Productivity Commission Interim Report
Investing in cheaper, cleaner energy and the net zero transformation

Submission by the Resilient Building Council (RBC)

3. Addressing Barriers to Private Investment in Adaptation

Response to Information Request 3.1

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EXECUTIVE SUMMARY

Australia has a national resilience rating system that is unlocking private investment in adaptation, improving insurance and finance access and affordability, and future-proofing housing, communities and the broader economy.

The Resilient Building Council (RBC) has dedicated the last eleven years to research, development, and cross-sector collaboration to launch the Multi-Hazard Resilience Ratings Scheme (the Ratings) in partnership with governments, research institutions, high-risk communities, insurers, banks and investors.

Empowering households with trusted, independent expert information and multiple assessment pathways including on-site assessments, free self-assessment and customised action plans, has successfully delivered tens of thousands of assessments and national insurance pricing integration and discounts, in less than two years.

Since the Ratings Scheme was launched in October 2023, over 57,000 households have completed assessments, 18,300 households have taken at least three recommended actions, investing over $206 million in home upgrades.

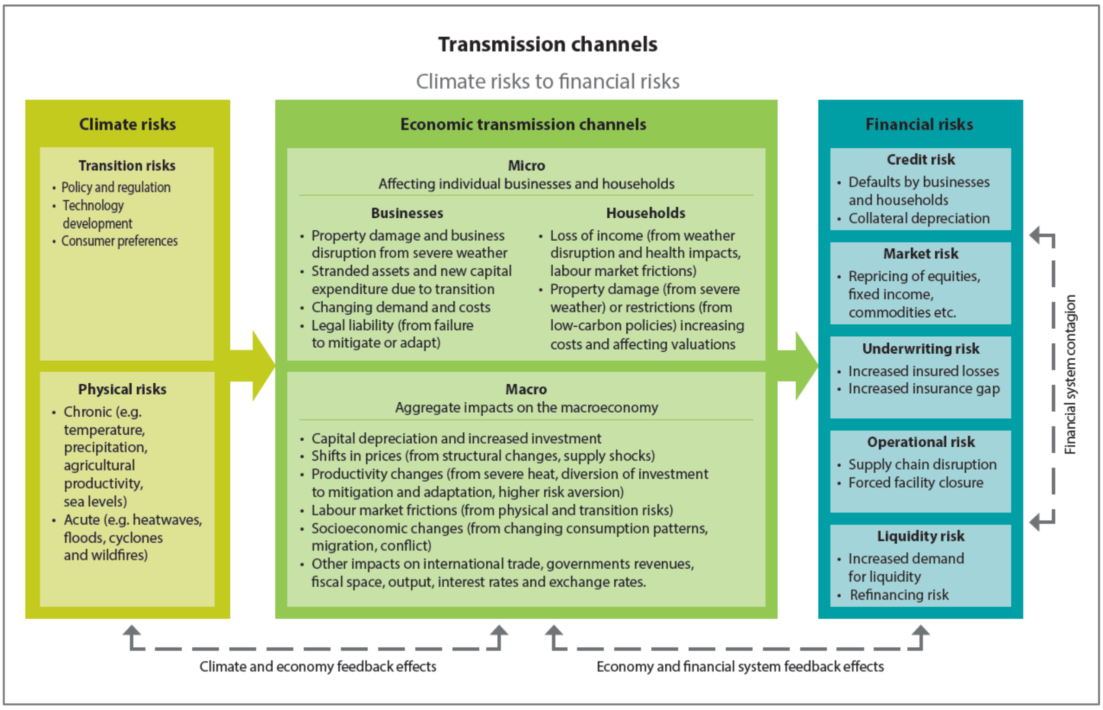
The Ratings are already delivering world-first systemic repricing of risk, enabling markets to recognise and reward resilience. Ratings-based insurance premium reductions are in-market across approximately half of the general insurance sector (AAMI, APIA, GIO, NRMA Insurance, Suncorp, and Shannons)[1], with additional insurers to follow in 2025.

National Australia Bank (NAB) has been piloting Ratings-based mortgage discounts, and RBC is working with other major banks on mortgage incentives and new resilience lending products, and integration with property valuation.

Adaptation and resilience are a multi-trillion-dollar global opportunity[2]. Conversely, physical climate risk is a multi-trillion-dollar threat, with Australian GDP losses of up to 14% by 2050 predicted[3]. Through the Ratings Scheme, RBC has identified clear market gaps and opportunities for Australia to lead the world in resilient net zero manufacturing, services and technology.

This submission responds directly to Information Request 3.1, addressing the role of self- and expert assessment, how resilience can be embedded in insurance pricing, the development of practical upgrade guidance, governance arrangements, and applications for households, builders, insurers, banks and governments.

[1] https://rbcouncil.org/certify-my-rating
[2] https://www.wri.org/news/release-wri-study-finds-climate-adaptation-investments-yield-massive-returns
[3] https://www.ngfs.net/en/publications-and-statistics/publications/ngfs-climate-scenarios-central-banks-and-supervisors-phase-v



Network for Greening the Financial System – Climate Risks[4]

Adaptation and resilience need to be integrated across all systems; however RBC's response will focus on the specific questions raised by the Productivity Commission regarding resilient housing.

To further accelerate private adaptation investment for resilient housing, this submission calls for substantial, long-term Commonwealth funding for RBC's Ratings Scheme, free assessments and property-level risk data, community capacity building and government-backed finance solutions.

RBC also proposes a national approach to data governance, privacy and security, open APIs and data standards, and a transparent monitoring, evaluation and learning (MEL) framework to track verified risk reduction, premium and lending benefits, and household investment and financial benefits.

[4] https://www.ngfs.net/en/publications-and-statistics/publications/ngfs-climate-scenarios-central-banks-and-supervisors-phase-v

RECOMMENDATIONS

To accelerate private investment in adaptation, RBC recommends adopting and scaling the national Resilience Ratings Scheme, aligning market signals, fast-tracking risk data, and embedding measurable targets, governance and finance mechanisms.

1. **Adopt & fund the Multi-Hazard Resilience Ratings Scheme**
   Provide long-term Commonwealth funding to scale home assessments, certification and integration into government programs, insurance and finance systems nationwide.

2. **Align policy, investment & market signals**
   Embed Ratings-linked incentives across insurance, lending, valuation, taxonomies and procurement to reward verified risk reduction.

3. **Fast-track national hazard risk mapping**
   Deliver open, high-resolution, nationally consistent hazard layers to support accurate property-level assessment and resilient planning.

