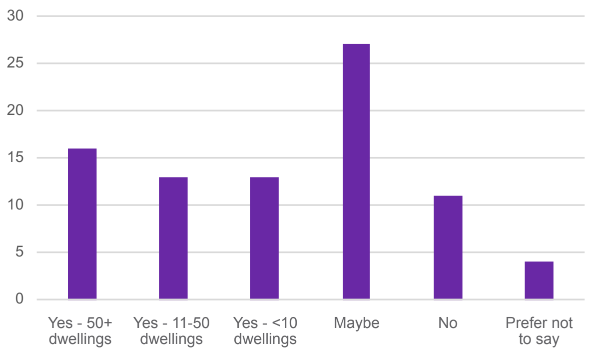
Figure 10 illustrates the intentions of survey respondents to build more SDA properties beyond their current pipeline.

Half of the survey respondents planned to build more SDA properties, with 16% of respondents planning to build more than 50 SDA dwellings beyond their current pipeline of projects.

26% of respondents planned to build up to 50 further SDA dwellings. 27% of respondents indicated they would “maybe” build further SDA properties beyond their current pipeline.

Figure 10 – SDA development intentions

Are you planning on building more SDA beyond your current pipeline?



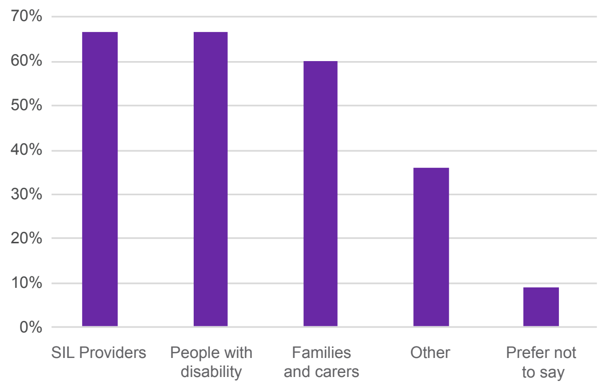
Consulting about SDA projects

The survey asked respondents whether different stakeholders were consulted in the design of new SDA projects:

- People with disability
- Families and carers
- Supported Independent Living (SIL) service providers
- Other

Two thirds of respondents indicated there was consultation with people with disability or SIL providers, and for those respondents, most also consulted with families and carers. Of “others” consulted, respondents mainly mentioned architects, builders and access consultants. Consultation with people with disability and the broader sector is essential to building SDA that meets the needs of its occupants.

Figure 11 – Consultation for design of SDA



Managing Specialist Disability Accommodation

The survey asked several questions about the management of existing SDA properties, where relevant to the respondent (as some do not manage existing SDA dwellings).

Nearly two-thirds of respondents are managing existing SDA dwellings.

The survey asked:

- To what extent housing services and support services to SDA tenants are separated
- How providers are sourcing SDA tenants
- Whether vacancies in existing SDA dwellings will be hard to fill

Separation of housing services and support services

51 responses were provided to the question about separation of housing and support services, which aimed to explore the range of models of separation currently in place. Separation of housing and support services enables choice and control for SDA tenants where they are able to choose and change support providers without changing their dwelling.

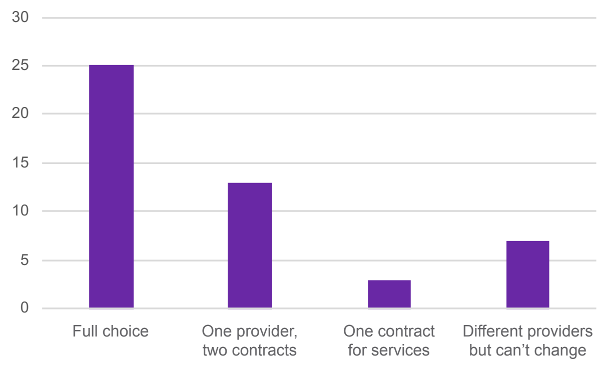
Half the respondents to this question indicated that their tenants choose housing and support services from 2 (or more) different organisations, enabling choice about their support provider.

