

The purpose of the policy guideline is to provide a consistent and equitable approach in managing client contributions or rent, and any situations of financial hardship within Specialist Disability Accommodation (SDA) and Supported Independent Living (SIL) including:

- Rent for properties which are owned or managed by Life Without Barriers (LWB) including SDA and non-SDA; and/or
- Household expenses where clients are supported by LWB in individual or shared arrangements (including SIL and ILO).

### **Summary**

Paying rent and living expenses is part of leading an independent life in the community. People in shared living arrangements pay rent separately and share household and living expenses such as electricity, gas, water bills, whitegoods, and shared furniture in the common areas. People share food and household groceries in some instances.

Whilst the National Disability Insurance Scheme (NDIS) and Disability Support for Older Australians Program (DSOA) provide funding to SDA providers to cover some housing costs such as maintenance, clients are expected to pay rent to the SDA provider. For non-SDA housing options provided by LWB, clients are also expected to pay rent.

As people with disability have access to income support provided by the Commonwealth Government, the NDIS and DSOA do not fund the clients' living expenses. LWB as a SIL provider is not allowed to include rent and/or household and living expenses in the client's SIL quote or claim it through NDIS or DSOA funding.

Whilst clients are required to pay rent and contribute to household and living expenses in a shared living arrangement and receive income support, some may experience financial hardship impacting on their capacity to contribute these payments, temporarily or on an ongoing basis.

### **Who should read this document?**

All Disability and Aged Care staff working with clients in SDA/SIL shared living arrangements, clients living in SDA/SIL shared living arrangements and their Authorised Financial Decision Makers (AFDM) and/or supporting family members.

### **The meaning of terms and words used in this document**

**Age Pension** is the total payment an eligible person receives from the government to help support their living situation as an aged pensioner.

**Authorised Financial Decision Maker (AFDM)** is the client, or if the client lacks capacity, this is the formally or informally appointed person that makes the decisions regarding the client's finances.

**Centrepay** is a free bill paying service operated by Centrelink which allows individuals to arrange regular deductions from Centrelink payments to pay bills.

**Disability Supports for Older Australians (DSOA)** refers to the scheme to provide support arrangements to people with disability who currently receive state-administered specialist disability services but do not meet the access requirements outlined in the National Disability Insurance Scheme (NDIS) Act 2013. The program aims to support older people to achieve similar outcomes to those they were achieving prior to being transitioned to new arrangements. Eligible clients will be transitioned to DSOA at the time the NDIS is rolled out in their region.

**Disability Support Pension (DSP)** is the total payment an eligible person receives from the government to help support their living situation as a disability pensioner.

**Energy Supplement** is an extra payment that an eligible person receives from the government to help with energy costs.

**Indexation** is an inflation factor applied to Centrelink benefits and other funding arrangements as well as general expenditure that represents the increasing cost of living.

**Individualised Living Options (ILO)** is NDIS funding for supports to live independently or in a range of shared living options. Support is highly individualised for each person.

**Household and Living Expenses** include things like electricity, gas, water bills, whitegoods, and shared furniture in common areas as well as food and household groceries in some instances.

**Maximum Reasonable Rent Contribution (MRRC)** is the maximum reasonable rent contribution allowable under NDIS Rules.

**National Disability Insurance Scheme (NDIS)** is a scheme of the Australian Government that funds costs associated with disability.

**Pension Supplement** is a regular extra payment to help with utility, phone, internet, and medicine costs that an eligible person receives from the government.

**Reasonable Rent Contribution (RRC)** is the payment required for the rental of the property at which the client resides.

**Specialist Disability Accommodation (SDA)** refers to accommodation for NDIA participants who require specialist housing solutions to cater for their significant functional impairment and/or very high support needs. SDA residents are required to make a Reasonable Rent Contribution to their SDA provider.

