



FAITH HOUSING AUSTRALIA

# Submission on Streamlining and Modernising the National Construction Code

February 2026





# Enabling Mission-Driven and Community Housing Delivery through NCC Reform

## Streamlining and Modernising the National Construction Code

### Commonwealth Treasury Consultation – February 2026

#### 1. Executive Summary

Faith Housing Australia (FHA) welcomes the opportunity to contribute to the Commonwealth Treasury's consultation on Streamlining and Modernising the National Construction Code (NCC).

FHA represents a national network of faith-based and mission-driven community housing providers and allied organisations delivering social, affordable, and specialist housing across Australia. Our members collectively support tens of thousands of low-income households and are actively engaged in unlocking underutilised faith-owned land and assets for housing outcomes.

From FHA's perspective, the NCC plays a critical role in safeguarding building quality, safety, and sustainability. However, its increasing complexity, inconsistent implementation, and limited adaptability to diverse delivery models are constraining the capacity of not-for-profit and community-based providers to contribute at scale to national housing objectives.

This submission argues that effective NCC reform must:

- Reduce unnecessary regulatory burden without compromising safety or quality;
- Enable adaptive reuse, retrofit, and medium-density development;
- Support modern methods of construction (MMC);
- Improve governance, transparency, and stakeholder engagement; and
- Ensure the Code is accessible and usable for smaller, community-based providers.

FHA supports a streamlined, digitally enabled, and principles-based NCC that recognises the distinctive role of mission-driven housing providers in delivering long-term public benefit.

#### 2. About Faith Housing Australia

Faith Housing Australia is the national peak body representing faith-based and mission-driven organisations engaged in social and affordable housing, homelessness services, and community development.

Our members include registered community housing providers, specialist homelessness services, and faith-based organisations with significant land and asset holdings. Many members operate in regional, suburban, and growth-area contexts and are major contributors to place-based renewal.

FHA's purpose is to enable and scale housing delivery through:

- Policy advocacy;
- Capacity building;
- Cross-sector partnerships; and
- Unlocking underutilised land and infrastructure.

Our members are typically long-term stewards of community assets and prioritise housing outcomes over financial return. Regulatory efficiency and certainty are therefore critical to sustaining their delivery pipelines.

### 3. Strategic Context

Australia faces a persistent shortfall in social and affordable housing. Meeting national targets under the National Housing Accord will require mobilisation of non-traditional delivery partners and landholders.

Faith-based organisations collectively control substantial land holdings, often in well-located urban and suburban areas. These assets present significant opportunities for infill, medium-density, and mixed-use development. However, regulatory barriers frequently undermine project feasibility.

FHA members report that NCC complexity and uncertainty contribute materially to:

- Project delays;
- Increased professional and compliance costs;
- Risk aversion by financiers and partners; and
- Reduced capacity to pursue smaller or innovative projects.

NCC reform must therefore be understood as a system enabler for community and not-for-profit housing delivery.

### 4. Theme One: Governance and Process

#### 4.1 Current Arrangements

FHA acknowledges the central role of the Australian Building Codes Board (ABCB) and the Building Ministers' Meeting in maintaining national consistency.

However, members report limited visibility of how community housing and not-for-profit perspectives are incorporated into NCC development. Engagement processes are often highly technical and dominated by large commercial stakeholders.

#### 4.2 Stakeholder Engagement

FHA recommends:

- Formal inclusion of community housing and not-for-profit representatives in advisory structures;
- Earlier consultation at policy design stages;
- Greater transparency regarding decision-making rationales; and
- Publication of regulatory impact assessments in accessible formats.

#### 4.3 Cadence of Updates

FHA supports a predictable, well-communicated update cycle with:

- Longer lead times;
- Transitional arrangements for smaller providers; and
- Clear implementation guidance.

Rapid or poorly signalled changes disproportionately affect mission-driven providers with limited compliance resources.

## 5. Theme Two: Complexity and Regulatory Burden

### 5.1 Minimum Standards and Best Practice

FHA supports the NCC's role as a minimum standards framework. However, clearer pathways should be established to recognise and encourage best practice without imposing mandatory cost burdens.

### 5.2 Duplication and Inconsistency

Members report significant duplication between NCC requirements, state variations, and local government controls. This is particularly problematic for multi-site providers operating across jurisdictions.

FHA recommends:

- Systematic review of state variations;
- Harmonisation of core provisions; and
- Clear national guidance on acceptable compliance pathways.

### 5.3 Cost and Productivity Impacts

Compliance with performance solutions frequently requires extensive consultant input and documentation, imposing disproportionate costs on smaller developments.

FHA supports:

- Simplified deemed-to-satisfy pathways;
- Standardised performance templates; and
- Expanded use of pre-approved solutions.

