



SDA

INFORMATION HAND BOOK

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SPECIALIST DISABILITY ACCOMMODATION

SDA (Specialist Disability Accommodation) is a range of housing designed for people living with extreme functional impairment or very high support needs. It is part of the National Disability Insurance Scheme also known as NDIS.

SDA homes have special features that allow residents to live more independently and allow other supports to be delivered better and more safely.

It's a part of an uncapped, demand-driven program in a bilateral government-funded scheme that gives property investors the opportunity to support Australians living with a disability .

The NDIS budget is estimated at \$40 billion in 2023–24 and is expected to be \$45.3 billion in 2024–25, a growth rate of 13.3% .

It is expected that the NDIS funding will grow to \$59.4 billion in 2026–27 and it will then normalize at 8% growth per annum .

Up to 31 December 2023, some 22,890 (3.8%) active participants had SDA supports in their NDIS plans. The annualised growth rate has been 36% over the last three years. The average plan budget for SDA supports has also increased by around 12% per annum over the last three years.

****Investors,
property developers
and everyday
Australians can have
an investment
property that is paid
off in as little as 7
years in an
optimistic scenario,
while supporting the
disability community***

40,000

ESTIMATED HOMES
NEEDED FOR DISABILITY

10~20%

ESTIMATED RETURNS
ON BUILD

3%

ESTIMATED VACANT
ROOMS AT ANY ONE TIME

Let the government pay off your investment.

SDA properties can be paid off in as little as 7 years in an optimistic scenario* with rental paid for by the government.

A total of \$228 million was paid to SDA providers in the year ending 31 March 2023. The annualised growth rate for expenditure on SDA has been 36% over the last three years. SDA payments accounted for 0.7% of all payments made through the NDIS in the year ending 31 March 2023. Proving the demand for SDA is growing significantly .

⁴ NDIS, "SDA Pricing Review 2022-23 Report", accessed 21 March 2024, available at: <https://www.ndis.gov.au/media/6061/download?attachment>.

THE HCPA SUPPORT

Everything you need to start your SDA investment, we'll take care of.

With the many complexities and hurdles of starting your SDA investment process, we know that the right support is crucial.

At HCPA, our team of specialists are here to guide and assist you through every stage of your SDA experience. We are here to build a lasting relationship with you, and make the SDA investment experience as positive as possible.

We provide an all-in-one solution that supports you in every stage of the SDA investment process.

ALL-IN-ONE SOLUTION

- Data Analysis for the most suitable locations with the highest demands.
- Education and recommendations on the types of builds.
- Getting your Financial approval.
- Finding land to build the property on.
- Getting your land approved by councils and town planning.
- Creating unique and custom build designs to suit the area.
- Getting the build approved and registered to the NDIS.
- Construction of your SDA build.
- Assistance in finding tenants.
- Managing your SDA property.

BUILDING TYPES

WHAT ARE BUILD TYPES?

This is the 3 types of properties that your property is based around.

This gives clarity in what the pricing will be and including whether your property is eligible for Specialised Disability Accommodation (SDA).

SDA APARTMENTS

KEY CHARACTERISTICS

- ▶ Designed for 2 Tenants or less.
- ▶ Self containing units which take up part of a larger building.
- ▶ Typically built above and below another dwelling.
- ▶ Generally built within proximity to transport, hospitals and businesses which garners higher rental returns.

KEY ESTIMATED MAXIMUM RETURNS

Dwelling category	Number of residents	Annual Base Price Per Participant for NEW BUILDS WITH SPRINKLERS where Input Tax Credits WERE NOT CLAIMED (\$ 2023/24)									
		Improved liveability		Fully accessible		Robust		Robust with Breakout Room	Robust with Breakout Room	High Physical Support	High Physical Support
		No OOA	With OOA	No OOA	With OOA	No OOA	With OOA	No OOA	With OOA	No OOA	With OOA
Apartment, 1 bedroom, 1 resident	1	\$80,364	\$93,758	\$82,896	\$96,290	na	na	na	na	\$90,143	\$103,537
Apartment, 2 bedrooms, 1 resident	1	\$84,801	\$98,195	\$86,701	\$100,095	na	na	na	na	\$94,203	\$107,597
Apartment, 2 bedrooms, 2 residents	2	\$36,924	\$43,621	\$37,832	\$44,529	na	na	na	na	\$41,625	\$48,322
Apartment, 3 bedrooms, 2 residents	2	\$45,498	\$52,195	\$46,804	\$53,501	na	na	na	na	\$50,951	\$57,648
Villa/Duplex/Townhouse, 1 resident	1	\$60,711	\$63,493	\$63,501	\$66,453	\$65,040	\$70,001	na	na	\$71,013	\$74,434
Villa/Duplex/Townhouse, 2 residents	2	\$35,136	\$38,135	\$37,162	\$40,425	\$40,579	\$43,420	\$42,834	\$45,675	\$41,112	\$44,889
Villa/Duplex/Townhouse, 3 residents	3	\$28,598	\$31,190	\$30,899	\$33,791	\$33,523	\$36,356	\$35,815	\$38,648	\$34,334	\$37,231
House, 2 residents	2	\$68,308	\$74,933	\$70,008	\$76,395	\$77,670	\$84,325	\$83,040	\$89,695	\$82,188	\$89,378
House, 3 residents	3	\$48,192	\$51,903	\$49,440	\$53,115	\$53,539	\$58,396	\$57,471	\$62,328	\$58,239	\$62,194
Group Home, 4 residents	4	\$39,943	\$42,538	\$41,342	\$43,682	\$45,024	\$48,204	\$47,642	\$50,822	\$48,244	\$51,148
Group Home, 5 residents	5	\$33,393	\$35,119	\$34,685	\$37,350	\$38,354	\$39,622	\$39,374	\$40,642	\$40,454	\$42,719

