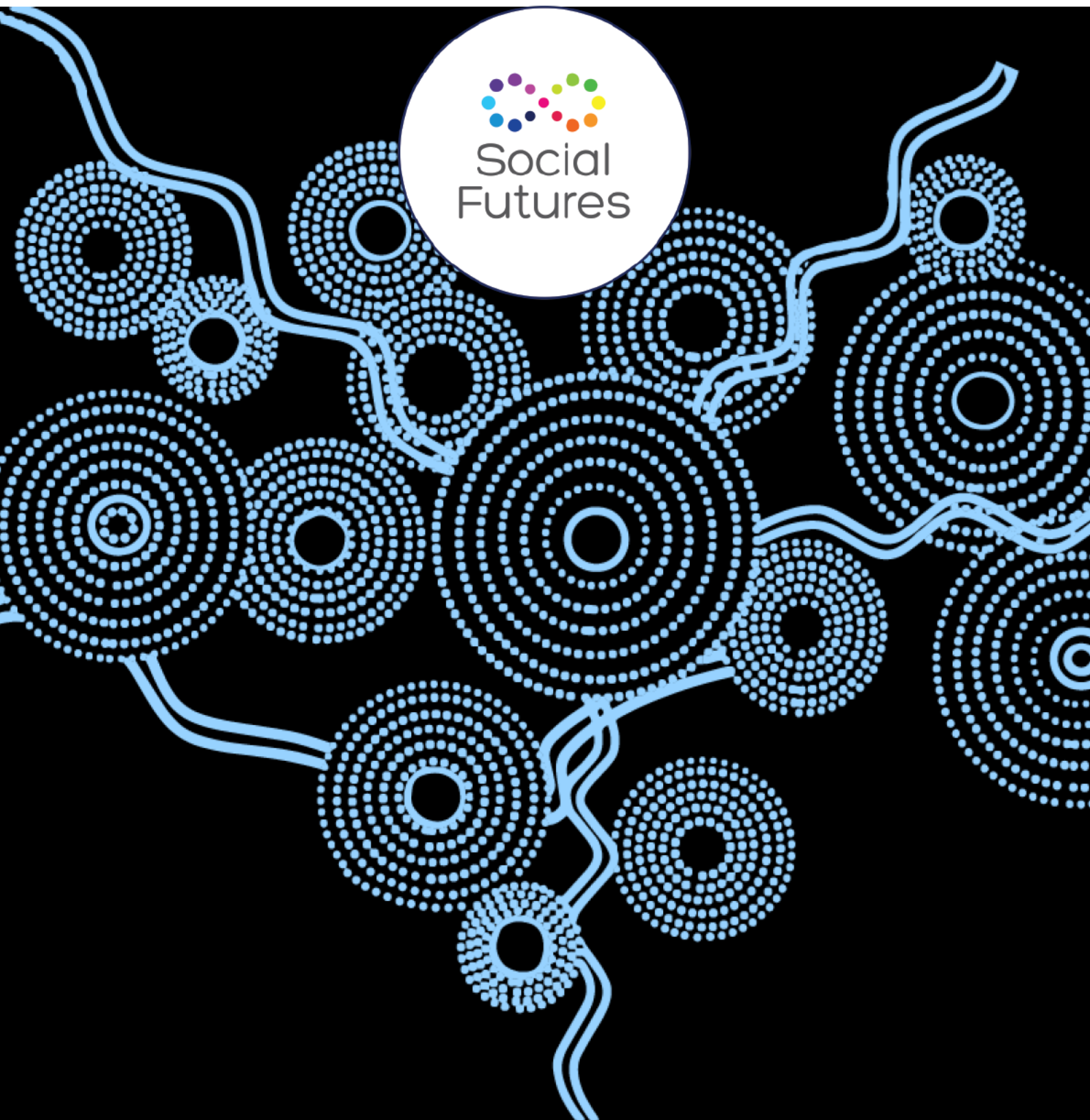


**OPTIONS TO IMPROVE ACCESS TO EXISTING AND ALTERNATE
ACCOMMODATION TO ADDRESS THE SOCIAL HOUSING SHORTAGE**

Organisation: Social Futures

Date Received: 13 August 2021



Submission to the NSW Legislative Assembly Committee on
Community Services: Inquiry into options to improve access
to existing and alternate accommodation to address the
social housing shortage – August 2021

Summary: Regional housing context

Our regional communities in NSW face very low rental vacancy rates, increasing rental costs, record migration from the cities; and the very real risk of losing our essential workforce. Even temporary accommodation is out of reach for the many people and households Social Futures supports through our specialist homelessness services.

