29 May 2026

Submission : National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026

Dear Committee,

Rights & Inclusions Australia (R&IA) welcomes the opportunity to provide a submission to the Community Affairs Legislation Committee regarding the NDIS Amendment (Securing the NDIS for Future Generations) Bill 2026[1] and addresses the following from the Explanatory Memorandum:[2]

> *The National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026 (the Bill) will protect the National Disability Insurance Scheme (NDIS, Scheme) for people with permanent and significant disability and for future generations who will rely on it.*
>
> *The Bill addresses two key vulnerabilities. First, the NDIS is currently growing at a rate that was unforeseen when it was established in 2013 under the National Disability Insurance Scheme Act 2013 (the Act). If left unchecked, this puts the long term sustainability of the NDIS at risk.*
>
> *Second, over time the NDIS has become the target for fraudulent activity, impacting the Scheme as a whole.*

Wider context

The wider context for the Bill is to save money, not just by cutting back on services, but by also removing participants from the NDIS scheme:[3]

> *"More than 240,000 participants are expected to be shifted off the national disability insurance scheme in the four years after new eligibility rules are introduced,"*

R&IA points out the contrasting PR approach to AUKUS submarine program where the billions spent is presented as a community benefit. For example:[4]

> *"the Australian government has committed A$3.9bn ($2.7bn) as an initial investment in a new submarine construction yard in Osborne, South Australia.*
>
> *The facility will support the delivery of conventionally armed, nuclear-powered submarines and is expected to create nearly 10,000 jobs in the state.*

The Australian government has also ruled out any new taxes on Australian gas exports.[5]

This result is to penalise people with disabilities rather than reduce defence expenditure or increase taxes on the export of Australian resources.

With that context in mind, the starting point for this submission was the question: why is the first reading Bill limited to growth rate and fraud in the NDIS without any reference to the NDIS Special Disability Accommodation (SDA) program?

Submission approach

This submission builds on a previous R&IA submission to the NDIS Integrity Inquiry[6] (copy attached) which:

> *"... concentrates on a range of "sharp practices " as defined by the Committee associated with the Specialist Disability Accommodation in the NDIA framework.*
>
> *As well as a brief background and context including the original goals and objectives of the SDA new build program work, the submission identifies a broad range of issues and associated recommendations .*
>
> *Examples of inappropriate and unethical conduct are highlighted using SDA requirements for backup power and renewable energy*
>
> *As well as the conclusions, a series of recommendations are detailed on both the summary at the front of this submission and immediately following explanatory text."*

Reference should be made to that submission for additional information.

The approach taken in this submission is to briefly outline the main areas the Committee may consider prior to addressing any requirements for amendments to the current legislation:

1. various cost areas required to put the SDA program:[7] *"on a more sustainable footing, now and for future generations*", and[8]
2. "*technical amendments to improve the operation of [SDA]"* by addressing risk and governance concerns.

SDA issues

It's an open secret that:[9]

> *"the current supply and design of SDA is not meeting requirements."*

The August 2025 ABC program[10] identified more than a thousand vacant SDA properties valued at roughly $1 billion. Industry spin blaming poor location is only part of the story with the SDA new build program suffering a host of other problems[11] including:

1. bypassing state and territory building legislation without introducing appropriate enabling legislation (shades of robodebt)[12],
2. roughly 1/3 of NDIS participants eligible for SDA aren't actually in an SDA registered property - possibly because they can't find a suitable property[13], and
3. investment funds being wound up because they can't find suitable tenants[14].

In 2026, the SDA "market" is dominated by "impact investors" and multimillion dollar SDA investment funds who build luxury SDA apartments in prime city real estate for selected "nice " clients, and three-bedroom mini-group homes or 15 room enclaves in the suburbs for those NDIS participants those that might be a bit too loud or psychosocial issues. With more than 15,500 NDIS SDA participants in rental accommodation, just 16 owner/occupiers, and long queues at the ART to for SDA accommodation to adjust to personal circumstances and family considerations, major changes as well as alternative housing models need to be considered.