**Supported Independent Living (SIL)** is NDIS funding for assistance and/or supervising tasks in daily life in a shared living environment, with a focus to develop the skills of individuals to live as autonomously as possible. The support is provided to each person living in a shared arrangement in accordance with their need as assessed by the NDIA.

## Principles

- LWB respects a client's right to independence and choice and control in decision making about how their living expenses are managed.
- Requirements under legislation or standards (e.g., NDIS or DSOA Practice Standards and Quality Indicators) must be followed where they apply to a client's contributions and household expenses.

- A client’s ability to independently manage payments for shared utilities depends on the payment requirements of utility companies.
- Clients and/or AFDMs collectively negotiate shared household expenses to make it work practically in the home with options for LWB managed or self-managed arrangements being available.
- Clients living in SDA/SILS shared living arrangements are required to pay rent and contribute to shared household expenses.
- Clients may experience financial hardship that impacts on their ability to pay rent or client contribution to cover household expenses.
- A systematic and consistent approach must be applied to assess financial hardship and consider the suspension, reduction or waiving of client contributions.
- LWB will provide support to clients and/or their AFDM to manage their finances with respect and sensitivity.

## Client Contribution

### Why are client contributions required?

Client Contributions are required as they pay for your household and living expenses. LWB has adopted NDIS guidelines in relation to rent and client contribution to household and living expenses (board) in line with the following *National Disability Insurance Scheme Pricing Arrangements for Specialist Disability Accommodation 2021-22*.

25. Whether or not the participant receives the Disability Support Pension under the Social Security Act 1991 and no matter their age, **the rent** that they pay cannot be greater than the MRRC (Single).

35. Whether or not the participant receives the Disability Support Pension under the Social Security Act 1991 and no matter the participant’s age, **any board** must not exceed a maximum amount (see Table 1) that is:

The maximum DSP rate is used to calculate the client contributions. This might be different from the pension amount the client receives. A summary of the contribution rates of DSP and other income assistance paid by the client to cover rent and shared household expenses is provided as follows.

	Shared Household Expenses	Reasonable Rent (receives DSP)	Reasonable Rent (no DSP)
Disability Support Pension	50%	25%	25%
Pension Supplement	NA	25%	NA
Energy Supplement	100%	NA	NA
Commonwealth Rent Assistance	NA	100%	100%

### What expenses are covered by rent?

Reasonable Rent Contribution (RRC) is payment made by the client to cover the costs associated with housing provision where the client resides.

### **What shared household expenses are covered by the client contribution?**

As part of individual or shared living arrangements supported by LWB, all clients pay a contribution to cover:

- Household expenses critical to maintaining a safe and comfortable living environment.
- Shared grocery items that can be LWB managed or self-managed as decided and agreed by all clients/residents; and
- Utility costs that can be LWB managed or self-managed as decided and agreed by all clients/residents.

## **Financial Hardship**

### **What is financial hardship?**

Financial hardship occurs when a client is unable to contribute to cover rent or household and living costs or expenses due to financial reasons.

### **How are financial hardship applications assessed?**

The client or their AFDM must provide detailed information to support their application for financial hardship.

### **Assessing a financial hardship application and making a decision**

Once a financial hardship application is received, LWB will establish an internal panel and they will undertake a detailed review of the information provided in the application.

Following assessment and careful consideration of the client's application, the panel will reach a decision on whether the payment should be reduced or waived due to financial hardships.

### **Can the panel's decision be reviewed?**

All clients have a right to request a review of any decision made in relation to their application.

The client and/or their AFDM can request an internal review of the panel's decision by the Executive Director, Disability and Mental Health.

The client and/or their AFDM always have the option of lodging a complaint with the NDIS Quality and Safeguards Commission or Aged Care Quality Safety Commission as relevant if they are unsatisfied with LWB's processes or decisions.

## **Related Documents**

The Client Contribution and Rent (Disability) Policy Guideline must be read in conjunction with the following documents:

- Client Contributions Disability Procedure
- Client Contributions Disability Financial Hardship Procedure