



PDCN Submission on Adopting the National Construction Code Livable  
Design Standards in NSW

**Building Commission NSW**

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## Who is the Physical Disability Council of NSW?

The Physical Disability Council of NSW (PDCN) is the peak body representing people with physical disabilities across New South Wales. This includes people with a range of physical disability issues, from young children and their representatives to aged people, who are from a wide range of socio-economic circumstances and live in metropolitan, rural and regional areas of NSW.

Our core function is to influence and advocate for the achievement of systemic change to ensure the rights of all people with a physical disability are improved and upheld.

The objectives of PDCN are:

- To educate, inform and assist people with physical disabilities in NSW about the range of services, structure and programs available that enable their full participation, equality of opportunity and equality of citizenship.
- To develop the capacity of people with physical disability in NSW to identify their own goals, and the confidence to develop a pathway to achieving their goals (i.e. self-advocate).
- To educate and inform stakeholders (i.e.: about the needs of people with a physical disability) so that they are able to achieve and maintain full participation, equality of opportunity and equality of citizenship.

PDCN is the co-convenor of the NSW Building Better Homes Campaign alongside People with Disabilities Australia, which is advocating for the NSW Government to adopt the Livable Housing Design Standards for all new Class 1 and 2 dwellings.

## Recommendations

***We recommend the NSW Government adopt option 3: Adopt the design standards with exemptions.***

*The exemptions must be agreed with NSW Disability Advocacy organisations and the Australian Institute of Architects - NSW Chapter to ensure that these are only legitimate exemptions and not used as loopholes to compliance.*

## 1. Do you have data to support additional analysis or understanding of the estimated costs and benefits associated with any of the options presented in this paper?

Yes, the estimated cost of implementing the Livable Housing Design Standards (LHDS) remains approximately 1% of the total build cost, as confirmed by the Building Commission's modelling. This aligns with previous modelling by the Australian Building Codes Board (ABCB), reinforcing its accuracy and feasibility.

The benefits of adopting LHDS are substantial. From a cost-effectiveness perspective, incorporating accessibility features during construction is 22 times cheaper than retrofitting<sup>1</sup>, significantly reducing future expenses for both homeowners and governments. Additionally, it has the potential to lower government expenditure, as evidenced by the NSW Land and Housing Corporation's annual spending of \$12.9 million on home modifications and iCare's \$6.8 million expenditure<sup>2</sup>—costs that could be mitigated by increasing the supply of accessible housing.

Option 3 and 4 would reduce healthcare costs by preventing falls, reducing hospital stays, and facilitating early discharge. These options also support the Federal Government's aged care reforms by allowing our growing population of older Australians to age in place. It also future-proofs new homes as demand for accessible housing grows, by retaining higher resale and rental value, making them a smarter long-term investment for homeowners and investors. Investing in livable design now prevents expensive housing crises in the future, ensuring a more efficient and sustainable housing system.

This initiative serves a significant portion of the electorate, with 18% of New South Wales' population—around 1.37 million people—living with a disability<sup>3</sup>. Options 3 and 4 would provide direct benefits to both people with disabilities and the ageing population, acknowledging that 60% of homes will accommodate someone with a disability at some stage<sup>4</sup>. Additionally, with one in four people projected to be aged 65 or older by 2061<sup>5</sup>, the demand for inclusive and accessible housing will only continue to grow.

By enabling people with disabilities and older Australians to live independently, the initiative supports workforce participation, allowing individuals to remain employed for longer. This reduces reliance on government support while increasing overall productivity. In 2022, 92.9% of NSW seniors—approximately 1,746,700 people—lived in private dwellings, including houses, flats, and other residential structures, underscoring the importance of accessible housing solutions<sup>6</sup>.