In Northern NSW, where social housing rates are low compared to the whole of NSW, we are seeing a growing number of households in the private rental market receiving no-grounds termination notices and ending their tenancy only to see the rent of their former home increase disproportionately. Social Futures worked with Doreen, aged 88 years. She shared her story about her eviction for 'no reason' in this video:

DOREEN'S STORY

<https://vimeo.com/manage/videos/580999518/8885b356a5>



By establishing this inquiry, the NSW Parliamentary Committee on Community Services has recognised the critical shortage of social housing in this state and urgent attention needed to meet housing needs in our communities. While there are other opportunities to help respond to the shortage alongside social housing delivery programs, it is important that NSW continues to grow its social housing stock, including in regional communities.

Research in 2019 found a further 99,700 dwellings will be required by 2036 to meet the need for Social and Affordable housing in regional NSW (outside of Greater Sydney). In the Richmond-Tweed electorate, for example, an additional 6,500 social and 3,500 affordable dwellings are needed immediately¹.

Recommendations

Recommendation 1: Review NSW tenancy laws and regulations to remove no-grounds terminations, strengthen consideration of proportionate and fair rent increases, and facilitate longer-term lease options to increase security of tenure for essential workers and other renter households.

Recommendation 2: Strengthen Short Term Rental Accommodation (STRA) provisions to further reduce the number of days residential property can be leased as short-term rental or holiday accommodation in areas with low private rental vacancy rates.

¹ UNSW City Futures Research Centre and Everybody's Home 2019.

Recommendation 3: Identify underutilised and surplus public land where residential development can be included, in mixed-tenure and mixed-use development where appropriate. Work with community housing providers and other stakeholders to prepare development proposals including social and affordable housing.

Recommendation 4: Amend Local Government (Manufactured Home Estates, Caravan Parks, Camping Grounds and Moveable Dwellings) Regulation 2005, clause 77 (b) to allow mobile accommodation 'owned and or used for habitation by any person' to be installed on private land with a dwelling-house (removing the restriction on habitation only by the dwelling-house owner or member of their household)².

Recommendation 5: Introduce planning provisions – and supporting communication strategies – to facilitate temporary housing (meanwhile uses) as part of approval on sites where longer-term development is delayed.

Recommendation 6: Engage with Aboriginal housing providers, other Aboriginal community-controlled organisations and communities to identify opportunities to support housing delivery alongside communities.

Recommendation 7: NSW Government work with community housing providers to add value to existing planning provisions and improve their capacity to facilitate affordable housing delivery.

Recommendation 8: Establish more detailed housing targets in regional and local land use plans to reflect the mix of housing size, types, tenure and price points required by the current and future population.

Recommendation 9: Review homelessness service funding allocations across the state with a view to redirecting funding to where it is most needed.

Secure tenure for essential workers and other renter households

Recommendation 1: Review NSW tenancy laws and regulations to remove no-grounds terminations, strengthen consideration of proportionate and fair rent increases, and facilitate longer-term lease options to increase security of tenure for essential workers and other renter households.

Recommendation 2: Strengthen Short Term Rental Accommodation (STRA) provisions to further reduce the number of days residential property can be leased as short-term rental or holiday accommodation in areas with low private rental vacancy rates.

In many regional NSW communities, essential workers are unable to find housing in the private rental market. A recent Northern NSW needs assessment with community service providers³ identified retaining workforce as a risk for many services because workers cannot find accommodation they can afford in the region. Specialist homelessness services are now finding there are no options at all in many private rental markets for people facing housing stress, and certainly none for people who are homeless. This situation is expected to continue with increasing migration to regional communities driving up private housing costs and putting even more pressure on limited social housing supply. Net migration from Sydney to regional NSW doubled in the 12 months to March 2021⁴.

² <https://legislation.nsw.gov.au/view/whole/html/inforce/current/sl-2005-0486#sec.77>.

³ Social Futures, 2020 Early Intervention Connect program sector development needs assessment report.

⁴ <https://www.abs.gov.au/media-centre/media-releases/net-migration-regions-highest-record>.