And that's before considering that the Australian taxpayer via the SDA new build program "on the hook" to repay $4 billion (so far) over the next 20 years to Australian and foreign investors with a promised return of 8% to 10%.

Any review of the long-term financial sustainability the SDA program needs to consider the viability of a privatised funding model with centralised price determination - probably the last great Australian neoliberal experiment. Promises of cost-effective and widely available SDA new build program courtesy of "impact investment"[15] are starting to look doubtful.

The key issues R&IA urge the Committee to consider are the blowout in SDA costs, role played by governance failure, and long-term risks of SDA new build program requiring a multibillion dollar taxpayer bailout.

SDA Costs

In 2017, the Australian Financial Review (AFR) highlighted the minimal cost of modifications for a SDA registered one-bedroom apartment.[16]

> *"the specialist disability modifications (costing between $4000 and $12,000) need on each apartments - such as higher benchtops or the ceiling hoist Miss McIntosh needs to get out of bed"*

Fast forward to the 2022-23 benchmark construction costs, and the additional costs of upgrading a basic apart one-bedroom apartment to SDA High physical support has blown out to $148,000.[17] A 12 fold increase in 6 years

At least part of the cost may be due to rorting. For example, the 2023 Pricing review ensures that SDA repayments for a two-bedroom High Physical Support home[18] incorporates payments for electrical work of than $100,000 plus 45% overheads; compared to a "normal" house cost of less than $20,000. That's in addition to "professional" (consultant?) fees of $97,000.

Regardless of costs actually incurred.

Unfortunately, the NDIA has no cost control measures in place such as audit or actual cost disclosure reporting requirements as part of SDA registration. Instead, there is automatic indexation to CPI and a review every 5 years. And no mechanisms in place to ensure that what's been paid for has actually been delivered.

The problem is compounded by due to a pricing framework which not only fails to include "reasonable and necessary" and "value for money" criteria, but it also doesn't even budget for or identify of costs and additional of the diverse range of NDIS participants with severe disabilities. Then there's the cost of applying for SDA via an opaque and ever-changing process that hasn't been accounted for.

The initial 2013 goal of around 28,000 NDIS participants - around 6% most disadvantaged - at a cost of around $700m dollars per year. More than a decade later, we've only achieved just around 15,500 NDIS participants under SDA roofs – at a cost of $481m annually[19].

One solution has already been implemented in a similarly privatised industry. In 2018, the then Treasurer Scott Morrison directed the ACCC *"pursuant to subsection 95H (1) of the competition and consumer act 2010"* to conduct a six monthly review of prices, profits and margins *"in relation to the supply of electricity in the National Electricity Market".*[20]

Similar legislation should apply to the SDA with an annual reports in line with the suggestion in Appendix A.

> **Recommendation 1. ACCC review** of all key SDA aspects including pricing framework, comparisons against actual and market costs, value appropriateness, profit margins, market operation and governance as per Appendix A

Risk

Possibly the biggest concern is the risk of problems in the so-called SDA "market".

Consider the actions taken when the National Electricity Market collapsed in 2022[21]. In that case the independent market operator (AEMO) stepped in and took control in accordance with pre-agreed market rules.

What happens to $4 billion of Australian and foreign investor privately owned disability housing when the inevitable real estate crisis hits?

SDA market does not have an Independent regulator . There are no fallback provisions in the legislation. There is no government department with the responsibility and authority to step in. It only needs a couple of funds to have a liquidity crisis and off load large portfolios onto the market. You could potentially have severely disabled NDIS participants out on the street with 30 days notice if the new owners decide they can get better value from their newly acquired real estate for other uses.

A contributing factor is that SDA payments are based on a complex formula - everyone gets paid the same for a particular category and type property in a given location.[22]. Adam Smith's invisible hand has been replaced by vacancy rates guaranteeing an SDA boom/bust cycle[23].