Choosing Option 1 or 2 will push more people with disabilities into homelessness—costing taxpayers an average of \$186,000 per person each year<sup>7</sup>—or leave them stuck in hospital beds at \$1,075 per

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<sup>1</sup> New Zealand Ministry of Social Development 2009

<sup>2</sup> <https://www.icare.nsw.gov.au/-/media/icare/unique-media/about-us/annual-report/media-files/files/download-module/icare-annual-report-financials-2022-23.pdf>

<sup>3</sup> Australian Bureau of Statistics, Disability, Ageing and Carers, 2015 <[www.abs.gov.au/ausstats/abs@.nsf/mf/4430.0](http://www.abs.gov.au/ausstats/abs@.nsf/mf/4430.0), which includes the data cubes for tables in NSW (released 12 January 2017)> accessed 20 September 2021

<sup>4</sup> Smith, S., Rayer, S., & Smith, E. (2008) Ageing & disability: Implications for the housing industry and housing policy in the United States. *Journal of the American Planning Association*, 74:3, 289 – 306

<sup>5</sup> NSW Treasury, The population of NSW in 2061, 2021 — 22 NSW Intergenerational Report

<sup>6</sup> Australian Institute of Health and Welfare, 2024

<sup>7</sup> NSW Government, Department of Communities and Justice, *Pathways to Homelessness final report* December 2021, last accessed 27 February 2025, <https://www.facs.nsw.gov.au/download?file=823631>

day, adding up to \$392,375 annually<sup>8</sup>. The cost of ongoing housing discrimination is simply unsustainable.

Improving housing accessibility also reduces the need for people to relocate when their needs change, which is particularly crucial given the current low rental vacancy rates in NSW. PDCN research has shown that the majority of people with physical disabilities in the NSW report that their homes are inaccessible, creating daily challenges in mobility and independence<sup>9</sup>. Additionally, many carers face housing inadequacies, with 82.5% of NSW carers living with the person they care for, yet one in five reporting that their home is unsuitable for their caring role (Carers NSW). Addressing these housing barriers is essential to fostering independence, workforce participation, and overall well-being for people with disabilities and older Australians.

## **2. Do you have experience working across states? Do you need to adjust your designs for a multiple-jurisdiction approach? If so, what is the estimated cost of this?**

Yes, NSW builders currently face higher design and compliance costs due to regulatory differences between NSW and other states, such as Victoria, Queensland, South Australia, and Tasmania, which have already adopted the Livable Housing Design Standards (LHDS).

These inconsistencies create several challenges and additional costs. Builders working in NSW must modify their designs to meet different requirements, leading to inefficiencies and increased construction waste. Furthermore, the lack of alignment with other states results in higher compliance and training costs for NSW builders, putting them at a disadvantage.

Standardising LHDS at a national level would streamline planning, construction, and regulatory processes, ultimately reducing long-term costs for the industry while improving efficiency and consistency across jurisdictions.

## **3. What is your estimated cost to comply with a mandatory information requirement at the point of sale/contract?**

While no direct modelling has been provided, experience suggests that implementing a mandatory disclosure requirement (Option 2) would impose some compliance costs but would not effectively drive the adoption of accessible housing.

One of the key limitations of this approach is that customers typically do not prioritise accessibility until they need it, meaning disclosure alone would not generate a sufficient increase in the supply of accessible homes. Additionally, the voluntary nature of Option 2 fails to address the existing market failure, leaving people with disabilities and ageing Australians with limited housing choices.

Furthermore, failing to adopt the Livable Housing Design Standards (LHDS) would perpetuate NSW's reliance on costly home modifications, which currently amount to hundreds of millions of dollars annually. By contrast, incorporating accessibility features at the construction stage is a far more cost-effective and sustainable solution.

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<sup>8</sup> NSW Health, Health insurers rorting public hospital beds, 30 Sep 2024, last accessed 27 Feb 2025, <https://www.nsw.gov.au/media-releases/health-insurers-rorting-public-hospital-beds#:~:text=NSW%20Health%20estimates%20the%20average,bed%20at%20%241%2C075%20per%20day.>

<sup>9</sup> PDCN, Access Denied: The Experiences of People With Physical Disability Across the NSW Housing Sector

**4. Do you agree with the estimated cost of the livable housing design standard? If not, can you supply any alternate data to support your estimated cost?**

Yes, the estimated cost of implementing the Livable Housing Design Standards (LHDS) remains around 1% of the total build cost, aligning with previous modelling by the Australian Building Codes Board (ABCB).