## 6. Theme Three: Usability and Accessibility

### 6.1 Digital Delivery

FHA strongly supports digital transformation of the NCC, including:

- Machine-readable formats;
- Interactive compliance tools;
- AI-enabled guidance; and
- Integration with planning and certification systems.

### 6.2 Access to Standards

Paywalled and fragmented access to referenced standards creates significant barriers.

FHA recommends:

- Public access to essential referenced materials; or
- Subsidised access for registered not-for-profit providers.

### 6.3 Language and Navigation

Simplified language, practical examples, and sector-specific guidance notes would materially improve compliance capacity.

## 7. Theme Four: Innovation and Housing Diversity

### 7.1 Modern Methods of Construction

FHA supports greater recognition of MMC, including modular and prefabricated systems, through:

- Expanded deemed-to-satisfy options;
- National accreditation pathways; and
- Reduced reliance on bespoke performance solutions.

### 7.2 Retrofit and Adaptive Reuse

Many faith-based housing projects involve conversion of existing buildings, including halls, schools, and aged-care facilities.

Current classification and compliance pathways are often unclear and inconsistent.

FHA recommends:

- Dedicated retrofit provisions;
- Clear classification guidance; and
- Proportionate compliance frameworks.

### 7.3 Diverse Housing Models

The NCC should better accommodate:

- Medium-density housing;
- Mixed-use developments;
- Supported accommodation; and
- Transitional housing models.

## 8. Priority Reform Recommendations

FHA recommends that the modernisation program prioritise:

1. Establishment of formal community housing representation in NCC governance;
2. Reduction of state and territory variations;
3. Development of standardised performance solution templates;
4. Public access to essential standards;
5. Digital, interactive NCC platforms;
6. Dedicated retrofit and adaptive reuse pathways;
7. Expanded MMC deemed-to-satisfy provisions; and
8. Tailored implementation guidance for not-for-profit providers.

## 9. Illustrative Project Impacts (Member-Informed Examples)

The following anonymised examples reflect common experiences reported by FHA members across multiple jurisdictions.

### Example 1: Metropolitan Faith Land Redevelopment

A metropolitan faith-based organisation sought to redevelop surplus land adjacent to an existing place of worship into a 45-dwelling mixed social and affordable housing project.

- The project experienced prolonged delays due to uncertainty regarding building classification and fire safety requirements.
- Multiple performance solutions were required, each involving specialist consultants.
- Approval timeframes extended by approximately 18 months.
- Additional compliance costs exceeded \$450,000.

These delays reduced financial viability and deferred housing outcomes for vulnerable households.

### Example 2: Regional Modular Housing Project

A regional community housing provider partnered with a modular manufacturer to deliver 12 dwellings for older women at risk of homelessness.

- Despite use of a nationally recognised modular system, bespoke performance solutions were required.
- Inconsistent interpretation by local certifiers created further delays.
- Documentation and compliance costs represented more than 12 per cent of total project value.

As a result, project scope was reduced and planned community facilities were removed.

### Example 3: Adaptive Reuse of Former Aged Care Facility

A faith organisation proposed conversion of a former aged care facility into transitional housing.

- Unclear pathways for change-of-use classification led to repeated redesign.
- Jurisdictional variations imposed additional accessibility and fire upgrades beyond national requirements.
- Financiers required extended due diligence due to regulatory uncertainty.

The project was ultimately delayed by more than two years, postponing accommodation for over 60 individuals.

## Systemic Implications

Collectively, these examples demonstrate that regulatory uncertainty and complexity:

- Increase development risk;
- Discourage smaller-scale and community-led projects;
- Reduce total housing yield; and
- Divert limited capital away from direct service provision.

These impacts translate directly into lost housing supply and diminished community benefit.

## 10. Strategic Alignment with Commonwealth Priorities

FHA's recommendations are closely aligned with the Commonwealth's housing, productivity, and social policy objectives.

In particular, streamlined and proportionate regulation will:

- Support delivery under the National Housing Accord;
- Improve the effectiveness of Housing Australia programs;
- Enhance value for public investment; and
- Strengthen partnerships between government and the community sector.

By enabling faster, more reliable project delivery, NCC reform can materially increase the return on Commonwealth housing investments.

## 11. Conclusion

Faith Housing Australia strongly supports the Commonwealth's commitment to streamlining and modernising the NCC.

Effective reform presents a significant opportunity to unlock community-led housing delivery, improve construction productivity, and accelerate the supply of safe, high-quality, and affordable homes.

For mission-driven providers, regulatory certainty and proportionality are essential to sustaining long-term delivery pipelines.

FHA stands ready to work constructively with Treasury, the ABCB, and state and territory governments to support implementation of these reforms.

We would welcome ongoing engagement, participation in reference groups, and opportunities to pilot new regulatory approaches in partnership with government.

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