Source: NDIS SDA Price Calculator 2023-24 New Builds – Effective 1 July 2023

VILLA, DUPLEX & TOWNHOUSES

KEY CHARACTERISTICS

- ▶ it has 3 or less residents.
- ▶ A semi-detached property within a single land title or strata.
- ▶ titled area.
- ▶ Separated by fire-resistant walls.
- ▶ Residents are not able to travel between dwellings with the exception of support staff.

HOUSE

KEY CHARACTERISTICS

- ▶ Low rise dwelling with gardens or courtyard separated by Fence or hedge or other forms of delineation.
- ▶ Is proportional to the number of residents and is consistent
- ▶ with similar properties in the neighbourhood.
- ▶ It has no more than 2 ancillary villas, duplexes or townhouses.

GROUP HOME

KEY CHARACTERISTICS

- ▶ A group home is distinguished from other houses by having 4 or 5 long-term residents.
- ▶ Group homes are generally not favoured by participants. However, care providers (SIL) may prefer this model for their Financial viability.

NEW BUILD

At HCPA we support new build developments as this provide the best support for Participants and financial returns for Investors.

The requirements for New Builds are as follows:

- ▶ Date of certificate of occupancy is over April 1st 2016 or it has been renovated (minimum spend applies) or built to meet the design categories and has a new certificate of occupancy on/after April 1st 2016.
- ▶ House is designed for 3 or fewer long-term tenants.
- ▶ All shared areas, bedrooms and bathrooms comply with one of the design categories. (Can be found on the next page).
- ▶ It does not breach density restrictions.
- ▶ Fewer than 20 years has lapsed since certificate of occupancy, otherwise it turns into existing stock.

DESIGN CATEGORIES

DESIGN 01

IMPROVED LIVEABILITY



This design category is mainly used for those living with intellectual, cognitive and sensory impairments. The design usual includes: Open spaces in common areas, Luminance lighting/Way finding, Step free path from footpath to entrance, Step free entrance, wider Internal doors and corridors that facilitate comfort and unimpeded movement, Toilet on ground level, Hobless shower recess, Reinforced walls within the bathroom to support safe installation of grab rails at a later date. Stairs are permitted for this category as it is deemed a low risk category from a mobility prospective.



DESIGN 02

FULLY ACCESSIBLE

- ▼ This design category is mainly used for participants associated with mobility equipment requiring wider hallways, bedrooms and doors. Light switches and powerpoints are designed at heights and distances that enable them to access in situations where a participant is wheelchair bound.
- ▼
- ▼
- ▼

Window opening mechanisms are also set at heights for those in wheelchairs to operate. Floor coverings are slip resistant. Vanities are accessible by wheelchair. Options for power supply to doors, windows and blinds. Vanities, sinks and tap hardware accessible by wheelchair and key appliances accessible by wheelchair.



DESIGN 03

ROBUST

This design category is mainly used for those living with severe mental disabilities and is generally associated with Autism. The design is associated with durability of fittings and fixtures. Participants that fall within this category are either prone to hurting themselves or others. Safety for participants carers and visitors is critical. Therefore the design of this this category must have safety in mind. High impact wall lining and fittings, secondary exit points, durable windows glazing, doors and landscaping materials used should be considered. Participants in this category is also likely to be sensitive to sound therefore appropriate sound proofing is required.



Breakout rooms (private activity room) is a feature that all Robust designs should incorporate.

DESIGN 04

HIGH PHYSICAL SUPPORT



This design category is the next level up from Fully Accessible. It encompasses elements from Fully Accessible and more. It is mainly used for those living with severe physical disabilities with very limited mobility without the assistance of 1 or more support helpers. The dwelling design in this category is the highest which include larger bedrooms and hallways with wider accessible paths plus other features such as ceiling reinforcements for hoists, Assistive technology such as, intercoms inter connected communication, and uninterrupted backup power supply.



