



A guide to your response to the Consultation Regulatory Impact Statement for an access standard for housing in the National Construction Code

Background

In 2010, leaders representing the housing, community and human rights sectors recognised that Australia's housing is not designed or built to meet the changing needs of households over their lifetimes or the changing uses of the dwellings. They agreed to an aspirational voluntary target that *"all new homes will be of agreed universal design standards by 2020, with interim targets and earlier completion dates to be determined for some standards"*.

The 2010-2020 National Disability Strategy, COAG's plan to meet its obligations under the UN Convention on the Rights of Persons with Disabilities, supported the voluntary approach to meet the 2020 target as a key commitment towards building inclusive and accessible communities.

By 2015, it was clear that the national voluntary approach had failed. Interim targets had not been met and it was anticipated that, without government intervention, less than 5% of the 2020 target would be met. In 2017, the Council of Australian Governments (COAG) instructed the ABCB to prepare a Regulatory Impact Statement for an access standard for housing to be incorporated into the National Construction Code.

The Regulatory Impact Statement is to examine the Livable Housing Design silver and gold performance levels as options for a minimum accessible standard; use a sensitivity approach; and be informed by appropriate case studies.

This guide describes how you can effectively respond to the Consultation (or draft) Regulatory Impact Statement to be released in the first half of 2020.

What is a Regulatory Impact Statement?

A Regulatory Impact Statement is a comprehensive assessment of the impacts of proposed regulation. It provides a systematic and transparent process for assessing all regulatory and non-regulatory options, including business as usual. It must follow COAG's guide for best practice in regulation¹.

A robust Regulatory Impact Statement identifies the **most efficient and effective solution, that provides the greatest net benefit to the community.**

¹ COAG. (2007). Best practice regulation: A guide for Ministerial Councils and national standard setting bodies. In Department of Prime Minister and Cabinet (Ed.). Canberra: Commonwealth of Australia.

What questions should it ask?

The Consultation Regulatory Impact Statement should ask the following questions.

You can respond to the findings from your perspective.

1. What is the problem?

It should ask whether a minimum access standard for all new housing in the National Construction Code will improve design and building practices as needed, and if so, what level of access will:

- generate the greatest net benefit for the community
- remain relevant and effective over time, and
- be effective and proportional to the issue being addressed.

***From your perspective, has the problem been accurately identified?
Yes or No? Why?***

2. What are the objectives?

It should ask if an access standard will:

- improve safety and health; amenity and accessibility; and sustainability of the dwelling
- support relevant policy objectives, such as the National Disability Strategy, enabling ageing in place, reducing social exclusion and reducing the costs of providing specialist accommodation, health and support services in the home
- be capable of being applied to all new dwellings
- be the minimum level of regulation necessary to achieve the above.

***From your perspective, does the proposed access standard meet the above objectives?
Yes or No? Why?***

3. What are the constraints?

It should ask:

- how much will the regulation cost?
- what will it take to get the industry to adopt it?
- is the proposal consistent with broad government policy?
- will it align with the Government's competition principles (see Competition Principles Agreement of 11 April 1995)?

***From your perspective, have the constraints been fully explored?
Yes or No? Why?***

4. What are the alternatives?

It should ask what the alternatives might be, for example:

- various standards, including Livable Housing Design Silver and Gold levels;
- other voluntary approaches; and
- 'doing nothing'.

***From your perspective, have all the alternatives been identified and fully considered?
Yes or No? Why?***

5. What are the costs and benefits?

It should list the costs and benefits of each alternative.

ANUHD considers there are four broad levels of impact to consider:

1. **Developers and buyers** of new housing construction (the costs and benefits at the point of first sale)
2. **Residents and visitors throughout the life of the dwelling** and the industries providing home modifications and home-based assistive technology (the costs and benefits during the life cycle of the dwelling and through the life transitions of the residents)
3. **Acute and ongoing health, in home support, and housing services**, including hospitals, in-home care providers, and providers of housing and homelessness services and alternative specialist residential care (the costs and benefits for allied service providers and their funders because of inaccessibility in housing)
4. **Australian governments and communities** in normalising the presence of a wider range of people being included and participating in family and community life (the costs for Australian society in the resultant exclusion (such as, increased demand on social housing and income support) or inclusion of households in society and the benefits of their inclusion (more citizens are employed or participating in their local community)). See Figure 1 below.

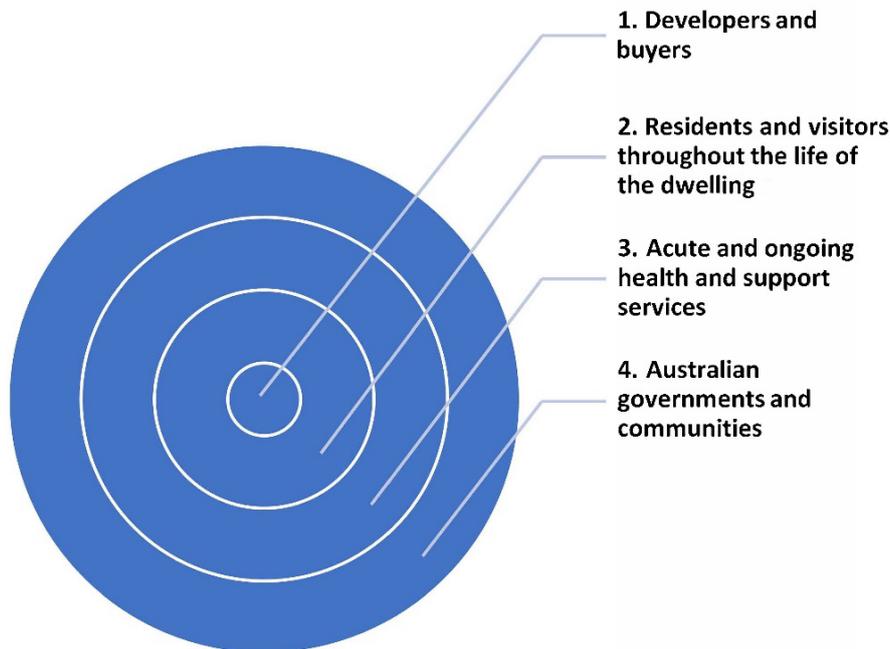


Figure 1 Related levels of impact

From your perspective, have the costs and benefits of the proposed access standard been fully identified?

Yes or No? If no, what has not been addressed?

Other things to consider

How costs and benefits are measured

Cost-benefit analyses try to compare costs and benefits using a common measure, usually dollars. Therefore, dollar values must be assigned to as many of the costs and benefits as possible. Normally, costs and benefits are valued in real terms in the current year.

However, actual personal costs and benefits may need to be converted into social ones; that is, costs and benefits which reflect gains and losses to society.

To contribute to the RIS, it is preferable to submit a costed case study (or more) than an extensive submission that does not relate to the questions outlined above.

How uncertainty is dealt with

The Regulatory Impact Statement will use a sensitivity approach. Sensitivity analysis is a method for predicting the outcome of a decision if a situation turns out to be different compared to the key predictions. It helps in assessing the riskiness of a strategy.

Who makes the final decision?

Governments are not bound to follow the recommendations of a Regulatory Impact Statement. A Regulatory Impact Statement merely assists them to understand the impact of government action and to avoid subjective bias. Nevertheless, broad government policy objectives, such as the provision of cost-effective human services, enhancing social and economic participation and building accessible and inclusive communities, can determine government decision making irrespective of the economic analysis or the sectional interests of stakeholders.

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