Investment schemes are already being wound up with one ASX listed investment platform, DomaCom, being suspended from trading[24]. DomaComs' failure suggests both a regulatory and policy failure. The critical SDA changes happened in 2018/2019 at the hands of the same crowd responsible for the illegal Robodebt scheme. The 2019 version of SDA comes with the same lack of respect for enabling legislation and consumer protections as Robodebt.

And there has been no public announcement on any action taken to address the billion dollars worth of vacant properties...

> **Recommendation 2. Independent public review** prior to any legislative changes, an independent review be conducted into the NDIS SDA new build program requiring a formal risk assessment by an independent panel into all financial aspects of the SDA new build program including effect of property market upheavals and investment fund collapses.

Who's in charge of the SDA new build program[25]

After 10 years of operation there should be an established decision-making process with responsibilities clearly defined.

Despite claims about market stewardship and being responsible for all aspects of SDA, NDIA Home and Living branch don't actually have the skills and experience to design a home for someone with a severe disability.[26]

It's now 2026 and the NDIS website states[27].

> *"The NDIA doesn't provide specific technical advice.*
>
> *SDA assessors should interpret the Design Standard to the best of their professional ability.*
>
> *If the Design Standard can be interpreted in different ways, SDA assessors should interpret the information that will lead to the best outcome for the participant and confirm this in writing with the NDIA."*

Despite bypassing state and territory legislation, including consumer protections and technical guidance in respective State and Territory Building legislation 2019, NDIA still hasn't put in place a process to deal with technical queries from the public or safety issues resulting from someone with a severe disability living in SDA.

In the most recent chapter in the Robodebt saga the NCAC report disagreed with the Royal Commission, and this is important when assessing governance and accountability in the NDIA. Apparently, Katherine Campbell and Scott Morrison were not found to have engaged in corrupt conduct because they weren't familiar with the technical details of implementation of Robodebt. According to the NCAC.

This focus on the question of responsibility within the NDIA Home and Living branch for SDA decisions highlights the use of consultants and external organisations for key NDIS development work. Examples include the 2019 SDA update (LHA), 2022-23 Pricing review (EY), and the most recent KPMG review of the SDA Design Standard.

In practical terms, there is a long list of organisations who have been responsible for SDA interpretations, application, and imposing operational requirements with cost implications including:

1. NDIA,
2. NDIS Qualities and Safeguards Commission[28],
3. Access consultants in charge a "clarifications"[29]:[30]
4. Summer Foundation/ Summer Housing/ Housing Hub,
5. SDA Alliance, and
6. state government planning Minister's e.g. South Australian Building Advisory Notice AN 01/24[31]

And then there's the building industry lobbying behind-the-scenes . For example while the industry is persuading building ministers that the NCC's needs to be simplified and costs addressed, we have the building industry behind-the-scenes in 2023[32]:

> *"HIA with SDA Alliance and the Home Fire Sprinkler Coalition developed a proposal in 2023 for a new [SDA] building classification"*

> **Recommendation 3.- independent public review** prior to any legislative changes to ascertain clear lines of responsibility and accountability for decisions made given the financial implications and lack of "arm's-length" decision-making by NDIS Home and Living Branch.

KPMG SDA design standard review

The KPMG SDA design Standard review[33] illustrates some significant failings of the governance of the SDA New Build program:

1. **incomplete review adequacy** - It's simply not possible to do a comprehensive review of the SDA Design Standard without considering the cost and schedule implications of any changes, and reviewing every clause for SDA Assessor training and certification requirements.

