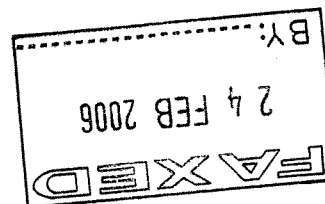


PAVSPARK AND VILLAGE SERVICE
ADVICE & ADVOCACY
FOR RESIDENTIAL PARKS

24 February 2006

The Committee Manager
Public Bodies Review Committte
Parliament House Review Committee
Parliament House
Macquarie St
Sydney NSW 2000

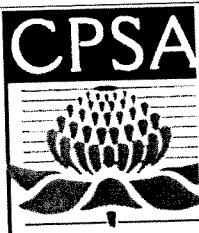
Dear Committee Manager

Re: Inquiry into the Allocation of Social Housing

I attach a copy of the Parks and Village Service's submission in response to the Inquiry into the Allocation of Social Housing and commend the recommendations made in the submission to you.

Yours faithfully

John MacKenzie
Information and Resource Coordinator



Park & Village Service

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Funded by: Office of Fair Trading
Auspice: Combined Pensioners & Superannuants Association of NSW Inc

PAVS

PARK AND VILLAGE SERVICE
ADVICE & ADVOCACY
FOR RESIDENTIAL PARKS

**SUBMISSION IN RESPONSE TO THE
INQUIRY INTO THE ALLOCATION OF
SOCIAL HOUSING**

PARKS AND VILLAGE SERVICE SUBMISSION IN RESPONSE TO THE INQUIRY INTO THE ALLOCATION OF SOCIAL HOUSING

The Parks and Village Service:

The Parks and Village Service (PAVS) provides advice, casework, community education, law reform and policy work in relation to matters affecting park and village residents and workers who belong to the Tenants Advice and Advocacy Network in New South Wales.

PAVS is auspiced by the Combined Pensioners and Superannuants Association of NSW Inc and is funded by the Office of Fair Trading.

The role of caravan parks and the need for affordable housing for older people on low incomes:

It is estimated that up to 50,000 people live in caravan parks in NSW. Many of these people rent sites for dwellings that they own. Dwellings range from caravans to manufactured homes. While many people choose to live in caravan parks as a lifestyle choice there are also a significant number of people who use caravan parks as housing of last resort. Residents who rent both the dwelling and the site are more likely to use caravan parks as housing of last resort.

The security of tenure for people who own their dwelling and rent just the site is generally better than for people who live in other forms of rental accommodation. The issue of park closure has, however, shown that existing legislative protections are inadequate and is reducing the stock of affordable housing for lower income older Australians.

Most of the residents of caravan parks are older people who live on low incomes. Residents who are not retired are likely to be in lower paying occupations, unemployed or on disability pensions.

Indicators are that demand for affordable housing for lower income older Australians is growing and will continue to do so. Ensuring access to decent affordable housing for older people who live on low incomes is a significant housing issue that cannot be left to the private rental market. The significant harms caused by the closure of caravan parks and ensuing displacement of community illustrates why the private rental market is an adequate mechanism to deal with this issue. It is imperative that agencies such as the Department of Housing have strategies in place that enables them to make a prominent contribution towards the provision of decent affordable housing for older Australians who live on low incomes.

Loss of social housing stock and its effect on caravan parks:

It is well documented that social housing stock is decreasing. As a consequence of this, caravan parks are increasingly used as housing of last resort and for crisis accommodation. PAVS is concerned by this trend. Firstly, caravan parks

are not appropriate places for crisis accommodation. In particular, older caravan parks suffer from a lack of privacy as they were designed for short-term tourist stays and have very little open space between dwellings (which are also quite small). The standard of facilities and access to services in older parks is often poor. Newer parks that cater for residential living are much improved but are generally occupied by elderly retirees, who have spent a significant portion of their savings to purchase their dwelling. In light of these factors it is not surprising that resident groups have advised PAVS that the use of caravan parks for crisis accommodation has not worked well.

PAVS second concern is about the perceived lack of tenancy rights for people who are housed in residential parks as an interim measure by the Departments of Housing and Community Services. Many park owners take the view that people who use their parks for short term purposes have no tenancy rights and that they can evict them at will. There is anecdotal evidence to suggest that some park owners willing take money from the Departments of Housing and Community Services and then evict people for minimal infringements or because they have booked the accommodation for someone else. Also park owners can make lucrative profit by pocketing the bond money while operating a revolving door policy for referrals from form the Department of Housing. It is wrong that the vulnerable people in crisis situations are treated in this way It is PAVS belief that some park owners are misinterpreting applicable tenancy legislation and are wrongly evicting people. The belief that people are being wrongly evicted has not been litigated and tested in a competent Tribunal, as it has not been possible to find anyone who is willing to be in a test case.

PAVS third concern is that the loss of social housing stock coincides with a decline in long-term accommodation in caravan parks. This decline means that there is increased pressure for caravan parks to be used as housing of last resort at a time when there are insufficient sites for existing residents let alone people who would be traditionally placed in public housing but who cannot otherwise be housed.

Recommendation:

PAVS recommends that caravan parks should not be used for crisis accommodation. However, if they are used for crisis accommodation, steps must be taken to ensure that exploitation is eliminated. This should include improved monitoring of such housing and providing information to housing workers and their clients as to the availability of remedial avenues when things go wrong. PAVS is willing to work with the Departments of Housing and Community Services on this issue.

Resident Cooperative Schemes:

The idea behind resident cooperative schemes is that residents form a cooperative to purchase and take over the operation of the park. The aim of the schemes is to give residents greater control over their future accommodation

needs and provide improved security of tenure. A range of successful models currently operates in America. In New Hampshire 63 parks are run by resident cooperatives and provide homes for people on low and middle incomes. The schemes were established as a response to hefty rent increases and the injustice of people having to move (and effectively lose their homes) due to park closure. These are the very same issues that currently concern park residents in NSW.

It is reported that parks run by resident cooperatives are well run and maintained better than privately owned parks. Especially as residents cooperatives are far more willing to upgrade parks than previous park owners. Obtaining suitable finance and negotiating a realistic purchase price can be difficult issues to initially resolve. However, once these hurdles have been overcome, resident cooperatives have demonstrated strong financial performance and accountability. Resident cooperative schemes also provide long term stability for residents whose security of tenure is threatened by park closure.

PAVS is aware that the Department of Housing has provided funding to Gosford City Council and a resident's group on the Central Coast whose housing is under threat from park closure to investigate the viability of resident cooperative schemes in Australia. PAVS welcomes this initiative and proposes that the Department should have a greater facilitative role if such schemes prove to be viable.

Recommendation:

PAVS recommends that the Department of Housing should facilitate the establishment of a pilot resident cooperative scheme to test the viability of resident cooperative schemes in Australia.