

**Submission
No 80**

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

Organisation: NSW Aboriginal Land Council

Date Received: 20 August 2021



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Aboriginal Land Council**
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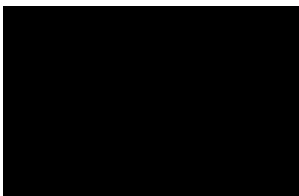
Submission to the NSW Legislative Assembly Committee on Community Services on options to improve access to existing and alternate accommodation to address the social housing shortage

Please find the attached submission from the New South Wales Aboriginal Land Council (**NSWALC**) to the Submission to the NSW Legislative Assembly Committee on Community Services on options to improve access to existing and alternate accommodation to address the social housing shortage.

The NSWALC provides this submission in our capacity as the peak body representing Aboriginal peoples in NSW and as the largest Aboriginal member-based organisation in Australia.

If you have further questions regarding the content of this submission, please contact

[Redacted contact information]



Yuseph Deen
A/Chief Executive Officer
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Date: 20 August 2021

ALWAYS WAS ALWAYS WILL BE ABORIGINAL LAND

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**New South Wales
Aboriginal Land Council**

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

Introduction

Thank you for the opportunity to provide a submission to the Committee on Community Services on options to improve access to existing and alternate accommodation to address the social housing shortage in NSW.

The New South Wales Aboriginal Land Council (**NSWALC**) provides these comments in our capacity as the peak body representing Aboriginal peoples in NSW and as the largest Aboriginal member based organisation in Australia, with a network of 120 autonomous Local Aboriginal Land Councils (**LALCs**) across the state and over 23,000 members. NSWALC is a self-funded statutory corporation under the *Aboriginal Land Rights Act 1983 (NSW) (ALRA)*, with legislated objectives to improve, protect and foster the best interests of all Aboriginal peoples in NSW.

A key foundation to achieving this is securing safe, affordable and culturally appropriate housing.

The social housing shortage in NSW disproportionately impacts Aboriginal peoples, with lasting impacts of colonisation and ongoing dispossession exacerbating the divide in education, job security, health, and economic prosperity between Aboriginal and non-Aboriginal peoples. Secure, affordable housing is an important way to address disadvantage.

In line with the International Covenant on Economic, Social and Cultural Rights (**ICESCR**), every person has the right to an adequate standard of living, which includes the right to adequate housing (ICESCR, article 11). Target 9 of the National Agreement on Closing the Gap highlights the right for Aboriginal peoples to ‘secure appropriate, affordable housing that is aligned with their priorities and need’.

The adequacy of housing¹ is determined by a house’s affordability, accessibility, habitability, location, the security of tenure, cultural appropriateness, and proximity to essential services. Housing

¹ <<https://humanrights.gov.au/our-work/rights-and-freedoms/projects/housing-homelessness-and-human-rights>>

unaffordability in NSW has resulted in the diminished availability of appropriate living conditions for Aboriginal peoples.

Aboriginal peoples are overrepresented in those that seek social housing services, with a higher percentage of Aboriginal peoples living in overcrowded housing, a lower percentage of home ownership, and a projected population growth of 31% set to further increase housing demand.

The Australian Housing and Urban Research Institute's (**AHURI**) report for the Aboriginal Housing Office (**AHO**) highlights that demand modelling for the AHO showed a deficit of 10,855 social housing dwellings and 13,506 affordable housing dwellings for Aboriginal people in 2017, and forecast to increase to 30,124 and 34,924 respectively by 2031. The demand for social housing for Aboriginal households in NSW is projected to increase by 62 per cent by 2031².

The LALC network collectively is a major provider of dedicated social and affordable housing for Aboriginal peoples in NSW. LALCs own over 2,600 houses in NSW, constituting the largest proportion of the total portfolio managed by Aboriginal Community Housing Providers (**ACHPs**).