   As well as highlighting widespread rorting and lack of cost controls, a comprehensive review would highlight that Access Institute has no independent accreditation for the SDA assessor training and certification, and falsely claims that[34] *"No licensing, legislative or certification requirements apply to this qualification".*

2. **lack of transparency and accountability** - the ABCB commissioned a review after developing the NCC 2022 accessible housing standard[35] to address a range of criticisms. Recommendations included:

   "a strategy for ensuring, where possible, there is clarity around policy objectives and parameters before technical standards are drafted", and

"In the interests of transparency, submissions received during a regulatory impact process should be made publicly available unless it is requested that a submission remain anonymous or confidential. Submissions will be made available in a way that enables others to see who has made a submission. Submissions should have the ability to be accessed, downloaded or read by others"

There are no plans to incorporate these recommendations in the KPMG review, release a draft for public consultation, or indeed conduct any aspects of the review in public.[36]

3. **Failure to consider cheaper alternatives -** these would include alternatives based on the ABCB liveable homes 2025 requirements with appropriate assistive technology, and the internationally award-winning Lifemark program.[37]

   When combined with certification from level 1 or level 2 certifiers and with assistive technology (AT) requirements addressed by allied health professionals, there is potential to save millions of dollars annually in SDA costs.

4. **Failure to comply with 2015 Applied Principles and Tables of Support (ATPOS)** The agreement between the states and Commonwealth stated the NDIS would be responsible for:

   "Working with other parties to facilitate appropriate housing options and improve accommodation choices for people with disability, including through developing partnerships with housing providers and influencing the development of housing options and housing design (not regulation or setting standards in housing design)."

   Instead we have a complete NDIS SDA Design Standard complete with the building industry interests recommending a complete new NCC Classification to replace the existing state-based legislative technical authority and corresponding ABCB agreements.

The NDIS SDA new build program is an example of what Andrew Podger highlighted as a characteristic of political influence and reliance on outside consultants:[38]

> *"the increased reliance of governments on non-APS sources of advice and non-APS service delivery… Undermining 'frank and fearless advice' and public confidence in the non-partisan ship of the APS; concerns of also been raised as to whether the shift has contributed to a loss of capability in the APS"*

Recommendation 4. SDA public review to be conducted by an independent professional body and address minimal transparency and accountability requirement along with identifying and managing conflict-of-interest in a multibillion-dollar infrastructure build program.

Conclusions

In conclusion, it's quite clear what actions are required. If the Committee is serious about addressing deficiencies in the NDIS legislation, R&IA strongly recommends both and ACCC review into market aspects, and a public review into all aspects of the SDA program including risk, conduct of the NDIA home and living branch, and the broader aspects of the SDA new build program.

Any questions or clarifications should be addressed to R&IA directors Michael Fox at 0417 402 030 or Allan Hunter on 0414 734 648

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"The APS must also recognise that one of its greatest integrity threats is policy and regulatory capture. Public perception of 'elites', powerful interests or the familiar few, having privileged influence over public policy and administration will strongly erode public trust in the APS, its credibility and legitimacy. The current legislative and institutional framework of the APS - and indeed the public sector as a whole - lacks visibility and coherence, overall leadership for proactive integrity measures, capacity when reacting to integrity risks, and integrated system-wide research and assessment."

The APS Integrity Framework ANZSOG (2019)[39]

Appendix A - ACCC review

RIA recommends that the ACCC review, included either in the NDIS legislation or as a standalone ACCC exercise, should adopt following approach:

Minister to direct the ACCC, pursuant to subsection 95H (1) of the Competition And Consumer Act 2010 to conduct an annual review of prices, profits and margins in relation to the National Disability Insurance Scheme Specialist (NDIS) Disability Accommodation (SDA), with matters to be monitored and taken into consideration including:

1. SDA Price guide payment values and calculation methods to be reviewed as required and no later than five yearly intervals in accordance with the pricing framework;
2. monitor, review and assess actual SDA costs as identified in the current SDA pricing report;
3. monitor, review and assess profits and margins across the SDA market including:
    a. actual costs incurred in both developing, constructing, and during operation of SDA and how they compare to pricing assumptions in Pricing Framework,
    b. fees and charges charged by SDA consultants and advisers, and
    c. additional costs incurred in modifying the individual homes to suit severely disabled NDIS participants eligible for SDA that aren't catered for by the SDA Design Standard template;
4. assess SDA market operation including both demand and supply aspects, the effectiveness of the numerical approach, and whether the cartel approach with fixed prices for a given category and location are inappropriately restricting competition and holding up prices; and
5. review the effect of policy changes on the SDA market and assess the effectiveness of implementing recommendations from external bodies such as the South Australian parliamentary social development committee and the NDIS review.