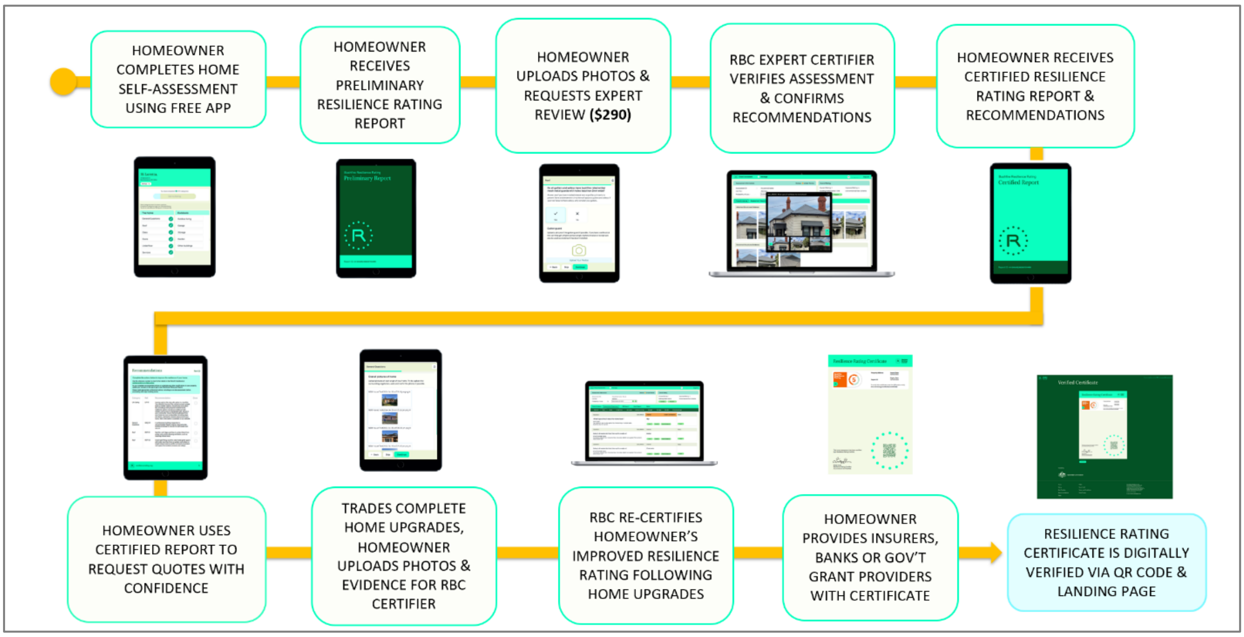
4. **Set measurable adaptation targets**
   Establish clear national targets (e.g., dwellings upgraded, average Rating uplift, avoided losses) and report progress publicly.

5. **Mandate Ratings**
   Phase in Ratings at key decision points (new builds, major renovations, disaster recovery, property sale/lease) to mainstream resilience.

6. **Catalyse investment & innovation**
   Deploy government guarantees, concessional finance and co-funding to crowd-in private capital and build a national market for upgrades.

RBC RESPONSE TO INFORMATION REQUEST 3.1

1. ROLE OF SELF-ASSESSMENT VERSUS EXPERT ASSESSMENT



Self-Assessment App – Consumer Journey

Q1: What should be the role of self- versus third-party assessment? What are the potential costs of different assessment approaches? And how might the choice of approach impact the information gathered?

The Multi-Hazard Resilience Ratings Scheme provides two complementary pathways to assessment for consumers:

1. **Free self-assessment** - households complete a structured questionnaire, upload photos and supporting documents, and obtain remote certification. This pathway is currently available for bushfire and is being extended to multi-hazard.

2. **On-site expert assessments** - trained assessors visit the property, collect the same core information, and likewise support remote certification. This pathway is available for multi-hazard and is particularly valuable for larger or more complex buildings, or for households that prefer in-person support.

RBC recruits assessors from a wide range of backgrounds, particularly from professions already visiting homes for other reasons, such as energy assessors, builders and trades, real estate agents, insurance assessors, building and pest inspectors, emergency services staff and volunteers, and social workers.

This enables resilience assessments to be offered as a value-add service for existing providers, and ensures assessors are embedded in communities so households can easily find local assessors without bearing unnecessary travel and time costs.

Assessment and verification roles are clearly separated to protect integrity:

- **Assessors** - either the household themselves (household assessor) via the self-assessment app, or accredited local assessors (expert assessor) collect the data inputs.

- **Certifiers** - qualified professionals (e.g., engineers, building surveyors, or supervisors) who do not conduct assessments; they independently validate inputs and outputs and issue the Rating and customised recommendations.

Certifiers use the Ratings' remote certification system to review assessment results, documents, photos and videos, and can request clarifications directly through a secure messaging portal. This process adds consistency, accuracy and confidence to both self-assessed and assessor-conducted pathways.

A dual-pathway model is essential to achieve both scale and depth. The self-assessment pathway minimises cost and friction for households, which is a prerequisite for insurers and banks to integrate Ratings into pricing at scale. It also has a strong education benefit: by 'walking their home' during the process, households learn about vulnerabilities they may never have considered, which makes them more likely to act on tailored recommendations than on generic advice.

Between 2021 and 2023, RBC compared 1,310 household self-assessments against on-site expert assessments of the same properties. Results showed that self-assessments were accurate but conservative, defaulting to reasonable worst-case assumptions where households could not supply detail (e.g., timber species or type of metal). On-site assessments avoided those assumptions by identifying details directly, often producing higher Ratings. In both pathways, certification provides insurer-grade confidence in the data.

On-site assessments are particularly helpful for complex or multi-hazard properties, for households recovering from disaster who value trauma-informed in-home support, and for those less comfortable with digital tools. Many households also appreciate the opportunity to discuss findings directly with assessors. These assessments are market-priced by assessors (similar to energy efficiency ratings), typically taking about an hour for a single-storey, three-bedroom home facing one hazard, or 90 minutes or more for larger or multi-hazard homes.

While technology and efficiencies can reduce assessment time, RBC's experience shows households consistently value time with assessors for discussion and guidance, so this aspect should be preserved. By combining free self-assessment, community-based assessor pathways, clear role separation, and remote certification, the Scheme keeps costs low while maintaining insurer-grade confidence in the data.

Q2: How can the rating system be developed to ensure a property's resilience is reflected in insurance premiums? For example: what type of information should be used to calculate ratings; how should that information be collected (self- versus third-party assessment); and how should insurers be involved in development of the system?

The Resilience Ratings have been co-designed with insurers since 2017 and align with how the industry measures and prices peril risk. The Ratings quantify property-level residual risk, translate to Average Annual Loss (AAL), and integrate directly into pricing and underwriting systems - a practical, scalable link between verified actions and premium benefits.

Ratings were developed with the first bank and insurer sponsors in 2019 - IAG and NAB - whose early support enabled subsequent banks and insurers to adopt the Ratings and develop insurance and finance incentives. The Insurance Council of Australia (ICA) has been a project partner since 2021. The methodology is validated by post-disaster loss surveys, retrospective claims analysis, and large-scale trials, informed by experts with research dating back to the 1980s.