About a third of the LALC stock came into the network after 1973 as a result of the transfer of reserves and missions from the Aborigines Protection Board and its successors. These settlements were created by the NSW Government through the Aborigines Protection Board from the 1880s, segregating and forcibly removing Aboriginal people from traditional lands. Many reserves and missions were established on lands with planning and development constraints (e.g. flood prone), and were isolated from local centres and services, commonly on the outskirts of town. Under the control of the NSW Government, these settlements grew and developed outside of planning rules. Communities did not receive equivalent upgrades to that of surrounding communities e.g. roads, infrastructure, water, sewerage and housing.

While the freehold transfer of ownership to LALCs was an outcome for Aboriginal lands rights, LALCs were financially burdened with a backlog of liabilities and legacy issues including sub-standard housing and asbestos issues. In most cases, LALCs have responsibility for providing and maintaining all services within the site's boundary including roads, water and sewerage. This overwhelms the revenue that is generated from rents.

The NSW Government has more recently recognised some of the challenges faced by LALCs and Aboriginal communities. This has included programs to improve water, sewerage and road infrastructure, but to date a comprehensive program to address the long-standing issues with housing has not been implemented.

NSWALC advocates for the recognition and resourcing of LALC housing, along with the need to work towards improved capabilities of the Aboriginal community housing sector. The parties to the National Agreement on Closing the Gap have recognised that Aboriginal community-controlled organisations including ACHPs are best placed to deliver culturally appropriate services to Aboriginal communities.

In January 2019, NSWALC established NSWALC Housing Ltd (**NHL**). NSWALC has made a significant investment in efforts to increase the amount of housing available to Aboriginal peoples and give more Aboriginal people the choice of an Aboriginal provider.

² AHURI 2017 'How can Aboriginal housing in NSW and the Aboriginal Housing Office provide the best opportunity for Aboriginal people?', p 1.

Barriers to additional supply

In 2020, there were approximately 145,000 households living in social housing in NSW, comprising 4.7% of all households in NSW (a decline from 5% in 2014³). By contrast there were over 538,000 income units in NSW receiving Commonwealth Rent Assistance (**CRA**) and over 21,000 income units receiving Private Rental Assistance (**PRA**) from the NSW Government⁴. These forms of assistance are critical for Aboriginal peoples' access to housing in NSW given that almost a third of Aboriginal households in NSW live in private rental⁵.

CRA can have a considerable impact on reducing rental stress (defined as spending more than 30% of gross household income on rent) but the number of Aboriginal households in NSW still in rental stress after receiving CRA peaked in 2019 at over 9,000 households. The introduction of the additional time-limited Coronavirus Supplement in 2020 reduced this number by over 1,000 Aboriginal households⁶, indicating that increased financial assistance to households has the potential to improve access to housing with rapid results.

NSWALC calls on the NSW Government to join with the range of peak bodies advocating for a sustained increase in the rate of CRA⁷ and urge the Australian Government to conduct a review of CRA.

NSWALC supports the development of new social housing stock to reverse the decline in social housing in recent times. Projections prepared for the Everybody's Home campaign estimate a need for 330,000 social housing homes nationally to be constructed by 2036, as well as 140,000 affordable housing dwellings⁸. A recent analysis found that, since 2016, the NSW Government has committed to build around 9,400 new social housing dwellings over the next ten years⁹.

NSWALC supports calls from peak bodies for significant additional investment in social housing¹⁰.

The quality of existing housing stock in NSW also presents a barrier to the supply of social housing, with houses within the system no longer fit-for-purpose, or, in some cases, habitation. The current backlog of social housing maintenance is estimated to be between \$350 million and \$400 million¹¹.

The housing stock transferred to LALCs from the government were largely not transferred in good condition, and subsequent upgrade initiatives have not extended to the full stock or fully achieved

³ Australian Institute of Health and Welfare, Housing assistance in NSW [Housing assistance in Australia, State and territory summary data - Australian Institute of Health and Welfare \(aihw.gov.au\)](https://www.aihw.gov.au/our-data/summaries/summary-data/australia-and-territories/housing-assistance-in-australia) accessed 10.8.21

⁴ ibid

⁵ AHURI 2017 p37

⁶ Australian Institute of Health and Welfare, Housing assistance in Australia – financial assistance, [Housing assistance in Australia, Financial assistance - Australian Institute of Health and Welfare \(aihw.gov.au\)](https://www.aihw.gov.au/our-data/summaries/summary-data/australia-and-territories/housing-assistance-in-australia) accessed 10.8.21