The first annual report to include recommendations regarding methodology and approach.

All reports to include, where appropriate, recommendations to both take any proportional and targeted action considered necessary to remedy any failure by market participant (s) (or the market as a whole) to deliver SDA new build housing and ensure that taxpayer is getting value for money.

[1] https://www.health.gov.au/securingtheNDIS retrieved 27 May 2026

[2] https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Community_Affairs/NDISFutureGenBill retrieved 26 May 2026.

[3] https://www.theguardian.com/australia-news/2026/may/28/ndis-document-reveals-241000-disability-participants-cut-in-four-years retrieved 28 May 2026

[4] https://www.naval-technology.com/news/australia-osborne-submarine-construction-yard/ retrieved 28 May 2026

[5] https://theconversation.com/australia-isnt-getting-a-fair-share-of-tax-on-gas-exports-queensland-has-shown-how-to-raise-the-bar-281526 retrieved 27 May 2026

[6] Rights & Inclusion Australia, **Submission: Integrity of National Disability Insurance Scheme (NDIS), April 2026** Version: 1.5**,** available here at https://riaustralia.org/

[7] National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026 EXPLANATORY MEMORANDUM (circulated by the authority of the Minister for Disability and the National Disability Gain, the Hon Mark Butler MP) filename: *House of Reps - Explanatory Memorandum - 250526-2.pdf* on page 2

[8] Ibid on page 2

[9] Human Rights Commission, Kim Samuel, Churchill Fellowship 2020 report "**Accessible Housing & Inclusive Communities** " "chapter 6 "Bravery & Innovation Page 20

[10] "**Hundreds of homes for people with disability set empty at expense of NDIS participants and investors**", Monday, 25 August 2025 https://www.abc.net.au/news/2025-08-25/specialist-disability-accommodation-sda-empty-homes-four-corners/105685946 retrieved 27 May 2026

[11] "**What the Four Corners expose on disability housing left out**", Allan Hunter, 4 February 2026, https://thefifthestate.com.au/columns/spinifex/what-the-four-corners-expose-on-disability-housing-left-out/ retrieved 27 May 2026

[12] Rights & Inclusion Australia, **Submission: Integrity of National Disability Insurance Scheme (NDIS), April 2026** Version: 1.5**,** available here at https://riaustralia.org/

[13] ibid

[14] Jonathan Shapiro and Max Mason, "Investors "hung out to dry" as NDIS Housing scheme fail", 8 July 2024, Financial Review, https://www.afr.com/companies/financial-services/investors-hung-out-to-dry-as-ndis-housing-schemes-fail-20240626-p5jovm retrieved 27 May 2026

[15] Winkler, D.,1,2 McLeod, J.,3 Mulherin, P., 1,2 Rathbone, A. 1 & Ryan, M.4 (2020) **Specialist Disability Accommodation (SDA) Explainer for Investors**. Melbourne, Australia: Summer Foundation and JBWere.

[16] Michael Bleby, **Funding housing: NDIS payments back new accommodation for disabled youth,** Financial Review, 27 April 2017, https://www.afr.com/property/funding-housing-ndis-payments-back-new-accommodation-for-disabled-youth-20170427-gvtuao retrieved 27 May 2026

[17] NDIS COST ESTIMATE REPORT, **NDIA Specialist Disability Accommodation Cost Reports 01**, prepared for Ernst & Young by MBM, MBM1244-0015, dated 18 May 2023.

[18] NDIS COST ESTIMATE REPORT, **NDIA Specialist Disability Accommodation Cost Reports 01**, prepared for Ernst & Young by MBM, MBM1244-0015, dated 18 May 2023, Appendix A - Elemental Summary -Houses and Group Homes, CD-161 Electrical Services: 2 resident house: Base ($18,592) compared to High Physical Support

($101,551) Then there is Preliminaries 14%, builders margin 4% professional fees 11%, contingency 15% and $47,424 for sprinklers if specified.