In-market results are significant: for certified Bushfire Resilience Ratings of three stars and above, insurers reduce the peril component of premiums by up to 60 per cent, yielding total premium reductions of up to 21 per cent in high-risk areas.

Because flood and storm usually drive a larger share of premiums than bushfire, multi-hazard integration is expected to deliver greater net savings. Under the NEMA-funded national project, insurers and banks are reviewing 200 case studies to calibrate discounts across flood, storm and cyclone; multi-hazard discounts are expected in market in 2026.

Scaling is underway: about half of the general insurance market (AAMI, APIA, GIO, NRMA Insurance, Suncorp, Shannons) offers Ratings-linked discounts, with additional insurers launching in 2025. With household consent, RBC provides certified home-assessment data packs to insurers and banks via ICA and ABA to ensure nationally consistent, efficient integration.

Together, these factors confirm the Ratings as a viable, scalable, market-ready mechanism to embed verified adaptation in pricing, reduce systemic risk, and improve affordability and access to cover.

Q3: What entity or entities should take the lead in developing supporting material on upgrades that would improve properties' resilience?

Clearly defined responsibilities, based on core competencies, are essential to maintain technical rigour and usability.

Natural Hazards Research Australia (NHRA) and research partners should produce and periodically refresh detailed technical guidance grounded in the latest research and expert consensus - best-practice for resilient design and retrofit, aligned with and informing National Construction Code (NCC) minimum standards. This technical knowledge base should be refreshed on a three- to five-year cycle, with States and Territories continuing to publish supplementary guidance tailored to local housing typologies and planning contexts.

The Resilient Building Council (RBC) will continue to translate this science and general guidance into property-specific assessments and recommendations that are directly linked to Ratings outputs - step-by-step "how-to" photo and video instructions, indicative cost bands, and clear co-benefits. This translation is what drives action, incentives, pricing and investment: certification enables insurers to recognise verified risk reduction, banks to offer lending incentives, and governments to verify outcomes in grant and recovery programs.

These materials are embedded in assessment tools, reports and online guidance so that households, builders and trades receive practical, property-specific priorities. Insurers, banks and government grant systems use the same 'translated' outputs - via standard data packages and APIs - for pricing, product eligibility and program design, ensuring consistent signals across the market.

Users of the translated science (Ratings):

- **Households and businesses** - to understand risks and prioritise upgrades.
- **Builders and trades** - to scope and deliver consistent, verified upgrades.
- **Insurers and banks** - to integrate certified resilience into pricing, underwriting and lending.
- **Government grant and recovery programs** - to target funding, set eligibility and verify outcomes.

Synchronising release cycles across NHRA methodology, NCC updates, and RBC translational materials will keep content consistent, reduce market confusion, and lower implementation costs for all users.

Q4: What governance arrangements should be in place for both development of the rating system and supporting material?

The Scheme benefits from a governance model that combines independence, technical assurance, and structured collaboration with industry and government. At its core, an independent not-for-profit operator administers the Rating methodology, tools and certification processes, supported by a multidisciplinary Expert Panel (building science, engineering, actuarial/pricing, and behavioural science) and a formal Steering Committee includes Commonwealth and State agencies, local government and community representatives, with observer participation by insurers and banks.

The Scheme is co-funded by NSW and the Commonwealth and developed in partnership with ICA and leading universities, with NSW, VIC and QLD represented on the Steering Committee.

On 23 February 2024, the Hazards Insurance Partnership (HIP) confirmed that the development of its national Mitigation Measures Knowledge Base would be aligned with the Resilient Building Council's Multi-Hazard Resilience Ratings Scheme, formally linking the two initiatives.[5] The Australian Government and National Emergency Management Agency funded the Bushfire Resilience Rating and Multi-Hazard Resilience Ratings, co-funded by NSW Government. This recognition demonstrates strong alignment between government and industry and confirms the Scheme's role within a nationally coordinated resilience strategy.

Strong data governance and privacy safeguards are integral. Assessor and certifier roles remain strictly separated; all changes are audit-logged; and household data are collected with explicit, purpose-limited consent. Identifiable information is controlled by the household and only shared with third parties where the household opts in; de-identified aggregates inform public reporting and research.

Standardised data schemas, versioned methodologies, and open, documented APIs support portability and reduce implementation costs for insurers, lenders and valuers. Security controls include encryption at rest and in transit, least-privilege access, routine testing, and incident response aligned to the Australian Privacy Principles and OAIC guidance. Methodology notes, version histories, and certification quality metrics are published to maintain transparency and trust.

Given the Scheme's public-good characteristics and cross-portfolio relevance, a Commonwealth sponsor (for example, within the Climate Change Authority, NEMA or the relevant energy/climate department) provides stability, enables long-term funding arrangements, and ensures alignment with national adaptation and disaster-recovery policy.

Q5: How do you foresee that the rating system might be used by households and other parties, including regulators, local governments and builders?

The Resilience Ratings Scheme is already in use and can play a central role across the housing, finance, insurance and government sectors. Its value is demonstrated by how different stakeholders engage:

Households

[5] https://www.nema.gov.au/sites/default/files/2024-08/hip-communique---meeting-6---23-february-2024-final.pdf - *Communiqué, Meeting 6* (23 Feb 2024).

- **Entry point to resilience:** Use the free Ratings self-assessment tools to understand local hazards and property vulnerabilities, receiving a personalised, prioritised upgrade plan.
- **Unlock financial benefits:** Obtain certification to access insurance discounts (where available) and resilience-linked mortgage incentives or loans.
- **Prove improvements:** Re-certify after upgrades to secure further benefits and demonstrate resilience gains at point of sale.

Builders and Trades

- **Practical delivery:** Implement upgrades using Ratings-linked scopes of work, 'how-to' guides and checklists.
- **Skills and accreditation:** Access targeted training programs, expanding the national market for resilience products and services.

Assessors (energy, building/pest, insurance, real estate, community services)

- **Value-add services:** Offer Resilience Ratings home assessments within existing roles, particularly improving access in regional and remote communities.
- **Quality assurance:** Supply consistent, high-quality inputs that underpin certification outcomes.

Insurers

- **Integrate verified data:** Consume certified Ratings and residual-risk bands via APIs so peril components of premiums reflect verified improvements.
- **Target incentives:** Monitor portfolio risk reduction and direct incentives to actions with proven claims benefits.

Banks and Valuers

- **Finance innovation:** Incorporate certified Ratings into valuations, loan discounts and specialised resilience-finance products.
- **Risk disclosure:** Use verified data to support prudential requirements and climate-related financial reporting.

Regulators and Governments (including local government)

- **Track progress:** Measure adaptation outcomes (e.g., dwellings upgraded, rating improvements, avoided losses).
- **Inform planning:** Apply aggregated Ratings data to land-use planning, approvals, and identification of precinct-scale mitigation opportunities (e.g., levees, fire breaks, drainage).