A quarter of respondents indicated that their tenants receive housing and support services under 2 contracts with the one organisation.

A small number of respondents (3) indicated that SDA tenants receive housing and support services under 1 contract from 1 organisation and another small group indicated that tenants may receive services from separate organisations but were not able to change their support provider.

Note that the NDIS Quality and Safeguards Practice Standards require that "each participant's right to exercise choice and control over other NDIS support provision is not limited by their choice of specialist disability accommodation dwelling" (ndiscommission.gov.au/sites/default/files/documents/2018-07/NDIS%20Practice%20Standards.pdf p.38).

Figure 12 – Separation of housing services and support services

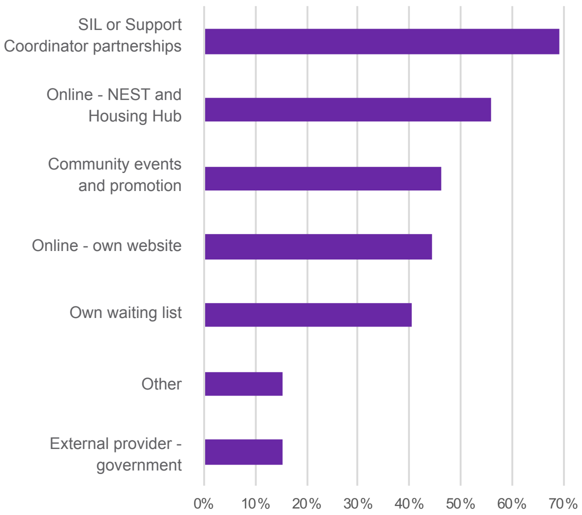


Managing Specialist Disability Accommodation (continued)

How SDA providers are sourcing tenants

Respondents mostly reported that they were using a combination of methods for sourcing SDA tenants including their own website, disability housing search platforms such as the Housing Hub and Nest and referrals from partnerships with SIL providers and support coordination providers (the most common response).

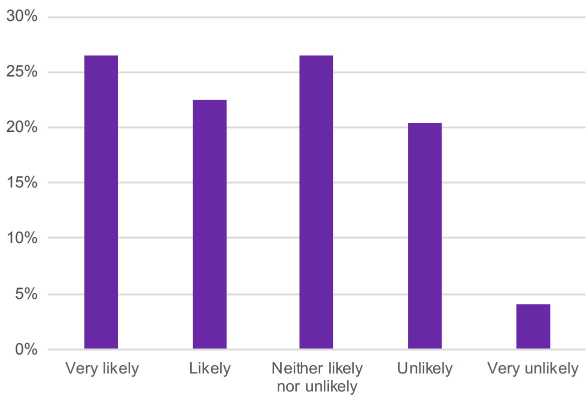
Figure 13 – Methods for advertising vacancies and sourcing SDA tenants



Filling SDA vacancies

When asked whether SDA vacancies will be hard to fill, almost 50% of respondents thought that they would be "likely" or "very likely" to have difficulty filling their vacancies. Only 25% were confident that they would fill their vacancies, as illustrated in Figure 14:

Figure 14 – Filling SDA vacancies



SDA data reported by the NDIS

Data on SDA enrolled dwellings has been reported in NDIS Quarterly Reports since September 2018.

At time of writing, the latest available NDIS data was for 30 September 2019.

It was reported there were 3,489 SDA dwellings enrolled in Australia in September 2019, 549 of which were New Build (Figure 15).

New Build is a category in SDA pricing to include only SDA dwellings completed after April 2016 or having undergone significant refurbishment since April 2016.

Note that due to limitations in the way the NDIS enrolled SDA dwellings are reported (mostly number of dwellings not number of places) the following analysis is based on SDA dwellings, not SDA places.