⁷ Australian Council of Social Services (ACOSS) 22.7.2019, Raise the Rate of Newstart fact check, [Raise the Rate of Newstart fact check – ACOSS](https://www.acoss.org.au/our-data/summaries/summary-data/australia-and-territories/raise-the-rate-of-newstart) accessed 10.8.21; Tenants' Union of NSW no date, Commonwealth Rent Assistance [Commonwealth Rent Assistance | Tenants' Union](https://www.tenantsunion.org.au/our-data/summaries/summary-data/australia-and-territories/commonwealth-rent-assistance) accessed 10.8.21

⁸ < [Everybody's Home \(everybodyshome.com.au\)](https://www.everybodyshome.com.au/)

⁹ Centre for Social Impact 2021, Social Housing in NSW: Contemporary Analysis', [Social Housing in New South Wales | CSI](https://www.csi.org.au/our-data/summaries/summary-data/australia-and-territories/social-housing-in-new-south-wales) accessed 10.8.21

¹⁰ ACOSS 24.8.2020, 'Supplementary Pre-Budget Submission 2020-21', [Heading \(acoss.org.au\)](https://www.acoss.org.au/our-data/summaries/summary-data/australia-and-territories/supplementary-pre-budget-submission-2020-21) accessed 10.8.21; Community Housing Industry Association no date, 'Social Housing Acceleration and Renovation Program', [SHARP-Full-Report-1.pdf \(communityhousing.com.au\)](https://www.communityhousing.com.au/wp-content/uploads/2020/05/SHARP-Full-Report-1.pdf) accessed 10.8.21

¹¹ CHIA 2020, 'Social housing acceleration & renovation program (SHARP)', Building the Recovery Securing Jobs and Social Outcomes, <<https://www.communityhousing.com.au/wp-content/uploads/2020/05/SHARP-Full-Report-1.pdf?x66491>>

their objectives¹². NSWALC's position remains that the government bears an outstanding obligation to ensure stock condition supports successful tenancies and prevents housing becoming uninhabitable over time.

NSWALC welcomes the NSW Government's 2020 commitment of \$50 million to the Aboriginal Community Housing Investment Fund for new construction and upgrades to community-owned housing,¹³ but seeks an expansion of the initiative to ensure that all housing owned by LALCs receive repairs and upgrades where required.

Recommendations to address barriers to additional supply of social housing:

NSWALC recommends that the NSW Government:

- a) urge the Australian Government to conduct a review of CRA
- b) make significant additional investments in the supply of social housing
- c) expand the Aboriginal Community Housing Investment Fund initiative to ensure that all housing owned by LALCs and other Aboriginal corporations receives repairs and upgrades where required.

Improving access to existing accommodation to provide community housing

The Community Housing Leasing Program (CHLP) operated by Department of Communities and Justice is an important existing mechanism for providing Community Housing Providers (CHPs) with access to additional stock from the private rental market¹⁴. The program has been in operation since 2000 and can have benefits such as increased flexibility in accommodating eligible people in housing that suits their needs, particularly in locations where purchase options are limited, and providing a pathway from social to private rental housing.

Accessing private stock through the CHLP can expand the potential for Aboriginal people on low incomes to take advantage of economic opportunities in a greater range of locations. There would be additional benefits if such tenancies were supported by an ACHP offering a superior culturally appropriate service. However, no ACHP currently takes part in delivery of the program and NSWALC understands that there has been no funding for expansion of CHLP for some time.

NSWALC calls on the NSW Government to increase funding for CHLP and strongly recommends that a proportionate amount of any additional funding be earmarked for ACHPs.