- **Assess community investments:** Evaluate the cost-benefit of community-level mitigation actions and infrastructure investments, showing how they reduce risk and improve insurability for individual assets as well as neighbourhoods.
- **Verify funding outcomes:** Require or prioritise Ratings-linked upgrades in disaster recovery and mitigation funding, with certification verifying results.

Monitoring, Evaluation and Learning (MEL)

Current capability: RBC reports on completed assessments, certifications, upgrades undertaken, average rating uplift, % risk reduction, household investment leveraged, and LGA coverage.

Future capability with Commonwealth investment could include:

- **Community-scale cost–benefit analysis:** Assess the cost-benefit of community-level mitigation actions and infrastructure investments (e.g., stormwater upgrades, levees, fire breaks, green infrastructure), quantifying their impact on risk reduction and insurability improvements to individual assets.
- **Premium & peril analytics:** Track peril components and total premiums over time, linked to certified upgrades via insurer data sharing.
- **Finance & valuation metrics:** Show uptake of bank incentives and resilience performance against loan and property valuation benchmarks.
- **Public dashboards:** Provide near-real-time, suburb-level visualisation of assessments, upgrades, % risk reduction and avoided losses.
- **Equity focus:** Analyse distribution of benefits across vulnerable groups (low-income, rental, remote, First Nations).
- **Event validation:** Post-disaster assessments to update loss models and calibrate hazard modules.
- **Open standards & APIs:** Ensure consistency, interoperability and transparency across insurance, finance and planning systems.
- **Independent assurance:** Quarterly dashboards, annual reviews and a three-year refresh cycle aligned to NHRA and NCC updates.

Together, these applications confirm the Ratings Scheme as a practical, market-ready mechanism for embedding verified adaptation across all sectors - reducing systemic risk while delivering measurable benefits to households, industry and government.

SUPPORTING INFORMATION

ABOUT RBC

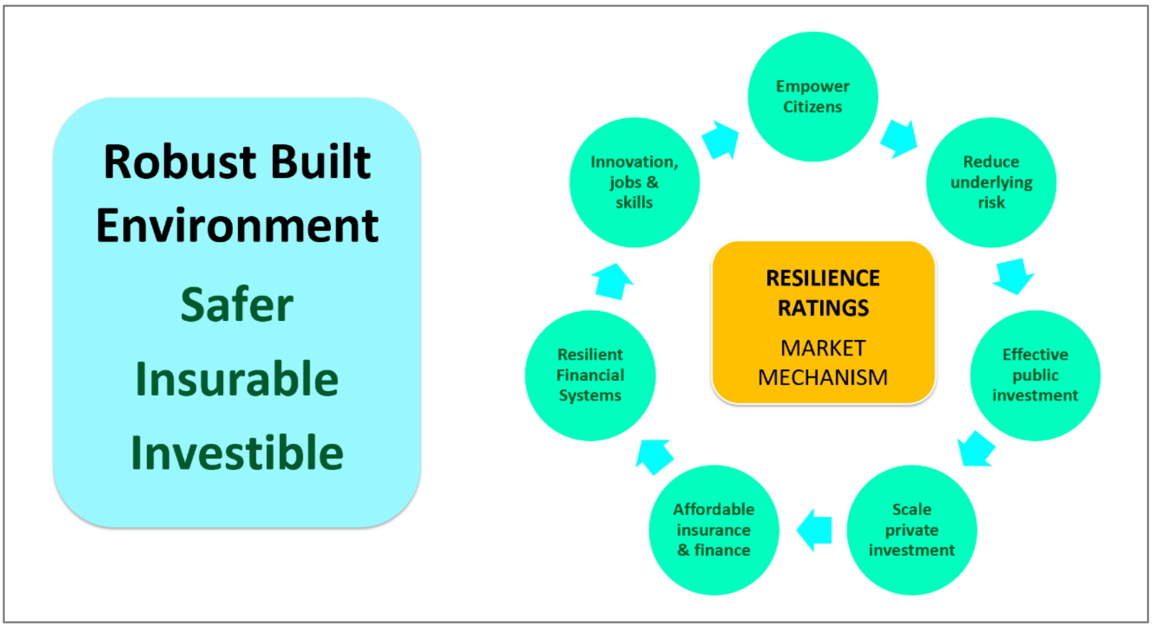
RBC's mission is to accelerate adaptation of the built environment for a safer, insurable, investible world.

RBC originated as a community group of over 3,000 people from Victoria seeking clarity on how to re-build with greater resilience following the 2009 Black Saturday bushfires. In 2014, RBC established as a national, not-for-profit, applied research organisation.

RBC is wholly independent. RBC does not represent or advocate for any industry or commercial interest. RBC does not sell insurance, lending or building products and certification services are delivered on a cost-recovery basis and are not tied to any vendor, product or insurer. RBC acts as a trusted steward between government, households, community and markets. Independence is essential to community confidence and to industry uptake, because it ensures that the same evidence base and certification standards apply to everyone - without commercial conflicts.

RBC's multi-disciplinary Expert Panel of building research scientists, engineers, architects, building practitioners, behavioural scientists, actuaries and other specialists, translate complex science into practical, customised actions to measurably strengthen the survivability, recoverability and insurability of individual buildings and precincts to local risks.

This work is delivered through the Ratings Scheme, to help households, businesses and communities know what actions will reduce risk to their individual property, and to enable insurers and banks to integrate quantified risk reduction into their underwriting and pricing.