Jurisdictional analysis

The state and territory New Build SDA enrolled dwellings are illustrated in Figure 15:

Figure 15 – SDA dwelling enrolments (New Build only) with the NDIS, states and territories, September 2019

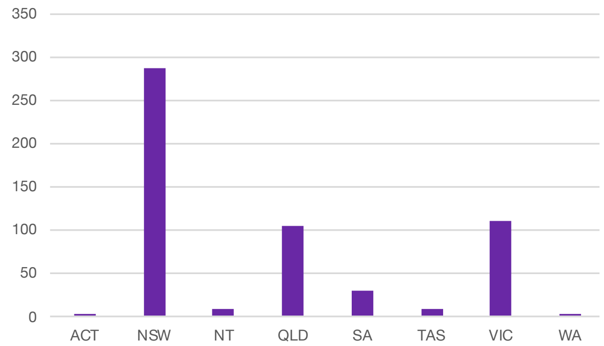


Figure 15 and Table 7 show New Build SDA enrolled dwellings compared with SDA dwellings in development pipeline (reported in survey). These figures indicated that there are more than 70% additional SDA dwellings in the pipeline compared with current New Build enrolments (reflecting reported data only).

SDA data reported by the NDIS (continued)

Table 7 also indicates an estimated total of 1,502 new SDA dwellings are either enrolled or in development.

Table 7 – Estimated SDA dwellings in development and enrolled SDA dwellings

	Estimated SDA dwellings in development	New Build SDA enrolled with NDIS	Total New Build SDA - enrolled and in development
ACT	29	2	31
NSW	249	286	535
NT	0	8	8
QLD	264	104	368
SA	112	29	141
TAS	12	8	20
VIC	207	110	317
WA	81	1	82
Total	**954**	**548**	**1,502**

Figure 16 - SDA enrolled New Build dwellings compared with estimated SDA dwellings in development by jurisdiction

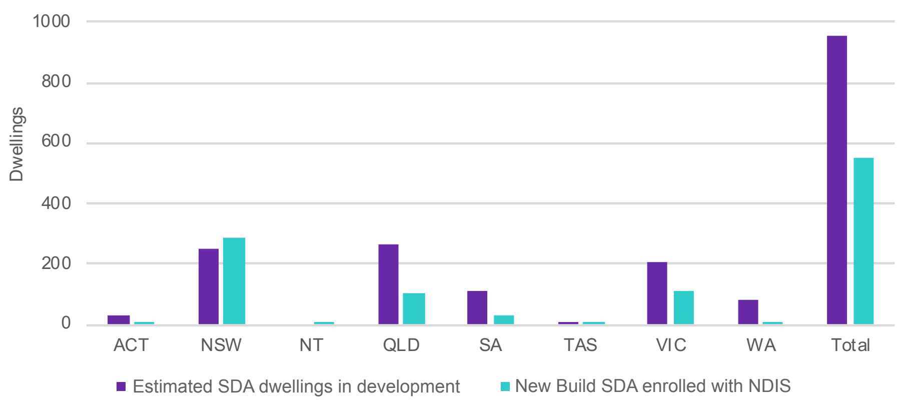
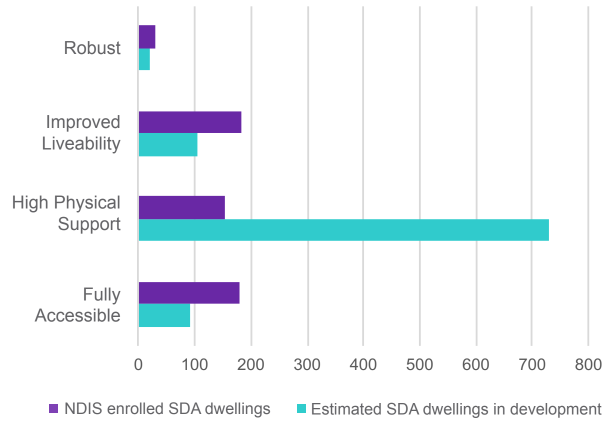


Figure 17 indicates that there is a very different distribution of Design Categories between the New Build SDA dwellings enrolled with the NDIS and the SDA dwellings reported in development, with the latter indicating a much higher number of High Physical Support places in the pipeline compared with current New Build enrolled dwellings.