North Coast NSW Community services report a constant flow of residents presenting for support who have received no-grounds termination notices allowing landlords to apply substantial rent increases. The number of termination other applications (includes no-grounds terminations) to the NSW Civil and Administrative Tribunal in the March Quarter 2021 was 42% higher than the same quarter the previous year⁵.

All regional NSW housing markets recorded average monthly vacancy rates below 2% over the six months to July 2021; extremely tight compared to Sydney (3.5%). The majority were at 1% or lower with 0.6% in South Coast, 0.7% in Albury, Central West and Northern Rivers⁶. Tight regional rental markets are increasingly favouring landlords and rising rents are putting private housing out of reach for low-income and many middle-income households. Median rent increases in Northern Rivers local government areas ranged from 11% to 35% (June quarter 2020 to June quarter 2021)⁷. This puts further pressure on limited social housing stock (3% of households in Northern Rivers compared to 4.4% for the whole of NSW)⁸.

Housing, legal, and other support service providers have observed a tendency for leases to roll over into period agreements leaving tenants open to unreasonable rent increases and no-grounds terminations. Some tenants are hesitant to request repairs due to fear of no-grounds termination of their lease. Encouraging longer-term leases and removing the no-grounds termination provisions in NSW would help to reduce some of the growing pressure in tight, high-cost regional housing markets. Landlords' option to sell or move into their property can still be retained as grounds for termination, without no-grounds termination provisions.

In Byron Shire we estimate 22% of residential property is being used for Short Term Rental Accommodation (STRA)⁹. Changes coming into effect to limit STRA in residential properties do not go far enough to manage the unsustainable impact this use is having on many regional private rental markets.

Best use of public and private assets

Recommendation 3: Identify underutilised and surplus public land where residential development can be included, in mixed-tenure and mixed-use development where appropriate. Work with community housing providers and other stakeholders to prepare development proposals including social and affordable housing.

Recommendation 4: Amend Local Government (Manufactured Home Estates, Caravan Parks, Camping Grounds and Moveable Dwellings) Regulation 2005, clause 77 (b) to allow mobile accommodation 'owned and or used for habitation by any person' to be installed on private land with a dwelling-house (removing the restriction on habitation only by the dwelling-house owner or member of their household)¹⁰.

⁵ NCAT March Quarter 2021 Management Report.

⁶ Vacancy Rate Survey Results six months to July 2021 available at https://www.reinsw.com.au/Web/Members/Property_data/Vacancy_Rates_Survey.aspx.

⁷ NSW Department of Communities and Justice, Rent and Sales report, https://public.tableau.com/app/profile/facs.statistics/viz/Rentandsales_15565127794310/Rent.

⁸ 2016 ABS Census of Population and Housing data sourced from Byron Shire Social Atlas, Profile Id.

⁹ Estimate based on data from Inside Airbnb 2021; ABS Census 2016.

¹⁰ <https://legislation.nsw.gov.au/view/whole/html/inforce/current/sl-2005-0486#sec.77>.

Recommendation 5: Introduce planning provisions – and supporting communication strategies – to facilitate temporary housing (meanwhile uses) as part of approval on sites where longer-term development is delayed.

Recommendation 6: Engage with Aboriginal housing providers, other Aboriginal community-controlled organisations and communities to identify opportunities to support housing delivery alongside communities.

There are many opportunities to support best use of public and private land where additional housing capacity can be leveraged, including social and affordable housing. These include:

- underutilised or surplus government public land
- vacant or underutilised buildings and sites in private, community, religious organisation and public ownership
- caravans/ mobile housing on private residential property
- reducing banking of land approved for residential development in tight, high-cost housing markets
- meanwhile use of sites needing temporary activation while waiting for development.

Implementing meanwhile use

Temporary or relocatable housing may be part of a mix of uses employed to activate sites awaiting long-term development activity. This can be facilitated successfully with planning provisions that consider:

- policy/guidelines/site criteria ensuring good housing and other outcomes that contribute to achieving the objectives of the site, precinct, centre and/or community
- communication strategies ensuring stakeholders understand the nature and purpose of the meanwhile use and the transition process and timing for moving to the long-term use
- management by community housing providers with transition plans in place to support best use of mobile housing stock during the meanwhile use period, and reuse once moved off the site
- conditioning temporary housing as part of the plan for the site – among other mixed uses as appropriate – with agreed timeframes
- classify meanwhile use as exempt or complying development in appropriate locations to encourage uptake of this option.