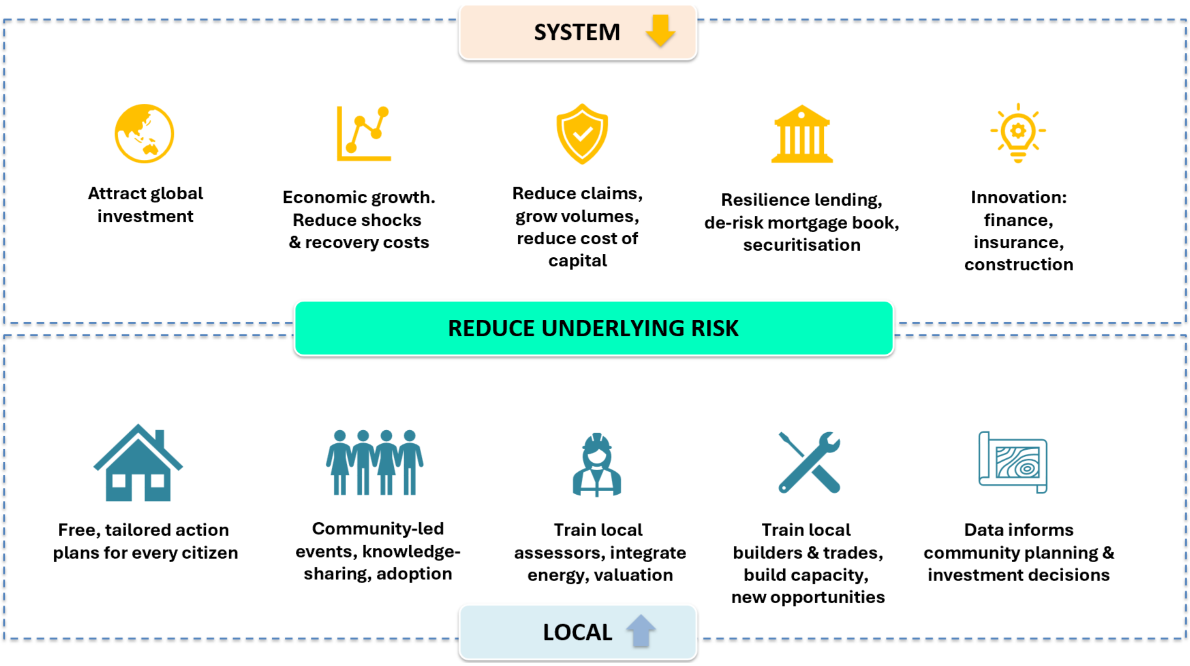


Resilience Ratings Strategy

RBC works to transform financial and social systems by providing a trusted, nationally consistent market mechanism to measure and verify risk reduction and unlock public and private investment in effective, efficient adaptation. The Ratings have already demonstrated tangible systems change, including world-first insurance pricing integration which is delivering savings to consumers across the country.

The Ratings Scheme has approached transformational systems change through a combined systems (top down) and local (bottom up) approach. To achieve traction with consumers and markets, RBC has invested over a decade into community engagement and co-design, training for local assessors, builders and trades, partnerships with local governments, consumer advocates and community-based NGOs, as well as deep cross-sector collaboration with insurers, banks, investors, regulators and agencies.

This dual approach is required to ensure adaptation action is relevant at the community and individual property level and can be recognised and rewarded by markets and integrated into pricing, valuation, public policy, investments and programs.



Resilience Ratings Dual Approach to Reducing Underlying Risk

WHY DO WE NEED TO INCREASE THE RESILIENCE OF BUILDINGS?

RBC has designed the Resilience Ratings to help individuals, markets and governments direct investment to the most efficient and effective adaptation actions to address the root causes of damage and losses. This integrated approach to climate change mitigation and adaptation provides harmonised pathways for adapting buildings for flood, bushfire, storm and heatwave resilience *and* energy efficiency.

The problems RBC works to solve, such as protecting life and property, insurance unaffordability and the increasing protection gap, access to finance, devaluation of property, capital flight[6], and unsustainable recovery costs – requires *reducing the underlying risk*.

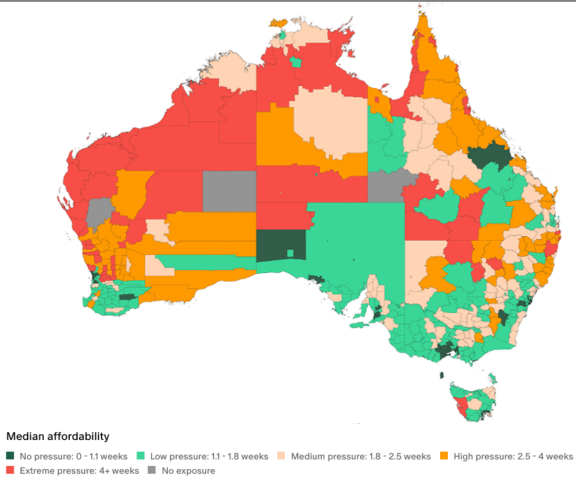
If underlying risks aren't addressed, the cost of capital and risk transfer solutions such as insurance and reinsurance, continue to rise and become scarcer. This increases systemic financial risks, and impacts cost of living pressures for all Australians, not just those in high-risk areas.

Better protect life, health, livelihoods, homes, businesses, community services, productivity, housing supply, sustainable regions & investment

15% of Australian households can't afford insurance (2024), an increase of 30% from 2023

Insurance is essential for finance, without insurance, households can't get a home loan, business loan

An adapted built environment that is **fit-for-purpose** as extreme weather & disaster risks increase



Home Insurance Affordability & Home Loans at Risk, Actuaries Institute, August 2024

Insurance affordability & access to finance – growing systemic financial risk

RBC creates and advocates for practical pathways at the systems, community and individual levels, to measurably reduce underlying risk.

The section below – *Resilience Beneficiaries – Roles and Levers*, provides examples of how governments and companies can catalyse private investment in adaptation and generate value. In addition, aggregated, verified Ratings data enables governments, insurers, banks and other companies to demonstrate measurable risk reduction to investors and markets. Investors expect companies to address these risks and opportunities through mandatory climate disclosures and will direct capital to companies and regions adapting to climate change[7].

The households and businesses that RBC supports through its programs are experiencing these issues on the ground - particularly in flood prone regions, where insurance unaffordability, inability to sell, move or get a mortgage, is driving severe financial hardship and personal distress.

The Resilience Ratings Scheme directly addresses longstanding recommendations from major national and state inquiries into natural disasters and insurance. These inquiries have

[6] https://igcc.org.au/activating-private-capital-for-climate-adaptation/
[7] https://igcc.org.au/topic/physical-impacts-resilience/

consistently highlighted the need for clear household-level risk information, nationally consistent resilience tools, and financial incentives to reward risk reduction.

Not able to access insurance
Previously could access building insurance without flood cover, can no longer access flood opt-out insurance. Insurance quotes $30K +

If home damaged or destroyed, for any reason, **life wealth gone – no insurance.**

Can't re-finance or access new finance without insurance

Can't sell. Buyers can't access insurance or finance. Households getting offers 50% below original purchase price by cash buyers