[19] https://ndis.property/statistics/ retrieved 06 April 2026

[20] ACCC Enquiry into the National Electricity Market, December 2024 Report, Dated 3 December 2024, Appendix A: Terms of Reference, filename: *accc-national-electricity-market-december-2024-report.pdf*

[21] https://theconversation.com/australias-national-electricity-market-was-just-suspended-heres-why-and-what-happens-next-185136

[22] Beer, A., Flanagan, K., Verdouw, J., Lowies, B., Hemphill, E., and Zappia, G. (2019) **Understanding Specialist Disability Accommodation funding,** AHURI Final Report No. 310, Australian Housing and Urban Research Institute Limited, Melbourne, https://www.ahuri.edu.au/research/final-reports/310, doi:10.18408/ahuri-3219701.

[23] https://www.linkedin.com/posts/allan-hunter-98a03111_sda-boombust-inevitable-industry-is-still-share-7365553767578025984-Q33E/

[24] https://www.afr.com/companies/financial-services/investors-hung-out-to-dry-as-ndis-housing-schemes-fail-20240626-p5jovm

[25] Rights & Inclusion Australia, **Submission: Integrity of National Disability Insurance Scheme (NDIS), April 2026** Version: 1.5**,** available here at https://riaustralia.org/ on page 17

[26] During development of the existing SDA New build program, NDIA repeatedly rejected LHA proposals to put a technical review panel in place.

[27] https://www.ndis.gov.au/providers/housing-and-living-supports-and-services/specialist-disability-accommodation/sda-design-standard

[28] https://www.ndis.gov.au/providers/home-and-living-providers/specialist-disability-accommodation-sda/how-enrol-home-specialist-disability-accommodation-sda registration group 0131 Specialist disability accommodation

[29] **Accredited SDA Assessor – Update 4 – Amended – December 2022 - Clarifications re the SDA Design Standard Interpretations** December 13, 2022 All content of the SDA Assessor Updates is approved by NDIS – Access Institute has agreed to post these on this website to assist with information dissemination. Any questions regarding the content of the Updates should be directed to NDIS at sdahousing@ndis.gov.au retrieved from https://accessinstitute.com.au/accredited-sda-assessor-update-4-december-2021/ retrieved 27 May 2026

[30] *"“A number of NDIS endorsed updates [to the SDA Design Standard] have been developed and released by the Access Institute,"* NDIA letter MC 22-001879 dated 18 November 2022

[31]

[32] Housing Industry Association, **Specialist Disability Accommodation Design Standard Review 2025-26, HIA response to consultation,** December 2025, filename: *SDA Design Standard Review 2025-26-5.pdf*

[33] KPMG review website

[34] https://training.gov.au/training/details/CPP40821/qualdetails retrieved 27 May 2026

[35] Board Matters, REVIEW REPORT A review into the Accessible Housing Project: how the governance and processes for developing effective construction and design standards can be improved FOR: THE AUSTRALIAN BUILDING CODES BOARD (ABCB), May 2022, filename: *ABCB Board Matters Review Report.pdf*

[36] **What We Heard: NDIS Specialist Disability Accommodation (SDA) Design Standard Review - Consultation Report**, undated, unsigned, filename: "*what-we-heard-sda-design-standard-consultation-report-april-2026.pdf*" retrieved 27 May 2026

[37] https://www.lifemark.co.nz/ retrieved 27 May 2026

[38] **Report to the Royal Commission into the Robodebt Scheme**, prepared by Andrew Podger AO, Honorary Professor of Public Policy, ANU, dated 20 February 2023, on page 2, filename: *andrew-podger-report-to-robodebt-royal-commission.pdf*

[39] Kirby, Nicholas and Webb, Simone, "**Being a trusted and respected partner: the APS integrity framework"** 2019 published by Australian & New Zealand School of Government (ANSOG)