OPTIONS TO IMPROVE ACCESS TO EXISTING AND ALTERNATE ACCOMMODATION TO ADDRESS THE SOCIAL HOUSING SHORTAGE

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28 July 2021

Ms Wendy Lindsay Chair Legislative Assembly Committee on Community Services

Dear Ms Lindsay

Inquiry into Options to Improve Access to Existing and Alternate Accommodation to Address the Social Housing Shortage

I refer to the Terms of Reference for this Inquiry which were reported to my Council at its meeting on 15 July 2021.

A media release issued in conjunction with the Inquiry announcement stated as follows:

"Using empty properties to offer short term housing for those in need

Have your say on how to improve access to existing accommodation for social housing or what other options could be available to help address the current shortage across NSW. This is the aim of a new inquiry announced today by the Committee on Community Services. Your feedback can help contribute toward more accommodation options in your community.

Vacant buildings that are suitable could be repurposed to offer short-term social housing to people to who require temporary accommodation. Repurposing empty accommodation or other appropriate buildings could lead to a large increase in the amount of social and community housing that is available.

"There are empty buildings out there and there are people in need of a safe roof over their heads. We want to remove the barriers that are stopping these buildings being used as social housing. We're sure there are also other innovative options to increase the amount of available housing which we are keen to hear about," announced Wendy Lindsay, Member for East Hills and Chair of the Committee on Community Services.

The Committee is looking at the provision of community housing, and also options for crisis, key-worker and other short term accommodation models. It will also inquire into the accountability of registered community housing providers.

"We invite all agencies and organisations who work to provide and support social housing to make a submission. We are also keen to hear from people who are living in and providing community housing on ways to improve the situation when people have complaints or concerns about properties. This will help us identify any improvements we can make to increase the number of properties available and the experience of those living in them," said Ms Lindsay...."

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Given the extraordinary increases in property prices during the past 12 months as well as the COVID-19 stimulus funding it is unfortunate there has been no discernible lift in the real funding provided to increase the stock of social housing in my local government area.

Australia has also faced issues with a shortage of physically separate and dedicated quarantine housing such as the Howard Springs facility in Darwin which is essentially a small town of demountable housing.

There was the opportunity that additional quarantine housing could have been created with the buildings subsequently being relocated and dispersed as social housing post pandemic. Some of this housing could have been located as dual occupancies on land owned by State Governments or community housing providers which currently only contain a detached dwelling. Such a scheme could have been similar to the roll out of demountable crisis accommodation by the Minderoo Foundation after the 2019/2020 bush fires.

Whilst there will be examples of empty buildings which could be repurposed as social housing, the Inquiry's emphasis on such opportunities is considered too narrowly focussed. The idea that empty buildings can be readily repurposed in the short or long term as social housing ignores a range of constraints being:

- social housing does not provide a financial return sufficient to finance any required work to repurpose an existing building
- where existing empty vacant buildings can only be made available for social housing via a short term, temporary arrangement there is even less economic sense in spending money to repurpose the building
- private owners of vacant buildings will need assurance that they will not be pressured to
 extend any agreed temporary social housing arrangements, particularly in the scenario that
 the temporary tenants will potentially be made homeless
- the activation of vacant buildings for social housing will generally require agreement from two (2) stakeholders being the owner of the property and the community housing provider who will manage the tenants compared to utilising land already owned by a community housing provider or the State Government where the agreement of only one party would be required.
- Repurposing vacant buildings constructed for other purposes is usually more expensive than "greenfield" development.

Rather than emphasise for inquiry the fairly narrow model of repurposing existing vacant buildings, the NSW Government would likely achieve more with a broader based approach that seeks to leverage State funding with other stakeholders who are interested in increasing the overall stock of social housing. The other stakeholders are the Commonwealth Government; charities, not-for-profit community housing providers and local government. This approach would pick up opportunities with vacant buildings and a host of others.

By way of example the Nambucca Valley Council endeavoured to partner with Housing NSW and community housing providers to increase the stock of social housing in this LGA without success.

The Council had recently completed a small 14 lot residential subdivision of land it owned in Hyland Park near Nambucca Heads and sought to provide one or two serviced residential lots for social housing by discounting to cost or even donating the land. However the Council was advised by Housing NSW there was no funding to support such a partnership. Similarly the local community housing provider advised that their rental returns did not provide them with the capital to construct a new dwelling even if the serviced land was donated.

Unfortunately the opportunity the Council had available to leverage its serviced residential land at Hyland Park has now past as all of the land has been sold. A similar opportunity existed in relation to the site of the former Macksville Hospital but this now too has been sold and the opportunity lost.

The Council also requests that the Committee consider providing greater flexibility in building regulations for social housing to reduce their capital cost and increase supply. The maintenance of all regulations makes little sense when those who require this housing for shelter otherwise make their own arrangements by living in tents, caravans or sheds.

The Nambucca Valley has significant socio-economic disadvantage and the lack of social housing as evidenced by excessive waiting times and overcrowding is a matter of regular complaint to Council by our local charities, Not for Profits and Local Aboriginal Land Councils.

The Council would welcome any initiatives forthcoming from the Inquiry to improve the supply of social housing. Thank you for providing the opportunity to comment on this important issue.

Yours faithfully

Michael Coulter GENERAL MANAGER