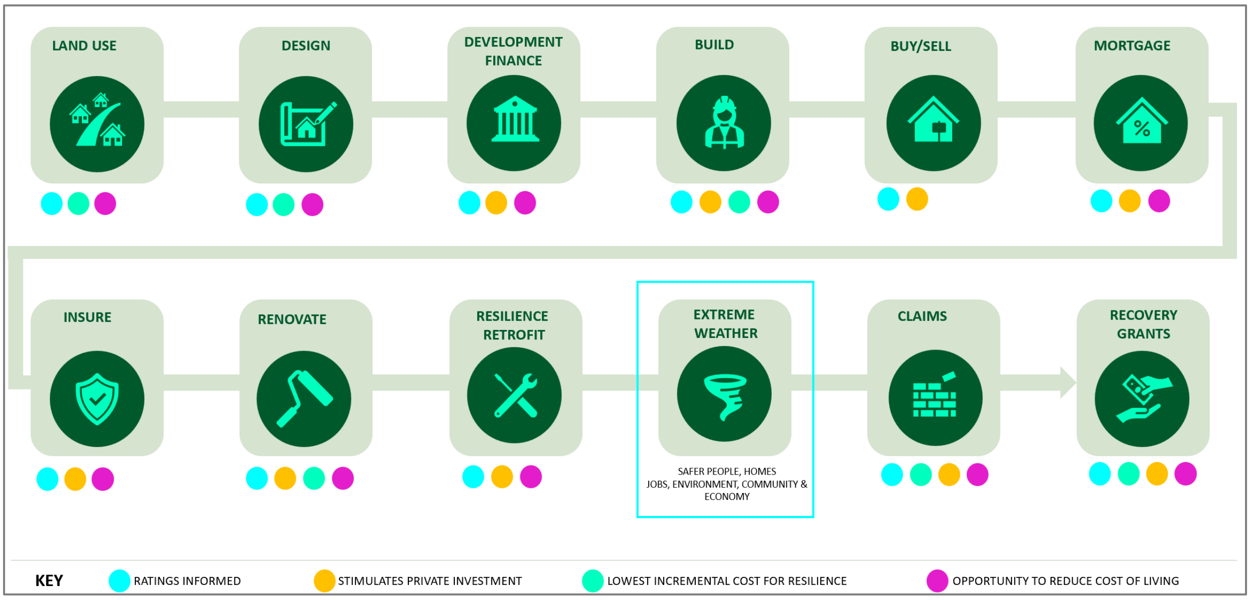
No options - emotional & financial ruin

Households & businesses – impacts of lack of access to insurance and finance

INCREASING THE RESILIENCE OF HOUSING

RBC advocates for a range of solutions to address underlying risk to the built environment, including relocation, retrofitting, raising, better land-use planning, resilient repairs and re-building (rather than like-for-like), upgraded infrastructure and market incentives.

There are opportunities to improve resilience at every point over the lifecycle of buildings, with the lowest incremental cost for adaptation occurring at the land-use planning, new build design and post-disaster recovery phases.



Building lifecycle – opportunities for increased resilience

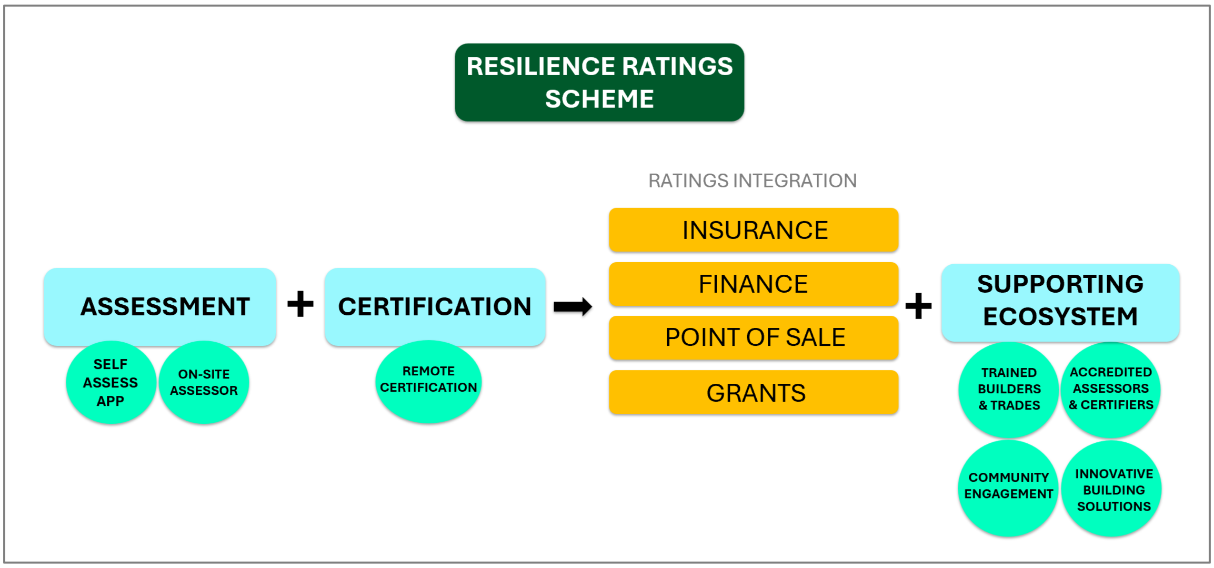
RBC has prioritised adapting legacy buildings and resilient repairs/re-building due to the scale of vulnerability in our existing building stock. The proposed next phase of the Ratings will help developers and building designers increase the resilience of new buildings and precincts and provide incentives such as cheaper finance and fast-tracked approvals, in collaboration with banks, investors and local councils.

Another low-cost point of intervention is shifting the 'like-for-like' approach to post-disaster repairs of buildings to resilient recovery. The Ratings could be used by households, insurers and governments to 'build back better', where Ratings assessments could be integrated into claims assessments and Commonwealth, State, Territory and local government disaster resilience and recovery funding programs.

RATINGS TIMELINE

The Multi-Hazard Resilience Ratings have been a long-term, collaborative effort to translate complex science into actionable, investible adaptation plans for Australian residents.

RBC has focused its efforts on two streams of work - building the national Resilience Ratings Scheme and tools, and place-based projects to support local capacity building, adoption and scale.



Resilience Ratings System & Tools

The following projects have been delivered to develop, test and launch the Resilience Ratings:

Partners	Projects Completed	Year
CSIRO, QUT, IAG, NAB, BlueScope	Bushfire Resilience Rating Methodology	2020
NEMA, NSW RA, QRA, NAB, IAG	Resilience Investment Vehicle[8] Resilience Ratings are the only project to have successful scaled private investment in resilience	2022
NRMA Insurance, James Cook University Cyclone Testing Station (CTS), University of Wollongong Sustainable Buildings Research Centre (UOW SBRC), Shoalhaven City Council,	FORTIS House[9] Free Multi-Hazard New Build Designs 2-year community resilient recovery project, co-designed with 140 households impacted by the 2019-20 bushfires and 2020 floods	2022
DEECA VIC, Shoalhaven City Council, NAB, IAG, BlueScope, UOW SBRC	Bushfire Resilience Ratings & Energy Efficiency Home Retrofits, industry training, mortgage incentives – NSW & VIC	2022
NEMA 1,310 households (co-design)	Bushfire Resilience Rating Home Self-Assessment App[10] Good Design Awards – Gold Award[11]	2023
NSW RA, NEMA, JCU CTS, UOW SBRC, ICA	Multi-Hazard Resilience Ratings On-Site Assessor Tool Multi-Hazard Resilience & Energy Efficiency home assessments	2024
Castlemaine Institute, ERV, DEECA VIC, Mt Alexander Shire	Multi-Hazard Resilience Ratings & Energy Efficiency Ratings home assessments	2025

The following projects are in development:

Partners	Projects In Progress	Complete
NSW Aboriginal Housing Office, Finity	RBC *pro bono* Resilience Ratings assessments for AHO's property portfolio	Sept 2025
Gippsland Emergency Relief Fund (GERF)	23x community workshops, home assessments, building & trades training[12]	Nov 2025
NEMA, ICA	Multi-Hazard Resilience Ratings insurance pricing integration	Mar 2026
NEMA	Multi-Hazard On-Site Assessment system – builders & trades training & accreditation	Mar 2026

[8] https://www.iag.com.au/content/dam/corporate-iag/iag-aus/au/en/documents/corporate/iag-resilience-investment-vehicle-insights-report-0623.pdf
[9] https://fortishouse.org/
[10] https://rating.rbcouncil.org/
[11] https://good-design.org/projects/the-bushfire-resilience-rating-app-accelerating-resilience-to-climate-change/
[12] https://gerf.org.au/rbc/

QRA, Resilient Homes Fund, Community Plus Brisbane	Multi-Hazard Resilience Rating home assessments and Resilient Homes Fund flood retrofits, industry training, insurance incentives & community engagement[13]	Jun 2026
Gold Coast City Council, JCU CTS	Multi-Hazard Self-Assessment App prototype testing, Multi-Hazard On-Site Assessments, Community Engagement & Industry Training, resilience finance[14]	Oct 2026
NEMA, JCU CTS, UOW SBRC	NEMA Multi-Hazard Resilience Ratings Best Practice Guides for New Builds & Retrofits	Mid-2026
JCU CTS, UOW, RiskFrontiers, Swinburne University, JDA	Natural Hazards Research Australia – Multi-Hazard Resilient Buildings Research Project[15]	Mid-2027

RESILIENCE RATINGS SCHEME OUTCOMES

Since the launch of the NEMA funded Bushfire Resilience Rating app in October 2023, over 57,000 households have completed assessments, 18,300 households have taken at least 3x recommended actions, resulting in over $206M in private household investment between October 2023 and September 2025.

Ratings-based insurance premium reductions are in-market with approximately 50% of the general insurance market, through AAMI, APIA, GIO, NRMA Insurance, Suncorp Insurance and Shannons, with additional insurers announcing Ratings-based pricing later this year.

Insurers are reducing the peril component of premiums by up to 60% for certified Bushfire Resilience Ratings of 3+ Stars. This is resulting in total insurance premium reductions of up to 21% for households in high bushfire risk areas.

NAB has been piloting Ratings-based mortgage discounts, and RBC is working with the banking industry on mortgage incentives and new resilience lending products.

The development of the Multi-Hazard Resilience Ratings on-site assessor tool was jointly funded by NSW RA and NEMA, in partnership with the Insurance Council of Australia, James Cook University Cyclone Testing Station, University of Wollongong Sustainable Buildings Research Centre, QRA and DEECA VIC.

NEMA, the Insurance Council of Australia and the Hazards Insurance Partnership are supporting RBC's work with insurers and banks to integrate Multi-Hazard Ratings into their pricing and products. This project will be completed by March 2026.

Flood and storm risks contribute to higher peril components of premiums, compared to bushfire. Therefore, Multi-Hazard Resilience Rating-based pricing is expected to result in greater net discounts for consumers.

RBC has also completed Bushfire and Energy Efficiency Rating assessments and retrofits in VIC and NSW in 2022-23 and Multi-Hazard and Energy Efficiency Rating assessments in VIC in

[13] https://rbcouncil.org/communityplus/
[14] https://www.goldcoast.qld.gov.au/Council/City-news/New-program-to-improve-disaster-resilience-for-Gold-Coast-homeowners
[15] https://www.naturalhazards.com.au/research/research-projects/multi-hazard-resilient-buildings

2024-25. An integrated approach to emissions reduction and adaptation produces significant co-benefits and efficiencies and reduces the risks of adverse outcomes.

BROAD SUPPORT & INQUIRY ALIGNMENT

There is strong cross-sector support for the urgent national adoption of the Resilience Ratings Scheme. Endorsements come from Parliamentarians, industry, investors, professional bodies and social advocates, while successive national and state inquiries have consistently recommended the tools and incentives that the Ratings now deliver. Together, this demonstrates the Ratings' central role in Australia's adaptation strategy.

Parliament, industry and investor support

- **Zali Steggall MP and Independent MPs –** Motion to Parliament (19 Aug 2024) calling for funding support to expand the Ratings Scheme.[16]
- **Insurance Council of Australia –** Publicly welcomed expansion of the Scheme across hazards beyond bushfire, including flood and cyclone (press release, 21 Mar 2024).[17]
- **Investor Group on Climate Change –** Featured the Ratings as a case study in *Activating Private Capital for Adaptation*, highlighting its role in assessing credentials of adaptation and resilience activities for investors (Nov 2024).[18]
- **Actuaries Institute –** *Funding for Flood Costs* (2023) [19] identified the Resilience Rating System as a freely available disaster risk rating tool that could be incorporated into building codes and land use planning. Their subsequent report, *Home Insurance Affordability & Home Loans at Risk* (2024) [20] cited RBC's Ratings as a mechanism to improve insurance affordability and a model for resilience lending, supported by the Hazards Insurance Partnership.
- **Australian Council of Social Service (ACOSS, 2024) –** *Funding & Financing Energy Performance and Climate Resilient Retrofits for Low-Income Housing* (2024, Recommendation 12)[21] called for integrated Resilience Ratings and Energy Efficiency Ratings to enable single assessments, financing and retrofits.
- **Consumer advocacy and frontline services (2025) -** Financial Rights Legal Centre, Financial Counselling Australia, Legal Aid, and other organisations that assist consumers before and after disasters with insurance and finance issues, we've heard consistent support for the Resilience Ratings and for better disclosure. *"The Financial*

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[16] https://www.zalisteggall.com.au/zali_steggall_mp_speaks_on_climate_change_and_insurance
[17] https://minister.homeaffairs.gov.au/MurrayWatt/Pages/gvt-funded-app-delivers-insurance-savings.aspx
[18] https://igcc.org.au/activating-private-capital-for-climate-adaptation/
[19] https://actuaries.asn.au/Library/Opinion/Generalinsurance/2023/REPORTFLOODCOSTS.pdf *Funding for Flood Costs* (Aug 2023), p.16:
[20] https://actuaries.asn.au/public-policy-and-media/our-thought-leadership/reports/home-insurance-affordability-and-home-loans-at-risk - *Home Insurance Affordability & Home Loans at Risk* (Aug 2024), p.24
[21] https://www.acoss.org.au/wp-content/uploads/2024/02/ACOSS-Report-Funding-and-Financing-Low-income-retrofits-January-2024-.pdf - Recommendation 12, p. 43.