Planning provisions for housing delivery

Recommendation 7: NSW Government work with community housing providers to add value to existing planning provisions and improve their capacity to facilitate affordable housing delivery.

Current provisions, including State Environmental Planning Policies, offer important incentives and mechanisms to include affordable housing in residential development. However, they have limited capacity to support the scale of ongoing affordable housing delivery required in regional NSW.

This submission proposes engagement with community housing providers to identify opportunities to value add to existing planning provisions and support providers to deliver more affordable housing. Considerations may include:

- criteria for development that could be classified as exempt or complying development for community housing providers
- reducing compliance costs supported by guidelines that drive strong balanced development outcomes for community housing, mixed-tenure and mixed-use development
- delivering housing with good access to services and employment
- design, running costs, durability, and long-term maintenance costs
- affordable housing definitions considering income, and housing and other living costs. Affordability based on discount on market costs is still out of reach for many low and middle-income households.

In working with housing providers to value add to planning provisions, it is important to include a range of providers including small, large and specialist housing providers, including Aboriginal housing providers.

Diverse housing targets

Recommendation 8: Establish more detailed housing targets in regional and local land use plans to reflect the mix of housing size, types, tenure and price points required by the current and future population.

The profile of housing stock in many regional NSW communities does not reflect demand for smaller dwellings. While household sizes are projected to continue declining across the state¹¹ the private market is delivering very few smaller dwellings in regional communities.

Housing targets in regional and local land use plans need to reflect more detailed assessment of demand (household size and other characteristics) to deliver diverse housing that reflects the needs of regional communities, supporting a mix of dwelling sizes, price points, tenure and design requirements.

It is important that planning responds to the very high overrepresentation of Aboriginal and Torres Strait Islander people in the homeless population, with targets and strategies designed in consultation with communities.

Service investment

Recommendation 9: Review homelessness service funding allocations across the state with a view to redirecting funding to where it is most needed.

The Premier's priority to reduce rough sleeping needs to be backed by funding that reflects demand for support in regional communities. The 2021 street count led by NSW Department of Communities and Justice found 30% of the state's rough sleepers in Northern NSW¹² – a region that only receives 5% of Specialist Homelessness Service funding¹³.

Additional investment in funding to support rough sleepers is welcome. However, the current model prioritising rough sleepers is taking up substantial capacity within the Temporary Accommodation (TA) system, with very little space for others experiencing homelessness. TA costs are also increasing, and co-contribution cost are out of reach for many people. When the allowed 28 days is up people are liable for the full cost of their accommodation. They are left with a choice between little or no affordable options in the private market and continuing unaffordable TA.

Publishing current homelessness service funding data across the state will improve transparency. There is opportunity to review funding allocations with a view to redirecting some funding to where it is most needed and support people unable to access social, community or private housing.

Services in Northern NSW are increasingly seeing vulnerable people including young families and older women, sleeping in cars and other insecure and unsafe locations. Where no other solutions are available measures are needed to support greater safety and security. Designated camping areas with a security presence is one option for consideration.

¹¹ NSW Department of Planning, Industry and Environment 2019, Population Projections, <https://www.planning.nsw.gov.au/Research-and-Demography/Population-projections/Projections>.

¹² NSW Street Count: <https://www.facs.nsw.gov.au/about/reforms/homelessness/premiers-priority-to-reduce-street-homelessness/street-count>.

¹³ Based on latest available data [2014-15]. Excludes Assertive Outreach program and largely metro-focused supplementary funding.

About Social Futures

Social Futures is a regionally based not-for-profit operating for more than 40 years. Our service footprint reaches across more than 50 per cent of NSW and we are experts in tailoring programs to fit our diverse local communities.

In 2019-20 Social Futures supported over 20,000 participants through our programs and services across NSW.

Social Futures is a leading provider of housing support services in Northern NSW. We deliver specialist homelessness services across the Northern District of NSW including Tweed, Byron, Ballina, Lismore, Kyogle, Richmond and Clarence Local Government Areas.

Our Connecting Home program works with people who are homeless, or at risk of homelessness, to achieve long-term housing goals. Connecting Home Youth and Northern Youth Project also assists young people (16-24 years old) by intervening early to prevent homelessness or assist people who are already experiencing homelessness to break the cycle of homelessness.

Social Futures also delivers a number of early intervention and prevention programs designed to work with children and young people around mental health and wellbeing, drugs and alcohol, and reconnecting them to their families, education and communities.



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