There is strong evidence supporting the cost-effectiveness of early accessibility integration. Incorporating accessibility features at the design stage is much cheaper than retrofitting, making it a far more economical approach in the long term. Additionally, increasing the supply of accessible housing helps reduce government spending on social housing, NDIS modifications, and aged care costs by minimising the need for expensive home alterations<sup>10</sup>.

Furthermore, NSW currently lags behind other states that have already adopted LHDS, leading to higher industry costs due to regulatory inconsistencies. Aligning with national standards would help streamline construction processes and reduce long-term expenses for both the industry and government.

**5. What is your supported option and why? Please provide the reasons for your supported option.**

The preferred option is **Option 3: Adopt the Design Standards with Exemptions**.

There are several compelling reasons to support Option 3. First and foremost, it upholds dignity and promotes disability inclusion by ensuring that homes are accessible to all. While PDCN would also accept option 4, option 3 represents a more pragmatic approach, allowing NSW to align with other states while accommodating legitimate site constraints such as sloping land, flood-prone areas, and small lots.

From a financial perspective, this option is cost-effective, as it reduces the long-term expenses associated with home modifications, aged care, and NDIS support. This is particularly critical in the context of the current housing crisis, which disproportionately impacts people with disabilities.

Furthermore, adopting a nationally consistent approach brings economic benefits by enabling builders to standardise materials and work practices, reducing waste and minimising confusion within the industry.

**6. What is the best possible implementation approach to impose the least amount of cost and disruption to the sector?**

A phased implementation approach with a short delay would be the most effective strategy for ensuring a smooth transition. A gradual transition period of six to twelve months would allow the industry sufficient time to adapt to the changes, especially since there is a huge range of guidance and tools that have already been developed in other states and territories to support them to get up to speed quickly. During this period, it is essential to provide clear guidelines and targeted training for builders to ensure they understand and can effectively implement the new requirements. Additionally, careful monitoring and evaluation of exemptions will be necessary to prevent the emergence of unnecessary loopholes that could undermine the intended outcomes. To further

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<sup>1010</sup> [Renovations as stimulus? Home modifications can do so much more to transform people's lives](#)

support the transition, government incentives such as subsidies or grants should be made available to assist builders and developers in adapting to the new standards.

**7. If the Government were to adopt the LHDS in some form, what additional exemptions or concessions should be considered?**

To address legitimate site constraints, certain exemptions should be considered. These include sloping land where compliance would necessitate extensive earthworks, flood-prone areas where accessibility modifications may be technically unfeasible, and very small lots where space limitations make compliance impractical. However, these exemptions must be carefully monitored and developed in agreement with NSW Disability Advocacy organisations and the Institute of Architects NSW Chapter to ensure they do not inadvertently undermine broader accessibility goals.

**Conclusion**

Option 3 (Adopt the Design Standards with Exemptions) is the smartest choice—striking the right balance between accessibility, industry feasibility, and cost-effectiveness. Building accessibly from the start is 22 times cheaper than retrofitting, saving households and governments from costly modifications down the track. This option ensures more accessible housing, cuts long-term costs, and aligns NSW with national and international commitments on disability and ageing. Sticking with the status quo is simply too costly—Options 1 and 2 will only deepen the housing crisis, undermining the health, dignity, and independence of people with disabilities. It’s time for NSW to build homes that work for everyone.



## Appendix

### Pros and Cons of the Discussion Paper Options

#### **Option 1: Maintain the NSW state variation to not adopt the Design Standards in NSW**

This option would involve no change to the status quo on livable housing in NSW. The Government would commit to renewing its existing NSW State Variation in the NCC which amends the national provision on livable housing in Volumes One and Two of the Building Code of Australia (BCA) from applying in NSW. LHDS would continue to be a voluntary option for residential building work in NSW.

