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Implementing New Prices For SDA

- The new prices for Specialist Disability Accommodation (SDA) came into effect on 1 July 2023.
- The Agency is currently addressing the issues that have prevented automatic updating of the new prices for SDA in some participants' plans.
- We have recently requested that all SDA providers submit information relating to their SDA dwellings from 1 July 2023, to assist the Agency in the process of amending SDA funding in eligible participants' plans.
- We will continue to work with SDA providers to resolve delays in updating SDA funding and will provide updates as well as further advice on the process for claiming the new SDA prices.

SDA Pricing Review - Final Report released

The National Disability Insurance Agency (NDIA) has released the Specialist Disability Accommodation (SDA) Pricing Review 2022-2023.

The Review was undertaken to evaluate the impact of current SDA prices on supply and demand of SDA housing and to set new SDA prices to guide market investment in areas that will most benefit people with disability over the next five years.

The SDA Pricing Review was about making sure SDA eligible NDIS participants receive the supports they need and to ensure pricing reflects what is needed for investment to support NDIS participants into the future.

The reports released as part of the <u>announcement</u> today are:

- NDIS SDA Pricing Review 2022-23 Final Report (2.3MB DOCX)
- NDIS SDA Pricing Review 2022-23 Report on Consultations (433KB DOCX)



Ernst & Young ("EY") was engaged on the instructions of the National Disability Insurance Agency ("NDIA") to assist in undertaking independent technical research and analysis to support the Specialist Disability Accommodation ("SDA") Pricing Review.

The 8 Technical Reports are listed below:

- 1. EY Technical Report Benchmark Construction Costs
 - 1a. SDA Reference Designs Kennedy Associates Architects
 - 1b. Detailed Cost Estimate Report MBM Quantity Surveying
- 2. EY Technical Report Land Costs
- 3. EY Technical Report Geographic Variation in Construction Costs
- 4. EY Technical Report Sprinkler Cost
- 5. EY Technical Report Exit Costs
- 6. EY Technical Report Vacancy Rates
- 7. EY Technical Report Ownership Costs
- 8. EY Technical Report Capital Asset Pricing Model
- 9. SDA KA Reference Designs

The full reports are available on the SDA Pricing Review Technical Reports page.

An accessible summary of the Reports will be made available shortly.

There are no immediate changes to participants' NDIS plan funding for SDA.

The new SDA benchmark price changes will take effect from 1 July 2023, and be introduced from 1 October 2023, to allow operational and system changes to be implemented.

The NDIA will adjust the amount of funding included in participant plans to ensure participants can continue to access their SDA supports.

Further information for Participants and SDA Providers is available on the <u>New Specialist Disability</u> Accommodation (SDA) Prices page.

SDA Pricing Review Background

Last year the Government announced a review of the pricing for SDA.

The pricing and payments framework for the funding of the land and built elements of SDA under the NDIS is set out in the <u>Specialist Disability Accommodation Pricing and Payments Framework</u> ("the SDA Pricing Framework"), which was approved by the Commonwealth and all state and territory ministers in 2020.



Under the Framework, the NDIA is responsible for setting the pricing arrangements for SDA.

If you have any questions, please contact the SDA Pricing Review team via email at <u>SDAPR@ndis.gov.au</u>

SDA Pricing Review terms of reference

The terms of reference for the SDA Pricing Review were released on 22 August 2022.

- SDA Pricing Review terms of reference (DOCX 70KB)
- SDA Pricing Review terms of reference (PDF 210KB)

Download the consultation paper

- SDA Pricing Review 2022-23 Consultation Paper (DOCX 243KB)
- Easy Read About SDA Pricing Review 2022-23 Consultation Paper (2.8MB.PDF)
- SDA Pricing Model Worked Example (27KB.XLSX)

SDA Pricing Review Panel

The Review process is assisted by a panel of independent experts appointed for a fixed term. They will consider the impact of any proposed recommendations from the SDA Pricing Review.

The Panel comprises six members:

- Ms Tricia Malowney OAM (IAC member), Chief Accessibility Advocate Department of Transport, Victoria
- Professor Flavio Menezes, Director Australian Institute of Business & Economics
- Ms Keran Howe OAM, former Executive Director, Women with Disabilities Victoria, and disability Advocate
- Ms Wendy Hayhurst, CEO Community Housing Industry Association
- Mr Russell Cocks, property lawyer, specialising in all aspects of property law and conveyancing
- Ms Leanne Pilkington, Deputy President, Real Estate Institute of Australia

The Panel convened for their first meeting on Friday 2 December 2022.

SDA Demand Projections Report

As part of our commitment to the SDA sector we have released the Specialist Disability Accommodation Pricing Review 2022-23 Demand Projections Report.



The SDA Demand Projections Report shows our long-term estimations for SDA. It is underpinned by the Scheme Actuary's projections used to inform the 2023-24 Budget

The report is a valuable resource for the SDA sector that will assist them in understanding the market and inform decisions about SDA.

This is our first NDIA SDA demand report. It should be used alongside our other SDA resources developed to support growth, innovation and sustainability in the SDA market.

Used together these resources will help drive growth in the SDA market.

The report is meant as a guide only. The NDIA does not guarantee, and accepts no legal liability whatsoever arising from, or connected to, the use or representation of any data provided in this document.

You should always use a range of information and resources when forming a view or making decisions about the SDA market.

- SDA Demand Projections Report (DOCX 1.1MB)
- SDA Demand Projections Report (PDF 2.1MB)

SDA Background

SDA is one of the supports that may be funded under the National Disability Insurance Scheme (NDIS/Scheme) for some participants.

SDA funding is provided to participants who meet strict eligibility criteria. Participants who meet the eligibility criteria will have extreme functional impairment and high support needs.

The SDA Pricing Review ensures that SDA-eligible participants receive the support they need.

Visit the Specialist Disability Accommodation explained | NDIS for further information.

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