ONSITE OVERNIGHT ASSISTANCE



Onsite Overnight Assistance (OOA) is a specialised room designed for tenants who may require overnight assistance and need a personal care worker or nurse to be onsite at all times. The worker(s) will utilise this room during periods which they may not be physically managing the tenant at any particular time.

DOES THIS MEAN I NEED TO MANAGE A NURSE?

This varies on the funding source:

- If this is organized through the SIL Provider they will manage the qualified caregiver
- Private funding : participants or their families who pay privately for the caretaker can choose to manage the arrangements directly with the caregiver or through an agency

THE RETURNS

The returns may potentially provide on average an additional \$3,000 p.a per participant in a unit or house, and apartment returning around \$6,000 to \$12,000.

BREAK OUT ROOMS

Break Out Rooms are designed for improving Robust participants' moods and enhancing learning capabilities, growth and exploration. This would not be considered a lounge room or living area, instead is designed as a tailored room to provide a positive impact on each participant's life.

WHAT VALUE DOES THIS PROVIDE?

Participants want to live in homes that are tailored for their needs, but most importantly, those that make them happy. This provides an opportunity to have a home that positively impacts participants moods on a day-to-day basis increasing the likely-hood of tenant retention.



THE RETURNS

A break-out room for Robustly designed homes potentially provides an extra \$1000 - \$2000 annually. For all other builds, it does not provide revenue but acts as a tenant retention resource.

Investment Process

▶ **Step 1**

Have capital of minimum \$250k to invest.

▶ **Step 2**

Finance confirmed for maximum borrowing capacity

▶ **Step 3**

Select HCPA investment option:

1. SDA Home & Land Package
2. Build on your land
3. Established SDA home
4. Full Project Management

▶ **Step 4**

HCPA becomes your project manager to ensure it is built on a timely manner and ensuring SDA Compliance before settlement.

▶ **Step 5**

Once completed, If HCPA is your SDA Provider we will enroll your property for funding.

▶ **Step 6**

HCPA, as an SDA Provider can manage the property for you

▶ **Step 7**

HCPA finds SIL Care Provider to manage the participant/s

▶ **Step 8**

The investor receives rental payments.



SDA SERVICES

SDA Provider Registration

This program allows you to become a registered SDA provider like a property management agency. You will be guided in the process to obtain your SDA registration including equipping you with soft copies of material to ensure you meet compliance.

Education Starter Pack

This is an introductory course to Specialist Disability Accommodation and includes:

- Training on how SDA works and is funded.
 - The importance of location
 - The importance of design type.
- The importance of the design and build process
- Insight report on up to 3 locations (councils) of your choice.

The service fee you pay for this service will be credited back if you proceed to construction or acquisition of an established SDA property.

Complete Package

This is a One-Stop-Shop solution. HCPA together with the Builder and SDA Provider have created packages ready for our investors to buy off the shelf. Access to these packages is available through HCPA (Authorized agent) and not available direct to the public.

Tailored Package

If one of our packages does not suit you, we can tailor packages with our SDA approved “Off-the-shelf” designs to your desired location that meets your needs. Subject to regulatory requirements. The land agent fees may apply if we need to source land on your behalf.

Established Package

We have channel partners (Such as builders, SDA investors, and SIL providers) who have engaged us to help broker their SDA property. These properties are either about to start, under development, or completed with and without participants.

There is a very limited number of Established SDA homes available on the market.

Project Management (Own Designer & Builder)

This service is suitable for clients who wish to engage their own Architects, Designers and Builder.

HCPA's in-house Project Manager will guide and assist your team of Architects, Designers and Builder on how to navigate the Specialist Disability Accommodation (SDA), National Construction Code (NCC) requirements and best practice guidelines.

We act on your behalf, not the designer or builder, to provide you with unwavering support in response for your development.

SDA Project Management (HCPA Designer & Builder)

Working with our team of specialists we will project manage the development for you. This includes all phases of the project.

- Finance (if required)
- SDA Insight report
- Town Planning – we provide supporting documents to obtain Planning permit.
 - Design – access to our SDA approved designs.
 - Demolition – management of the demolition process
- Build – ensuring Sda compliance at each stage of the build process.
- Registration of the SDA property (if HCPA is the appoint SDA Provider)

We act on your behalf, not the designer or builder, to provide you with dedicated support for your development.



CONTACT US

Health Care Providers Association

ABN 26 625 498 179

16/60 Albert Road, South Melbourne VIC 3205

www.hcpassociation.com.au

enquiries@hcpassociation.com.au

03 9084 7427