<b>Summary: Leaves NSW behind, failing to meet accessibility needs</b>	
<b>Pros</b>	<b>Cons</b>
No additional regulatory burden or compliance costs for developers.	<b>Inconsistency adds design costs:</b> Builders operating in <b>NSW vs other states</b> must manage different design standards, creating inefficiencies and extra costs.
	Leaves accessibility to market forces, leading to insufficient supply of accessible homes.
	Increases long-term costs for retrofitting homes as accessibility needs grow. NSW Land and Housing Corporation spends <b>\$12.9 million annually</b> on home modifications, while icare spends <b>\$6.5 million annually</b> —costs that could be reduced with more accessible housing.
	Higher reliance on social housing, aged care, and NDIS-funded home modifications.
	Fails to align with Disability Royal Commission (DRC) and NDIS Review recommendations.

#### **Option 2: Keep the adoption voluntary with mandatory disclosure requirements on livability options at the point of sale**

This option would involve no change to the status quo on the application of livable housing in NSW in that LHDS would remain voluntary only. However, home builders would be required to provide customers with readily available information about LHDS so they may consider the design options before entering new build contracts for Class 1a and Class 2 developments when buying off the plan.

<b>Summary: Still failing to meet accessibility needs and does not address market failure</b>	
<b>Pros</b>	<b>Cons</b>
Lower regulatory burden for builders compared to mandatory adoption.	Many buyers may not prioritise accessibility until they need it, missing early intervention benefits.
	Does not address systemic market failure, as developers are not incentivised to build accessible homes.
	Leaves people with disabilities and ageing Australians with limited housing options.
	No guarantee accessibility features will be widely available in the housing market.

	The same risks as Option 1 remain, meaning NSW would still face long-term costs in home modifications and aged care.
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### Option 3: Adopt the Design Standards with exemptions (**Preferred option**)

This option would entail the government committing to the adoption of the design standards for livable housing throughout NSW for Class 1a (Dwellings) and Class 2 (Sole Occupancy Units – apartment buildings) developments.

Adoption could also be supported by additional tailored exemptions for certain developments subject to site complications or restraints. If adopted, commencement options can be considered including a delay to commencement in acknowledgement of the potential impact on operations and customer contracts.

<b>Summary: PREFERRED OPTION; aligning with national standards while allowing flexibility.</b>	
<b>Pros</b>	<b>Cons</b>
Brings NSW in line with other states (VIC, QLD, SA, TAS), providing regulatory consistency for developers and since other states have already adopted LHDS, NSW can learn from their implementation strategies to improve rollout.	Some developers may resist change and lobby for broader exemptions.
Balances accessibility goals with industry concerns, allowing exemptions for genuine site constraints (e.g., sloping land, small lots).	Tracking and reviewing exemptions would require government oversight.
Ensures more accessible housing stock over time, reducing reliance on social housing, NDIS home modifications, and aged care.	Delayed commencement may slow down the immediate benefits of accessibility reform.
Short transition period allows developers time to adjust while maintaining reform momentum.	
Lower long-term costs for homeowners and government by integrating accessibility from the outset.	
Reduces building waste; Aligning with national standards allows builders to standardise materials and designs, reducing construction waste.	

### Option 4: Full adoption of the Design Standards

This option would require the NSW Government to seek removal of the current state variation in the NCC relating to national provisions on livable housing at the next publication.

This option would mean that all new Class 1a Dwellings and Class 2 Sole Occupancy Units (SOUs) would need to demonstrate compliance with the new edition of the NCC within the transition period set by Building Ministers and would also be required to be constructed in compliance with the design standards for livable housing.

<b>Summary: Strongest accessibility outcome but less feasible due to industry resistance.</b>	
<b>Pros</b>	<b>Cons</b>
Maximises accessibility benefits, ensuring all new homes are designed for people with disabilities and an ageing population.	Most challenging to implement, likely to face strong industry resistance.
Long-term cost savings by preventing expensive retrofitting and home modifications.	Does not accommodate legitimate site constraints, which could create feasibility issues for some developments.
Meets national commitments under the Disability Royal Commission, NDIS Review, and UNCRPD.	Likely to be politically difficult to pass without amendments.
Reduces pressure on social housing, aged care, and healthcare services.	
Provides certainty and consistency across all developments, eliminating exemptions that could limit accessibility.	