Fig 17 - SDA enrolled New Build dwellings compared with estimated SDA dwellings in development by Design Category



Appendix A: Estimated new SDA supply in development

Design Category by jurisdiction

	Fully Accessible	High Physical Support	Improved Liveability	Robust	Total
ACT	0	42	0	0	42
NSW	46	483	43	35	607
QLD	5	428	0	10	443
SA	46	90	74	0	210
TAS	12	4	14	0	30
VIC	57	193	45	23	318
WA	17	79	20	0	116
Total	**183**	**1,319**	**196**	**68**	**1,766**

Building Type by jurisdiction

	Apartment	Group Home	House	Villa/Duplex/ Townhouse	Total
ACT	22	4	0	16	42
NSW	193	386	20	8	607
QLD	316	49	42	36	443
SA	79	0	0	131	210
TAS	0	12	2	16	30
VIC	171	29	39	79	318
WA	71	21	0	24	116
Total	**852**	**501**	**103**	**310**	**1,766**

Development stage by jurisdiction

	A	B	C	D	E	Unknown	Total
ACT	0	0	32	10	0	0	42
NSW	24	1	171	372	24	15	607
QLD	15	0	57	113	243	15	443
SA	29	0	86	22	28	45	210
TAS	14	0	0	16	0	0	30
VIC	0	1	116	46	148	7	318
WA	15	0	10	40	51	0	116
Total	**97**	**2**	**472**	**619**	**494**	**82**	**1,766**

Legend: Development status

A. Completed and pending confirmation of enrolment by NDIA
B. Construction completed, pending enrolment
C. Under construction
D. Development & building approval completed & contractually committed to build
E. Land secured, waiting for building approval and/or finance approval

Appendix B: SDA supply and demand – New South Wales

State	SA4	Reported pipeline*	Existing SDA residents (pre-NIDS)	National distribution of places (per capita)	Difference/shortfall between pre-NDIS and per capita distribution	Modelled SDA shortfall**
New South Wales		**613**	**5,738**	**9,029**	**3,293**	**1,971**
	Capital Region	0	153	262	108	89
	Central Coast	35	209	391	183	122
	Central West	0	254	246	-8	-30
	Coffs Harbour - Grafton	5	88	162	74	64
	Far West and Orana	14	159	136	-23	-42
	Hunter Valley exc Newcastle	40	176	315	139	84
	Illawarra	16	256	354	98	58
	Mid North Coast	10	129	252	123	95
	Murray	16	111	137	27	4
	New England and North West	10	155	217	62	35
	Newcastle and Lake Macquarie	198	674	432	-242	-469
	Richmond - Tweed	27	161	286	126	77
	Riverina	17	100	186	86	56
	Southern Highlands and Shoalhaven	9	170	176	6	-23
	Sydney - Baulkham Hills and Hawkesbury	30	234	274	40	-20
	Sydney - Blacktown	10	170	409	238	184
	Sydney - City and Inner South	4	103	393	291	287
	Sydney - Eastern Suburbs	0	71	333	262	261
	Sydney - Inner South West	31	300	698	398	347
	Sydney - Inner West	0	180	360	180	180
	Sydney - North Sydney and Hornsby	9	233	496	263	249
	Sydney - Northern Beaches	5	225	311	86	41
	Sydney - Outer South West	0	151	314	163	158
	Sydney - Outer West and Blue Mountains	46	289	367	78	-15
	Sydney - Parramatta	41	497	545	48	-140
	Sydney - Ryde	10	210	222	12	-54
	Sydney - South West	10	137	492	355	299
	Sydney - Sutherland	20	143	263	120	74