Recommendations to improve access to existing accommodation to provide community housing:

NSWALC recommends that the NSW Government:

- a) increase funding for the Community Housing Leasing Program

¹² KPMG 2018, 'Evaluation of the Build and Grow Housing Strategy' for NSW Department of Family and Community Services

¹³ AHO 2021, [ACHIF Program - Summary of funded projects | Aboriginal Housing Office \(nsw.gov.au\)](#) accessed 10.8.21

¹⁴ NSW Department of Family and Community Services April 2019, 'Community Housing Leasing Program (Social Housing) Guidelines 2019-2022', [Community Housing Leasing Program Guidelines \(nsw.gov.au\)](#) accessed 10.8.21

- b) earmark a proportionate amount of any additional funding for Aboriginal Community Housing Providers wishing to participate in the program.

Support for and accountability of registered community housing providers

The highly fragmented nature of the Aboriginal community housing sector puts all providers at a disadvantage when compared to the non-Aboriginal sector, where consolidation has been supported by Government funding and achieved over more than a decade. Fragmentation and lack of scale:

- gives rise to unnecessarily high administrative costs and other overheads, which draws LALC time and resources away from other activities that can bring additional benefits to communities
- makes it hard to build up surpluses that could be used to construct new stock
- makes it difficult to employ people with the different skills needed for high quality service delivery
- carries a risk that more Aboriginal families will end up with a non-Aboriginal housing provider because a capable Aboriginal provider is not available.

NSWALC advocates for a stronger ACHP market, in which culturally appropriate Aboriginal community housing is available for Aboriginal peoples who require it. Given the large and increasing demand for housing assistance to Aboriginal households, NSWALC recommends that the NSW Government give priority to targeted initiatives to support Aboriginal community housing providers, in line with Priority Reform 2 of the National Agreement on Closing the Gap.

NSWALC believes that is critical for the Aboriginal community housing sector to include a cohort of providers operating at scale across NSW, with the capability to:

- offer housing management services to any Aboriginal organisation that owns social and affordable housing and
- undertake asset development programs that add to the dedicated Aboriginal housing stock.

NSWALC recognises that the adoption of the National Regulatory Scheme for Community Housing (NRSCH) can provide benefits for larger ACHPs in terms of supporting participation in the full range of growth initiatives available to the community housing sector. NSWALC wishes to ensure, however, that introduction of NRSCH as the basis for registration under the *Aboriginal Housing Act 1998* does not lead to a narrowing of options that removes access to funding and support from the NSW Government for LALC housing.

While the NSW Government has offered various forms of sector investment since the AHO was established, NSWALC's view is that sustained transfers of stock to ACHP management offer the best means of providing support to ACHPs. NSWALC welcomes the Government's existing commitment to transfer management of 1,500 AHO dwellings to ACHP management by 2022, and the recent first tranche of transfers.

However, NSWALC believes that the investment of effort by both the AHO and participating ACHPs in implementing these transfers should now be leveraged through a significant expansion of the Property Management Transfer (PMT) program. An expanded PMT program should be designed to allow each of the ACHPs with a developed plan for operating at scale¹⁵ to take the next step (or steps) in its growth

¹⁵ ACHPs that applied to the AHO in 2019 and 2020 to receive Growth Provider status were required to submit a strategic growth and business plan in support of their aspirations for growth. The Growth Provider EOI

plan. NSWALC recommends that design of this expanded program be undertaken through a collaborative process with the Growth Providers seeking to operate at scale and the two sector peaks, ACHIA and NSWALC.

The support received by mainstream CHPs from government (including both management and ownership transfers) has enabled consolidation in the sector and the development of specialised capabilities in businesses operating at scale. NSWALC expects an expanded PMT program for ACHPs to reinforce their existing strengths in culturally appropriate service delivery and support the staffing and organisational planning needed for investment in additional social housing construction.

Recommendations to support the Aboriginal Community Housing Provider sector

NSWALC recommends that the NSW Government commit to:

- a) an expanded Property Management Transfer program to allow those ACHPs seeking to operate at scale to achieve the next step (or steps) in their growth plans
- b) design of the expanded PMT program through a collaborative process with ACHPs seeking to operate at scale and sector peaks (ACHIA and NSWALC).

recognised that while some ACHPs are focused on growth to operations at scale, others see growth in terms of service or cohort diversification. See [Growing The Sector \(Sector Investment\) | Aboriginal Housing Office \(nsw.gov.au\)](#) accessed 10.8.21