Rights Legal Centre supports the Multi-Hazard Resilience Ratings Scheme being developed by the Resilient Building Council. Once fully developed and widely available, this scheme could provide invaluable guidance to homeowners about the resilience of their homes and steps they can take to reduce their climate risk exposure."[22]

- **Commonwealth policy alignment (DCCEEW, 2024):** The Mandatory Disclosure Framework V2 (December 2024), p. 49, notes: *"Because energy performance upgrades can support the climate resilience of homes, the future integration of resilience-related information into the Framework will be considered. This includes consideration of how resilience ratings could be used to complement energy ratings, such as those developed by the Resilient Building Council."*[23]

Alignment with major inquiries

Both the Royal Commission into National Natural Disaster Arrangements (2020) and the Flood Insurance Inquiry (2024) specifically recommended government and industry support for a Resilience Ratings home self-assessment app. By turning these recommendations into practice, the Scheme provides households with transparent, science-based, property-specific guidance; enables insurers and banks to recognise verified resilience through premium and mortgage incentives; and helps governments stabilise insurance markets and reduce recovery costs.

- **Royal Commission (2020):** Called for improved disaster education, risk communication, and insurer-recognised retrofitting measures.[24] The Ratings deliver transparent assessments, property-specific action plans, and insurer-backed premium discounts.
- **Flood Insurance Inquiry (House Standing Committee on Economics, 2024):** Recommended expanding the self-assessment app to flood, adopting a traffic-light risk rating system, and incentivising resilience through insurance and finance.[25] The Multi-Hazard Ratings pilot delivers on these recommendations.

[22] https://www.pc.gov.au/inquiries/current - Financial Rights Legal Centre, Productivity Commission Submission, June 2025

[23] https://www.energy.gov.au/sites/default/files/2024-12/home-energy-ratings-disclosure-framework-version-2.pdf - The Mandatory Disclosure Framework V2 (December 2024), p. 49

[24] https://www.royalcommission.gov.au/natural-disasters - Final Report (2020), esp. Recommendations 19.1, 19.2, 19.3 and section 19.32.

[25] https://www.aph.gov.au/Parliamentary_Business/Committees/House/Economics/FloodInsuranceInquiry/Report - Recommendation 77 (2024).

RESILIENCE BENEFICIARIES - ROLES & LEVERS

The Ratings Scheme is being utilised to accelerate private adaptation investment, as well as helping governments improve the efficiency, effectiveness and long-term benefits of public investment.

RBC is providing Multi-Hazard Resilience Rating assessments for Resilient Homes Fund grant recipients and self-financing households in Brisbane to help them choose flood retrofit actions that measurably increase their Resilience Rating, and resilience to other hazards.

Governments sometimes provide direct funding support for vulnerable communities through household and infrastructure grants. For households not able to access grants at all, or where households need to co-contribute to grant funding, they will need to self-finance. Households, businesses and other property owners who self-finance building upgrades create value for resilience beneficiaries across the system. RBC translates Resilience Ratings-based risk reduction into value each beneficiary can integrate into their pricing, products and climate risk reporting.

Every beneficiary has a role and levers to pull (whether big or small) that enables and incentivises private investment.

An example of some of the levers and benefits across different sectors is identified below:

PROPERTY OWNERS PAY FOR RESILIENCE UPGRADES ⟷ **SUPPORTED BY ALL RESILIENCE BENEFICIARIES**

STAKEHOLDER	BENEFITS	RATINGS SUPPORT ROLE
COMMONWEALTH & STATE GOVERNMENTS	• REDUCE RECOVERY COSTS • CATALYSE PRIVATE INVESTMENT • EMPOWER & PROTECT CITIZENS • REDUCE SYSTEMIC FINANCIAL RISK • INCREASE PRODUCTIVITY	• SUPPORT FOR LOW-INCOME HOUSEHOLDS, E.G. RHF • GOV'T BACKED LOANS, SHARED EQUITY, EQUITY RELEASE • FREE ASSESSMENT TOOLS, FREE PROPERTY-LEVEL RISK INFO • RESILIENCE INTEGRATION – NET ZERO, ASFI TAXONOMY, BONDS, INFRA, CLIMATE POLICIES & INVESTMENTS
LOCAL GOVERNMENTS	• REDUCE RECOVERY COSTS • PROTECT & GROW RATES BASE • INVESTIBLE REGIONS • PROTECT HOUSING AVAILABILITY	• FAST-TRACK APPROVALS FOR 3+ STAR DEVELOPMENTS • RATES DISCOUNTS & RATES-BASED FINANCE • CAPACITY BUILDING – ASSESSORS, TRADES, SERVICES • COMMUNITY ENGAGEMENT & SUPPORT
INSURERS & RESINSURERS	• INCREASE VOLUMES • REDUCE CLAIMS COSTS • REDUCE COST OF CAPITAL	• PRICE RISK REDUCTION - INCENTIVES • INNOVATIVE RE/INSURANCE PRODUCTS
BANKS	• NEW RESILIENCE LENDING MARKET • REDUCE RISK TO MORTGAGE BOOK • RESILIENT SECURITISATION RBMS	• PRICE RISK REDUCTION - INCENTIVES • RESILIENCE LENDING – NEW MARKET
BUILDING INDUSTRY	• NEW RESILIENCE RETROFIT MARKET • JOBS, SKILLS, OPPORTUNITIES	• OFFER RATINGS ASSESSMENTS AS A VALUE-ADD SERVICE TO BAU • COMPLETE TRAINING & ACCREDITATION, HELP CUSTOMERS • PRODUCT INNOVATION, REDUCES COSTS OF ADAPTATION

Resilience beneficiaries, roles & levers

The combination of levers activated by beneficiaries, produces a compelling total value proposition for households and businesses to invest in building upgrades.

Financial incentives, such as reduced building insurance and mortgage costs encourage building owners to upgrade their properties, benefiting tenants with more resilient, secure housing and reduced contents insurance costs.

Resilience protects insurability, credit availability, asset values and the cost of capital across mortgages and RMBS, insurers and reinsurers, banks' prudential metrics, REITs and infrastructure finance, superannuation portfolios, and public balance sheets—stabilising the wider economy.

Governments can crowd-in and accelerate private investment in adaptation by reducing risks for investors, such as through government guarantees on resilience loans, co-funded interest payments, equity share and equity release programs, for example.

Ratings-linked upgrades could be the default for recovery and mitigation funding through the Disaster Ready Fund (DRF), Disaster Recovery Funding Arrangements (DRFA), Resilient Homes Fund (RHF) and Australian Reinsurance Pool Corporation (ARPC), replacing "like-for-like" repeat losses.

Integrating adaptation into net zero and sustainable finance taxonomies, Future Made in Australia investment vehicles, policies and programs, would enable capital to flow to adaptation.

Australia could be at the forefront of integrated climate solutions - reducing emissions *and* physical climate risks. Australia could be attracting global investment, exporting resilient net zero construction, finance and insurance solutions, for example.