*Reported from survey **Takes into account reported new supply

Appendix C: SDA supply and demand – Queensland

State	SA4	Reported pipeline*	Existing SDA residents (pre-NIDS)	National distribution of places (per capita)	Difference/shortfall between pre-NDIS and per capita distribution	Modelled SDA shortfall**
Queensland		**443**	**3,340**	**5,656**	**2,316**	**1,716**
	Brisbane - East	23	152	270	118	89
	Brisbane - North	65	211	250	39	-33
	Brisbane - South	46	173	416	243	197
	Brisbane - West	0	106	218	112	107
	Brisbane Inner City	96	111	309	198	90
	Cairns	0	172	289	117	105
	Central Queensland	0	155	264	109	105
	Darling Downs - Maranoa	0	44	150	106	99
	Gold Coast	80	276	690	414	327
	Ipswich	16	380	389	10	-28
	Logan - Beaudesert	29	194	383	188	152
	Mackay - Isaac - Whitsunday	0	89	203	114	114
	Moreton Bay - North	20	243	283	40	9
	Moreton Bay - South	18	80	235	155	137
	Queensland - Outback	0	9	96	88	88
	Sunshine Coast	11	226	417	191	180
	Toowoomba	1	255	179	-77	-90
	Townsville	20	194	274	80	48
	Wide Bay	18	270	341	71	20

*Reported from survey **Takes into account reported new supply

Appendix D: SDA supply and demand – Victoria and WA

State	SA4	Reported pipeline*	Existing SDA residents (pre-NIDS)	National distribution of places (per capita)	Difference/shortfall between pre-NDIS and per capita distribution	Modelled SDA shortfall**
Victoria		**312**	**4,262**	**7,210**	**2,945**	**2,411**
	Ballarat	16	144	186	42	15
	Bendigo	11	141	181	39	20
	Geelong	20	21	333	312	263
	Hume	6	127	200	73	67
	Latrobe - Gippsland	7	195	320	125	118
	Melbourne - Inner	60	237	742	505	428
	Melbourne - Inner East	6	436	444	7	1
	Melbourne - Inner South	0	409	497	88	72
	Melbourne - North East	30	527	607	80	32
	Melbourne - North West	11	171	446	275	252
	Melbourne - Outer East	38	530	608	77	27
	Melbourne - South East	33	314	926	612	551
	Melbourne - West	44	348	894	546	474
	Mornington Peninsula	14	219	350	131	111
	North West	0	251	177	-74	-100
	Shepparton	4	102	154	52	42
	Warrnambool and South West	12	90	145	55	38
Western Australia		**116**	**1,582**	**2,985**	**1,401**	**1,282**
	Bunbury	7	75	210	135	128
	Mandurah	2	63	116	53	48
	Perth - Inner	14	69	209	139	125
	Perth - North East	4	316	303	-13	-17
	Perth - North West	34	348	651	302	268
	Perth - South East	32	447	591	144	112
	Perth - South West	23	211	490	279	256
	Western Australia - Outback (North)	0	2	114	112	112
	Western Australia - Outback (South)	0	31	141	110	110
	Western Australia - Wheat Belt	0	20	160	140	140

*Reported from survey **Takes into account reported new supply

Appendix E: SDA supply and demand – ACT, NT, SA and Tasmania

State	SA4	Reported pipeline*	Existing SDA residents (pre-NIDS)	National distribution of places (per capita)	Difference/shortfall between pre-NDIS and per capita distribution	Modelled SDA shortfall**
Australian Capital Territory	**Australian Capital Territory**	**42**	**212**	**471**	**259**	**213**
Northern Territory		**0**	**165**	**286**	**121**	**105**
	Darwin	0	91	170	79	63
	Northern Territory - Outback	0	74	116	42	42
South Australia		**210**	**1,720**	**1,998**	**277**	**7**
	Adelaide - Central and Hills	47	254	347	93	34
	Adelaide - North	72	457	503	45	-50
	Adelaide - South	36	540	423	-117	-178
	Adelaide - West	55	220	272	52	-3
	Barossa - Yorke - Mid North	0	53	132	79	79
	South Australia - Outback	0	38	100	62	62
	South Australia - South East	0	158	221	63	63
Tasmania		**30**	**511**	**603**	**94**	**45**
	Hobart	0	233	262	29	29
	Launceston and North East	22	133	167	35	4
	South East	0	24	44	21	21
	West and North West	8	121	130	9	-9

*Reported from survey **Takes into account reported new supply

Appendix F: List of survey respondents

We thank the following organisations who reported development data and/or responded to survey questions about management of existing SDA dwellings (consent provided for publication).

Ability Homes Australia
Ability Housing
Ability SDA
Able Australia
AccessAccom
Accessible Homes Australia
Alkira Centre Box Hill
Anand Group Homes
Beyond Housing
BlueCHP Limited
Churches of Christ Housing Services Limited
Civic
Common Equity Housing Limited
Community Housing Limited
Community Living & Respite Services
Cooinda Terang Inc
Cranes Community Support Programs
Disability Housing Solutions Pty Ltd
DPN Casa Capace
EACH Housing
Enliven Housing
Ermha
Erwin Vogt Foundation Incorporated
Foundation Housing Limited
Guardian Living Australia
GWH
Haven Home Safe
Hobart City Mission INC
Home Base Services LTD
Housing Choices Australia
Hume Community Housing
Illowra Projects
Intellectual Disability Accommodation Association
JME
Kennett Ridge
Kyabra Community Association Inc
Life Without Barriers
Link Housing
Liveable Home Link
Melba Support Service
MS Queensland
Nardy House
NDISP
Niche Accessible Homes Limited
North Coast Community Housing
Northcott
OC Connections
Platinum Supported Accommodation
Pulse Property Solutions (SDA Lifestyle Homes)
Scope (Aust) Ltd
SDA Smart Homes Australia
SGCH
Southern Stay Disability Services Inc.
St John of God Accord
Summer Housing
The Cram foundation
The Housing Connection
Venture Housing Company Ltd
Willow House Services
Youngcare Limited
Yumaro Limited
Yumba-Meta Ltd

Technical Notes

1. Survey data used in this report is from data reported by 91 organisations with SDA development projects at various stages of development or completed and yet to be enrolled with the NDIS.
2. The organisations who responded to the survey do not represent all organisations undertaking SDA development at this time. The survey was voluntary and some organisations undertaking SDA development projects have chosen not to respond or were not available to respond at that time (data was collected in September – October 2019). There may be organisations undertaking SDA development who were not identified and therefore not contacted to undertake the survey.
3. All survey data is reported as number of SDA places. This can equate to number of bedrooms in a dwelling but not always, as not all bedrooms in a property may be enrolled as SDA with the NDIA. The number of SDA places in a dwelling can range from 1 to 5.
4. New SDA supply maps (pages 16 – 22) indicate the location and number of new SDA supply (number of places) as recorded in the survey (i.e. this is not NDIA enrolled dwelling data). This data is mapped by Statistical Area 4 (SA4). For an explanation of geographies used by the Australian Bureau of Statistics, refer to: abs.gov.au/websitedbs/D3310114.nsf/home/Australian+Statistical+Geography+Standard+(ASGS)
5. New SDA supply data from the survey was mapped to SA4 areas based on the suburb of the dwelling, using the ASGS Geographic Correspondences (2016).
6. Tables presented on each map display the percentage of SDA places in that jurisdiction by Building Type and Design Category compared with the national percentages.
7. SDA undersupply maps (pages 24 – 30) use underlying data published in the *Specialist Disability Accommodation – Market insights* report, released by SGS Economics and Planning and the Summer Foundation in March 2018. "Undersupply" of SDA was modelled using a proxy indicator of SDA supply from pre-NDIS administrative data (Disability Services National Minimum Data Set).
8. Undersupply was determined by estimating the number of pre-NDIS disability service users living in accommodation services and the number of additional SDA places an area would need, assuming that all SDA funded by the NDIS is distributed by population (per capita). The difference between "existing" and "per capita" distribution of all funded SDA places indicated locations where there is a theoretical undersupply of SDA.
9. For the SDA undersupply maps, the modelled data is combined with the recent survey data to present the relative undersupply of SDA places, mapped by SA4, and taking account of new SDA supply reported through the survey.
10. New build SDA data reported on page 35 was drawn from the Q1 2019-20 NDIS Quarterly report (ndis.gov.au/about-us/publications/quarterly-reports). This data comprises new build dwellings combined with new build (refurbished) dwellings enrolled with the NDIS as at 30 September 2019.