

**Submission
No 81**

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

Organisation: SydWest Multicultural Services

Date Received: 20 August 2021

Ms Wendy Lindsay MP
Chairperson
Legislative Assembly Committee on Community Services
NSW Legislative Assembly
Parliament House
Macquarie Street
Sydney NSW 2000

Dear Ms Lindsay

**SydWest Multicultural Services submission:
'Options to improve access to existing and alternate accommodation to address the social housing shortage'**

SydWest Multicultural Services (SydWest) welcomes the opportunity to provide submissions to this inquiry. SydWest is the largest multicultural organisation in the outer Western Sydney region responding to a range of community needs and opportunities. We offer flexible and integrated service models across the life course of refugees, humanitarian entrants, and migrants supporting self-determination and empowerment.

SydWest currently provides help through its **Homelessness Program** to people from non-English speaking backgrounds who are experiencing difficulties accessing private, government or community housing in the Blacktown LGA and surroundings. The Project's aim is to reduce homelessness by empowering vulnerable people so that they are able to access affordable accommodation and housing on a temporary and permanent basis. As part of the Project, SydWest provides services to connect clients with relevant government agencies to maintain existing tenancies and to address issues such as mortgage stress and domestic violence.

Focus of our submission

SydWest is making this submission to highlight our experiences in delivering services through the Homelessness project and to submit for the Committee's consideration a number of options to resolve the issues we currently face. Accordingly, our submission uses a homelessness perspective in terms of the current social housing shortage.

The main focus of our submission is on how to improve both short and long-term accommodation to address the needs of homeless and vulnerable people – in particular, those who are subject to domestic violence. It will suggest possible pathways to providing more stable and long-term social housing within the North West Sydney region.

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It is our contention that while there have been a number of initiatives in the last 5 years to address the social housing shortage, there remains a myriad of complexity for our most to work around for homeless people to achieve basic accommodation within Western Sydney. The need for ongoing assistance by community organisations, such as Sydwest, remains an imperative for vulnerable and homeless people who wish to access affordable accommodation within the rental market. In more recent times we have seen an increase in the number of clients who require urgent rental assistance in the Blacktown LGA as housing affordability decreases in the region.

Domestic Violence

The NSW Bureau of Crime Statistics and Research has revealed that the number of domestic violence-related assaults in the Blacktown LGA from April 2020 to March 2021 were 2,221, or a rate of 590.5 per 100,000 persons. While these figures clearly relate to cases reported to Police, it is our submission that the number is be considerably higher if the unreported incidents were included. As such, it is difficult to obtain accurate statistics to aid in the planning and establishment of short-term accommodation for clients of domestic violence within the LGA and surrounding areas.

A key function of our community service programs (including the Homelessness Program) is to provide access to short-term accommodation for clients of domestic violence in the Blacktown LGA. Many of our clients are from refugee and war-torn countries with little knowledge of English and often with serious psychological and mental problems. This, combined with strong cultural and family connections, makes it difficult for these people to reach out for assistance when experiencing incidents of domestic violence. The current Covid 19 restrictions have done little to assist these people or to encourage direct contact with SydWest case workers. However, anecdotal evidence obtain by our case workers suggests that there will be drastic increase in the need for our domestic violence services.

Issues faced by SydWest in addressing Domestic Violence

To aid in bridging the gap, and to build confidence and trust within the community, Sydwest has engaged a number of case workers from diverse cultural and ethnic backgrounds to assist in dealing with domestic violence issues. However, there remains ongoing and systemic problems in obtaining short-term accommodation within the Blacktown LGA for women with children, who are at risk of harm or harassment from partners and other family members.

Lack of Capacity for Shelters to take children encountering Domestic Family Violence

Most shelters within in the Blacktown LGA do not have the capacity to take children, even on a short-term basis. Where children are taken, age restrictions may be imposed particularly

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for boys over the age of 12 years. Invariably, these restrictions leave little or no alternative for many women other than to return to the former household with their children to continue an ongoing cycle of domestic violence, harassment and trauma. Even where there has been medical assistance rendered, or admission to hospital, there remains no provision within the health system to enable patients to seek temporary respite pending alternative accommodation being found.

Cumbersome assessments for interim accommodation

While long-term solutions are required to accommodate vulnerable and homeless clients, there are considerable problems in accessing temporary accommodation which require prioritised assessments to be undertaken. The assessment process is complicated as many clients have little or no proficiency in English communication and require assistance in understanding the processes involved in the making of applications. Considerable time and effort are required to establish trust with clients so that they have confidence in the process to provide the relevant information. This requires personal one on one contact with a case worker often through the assistance of an interpreter.

Critical shortage of immediate short-term accommodation

There is a critical shortage of immediate short-term accommodation to deal with clients of domestic violence within the Western Sydney region. Private rental accommodation is not an option where there is a need to urgently remove clients from perpetrators of domestic violence. Hesitancy by clients to engage with Police, or to seek interim ADVOs or other remedies, means that the perpetrator remains within the family home. Moreover, many of our humanitarian clients have an inherent distrust of authority, particularly members of the Police Force.

Increased cost in renting properties in Blacktown LGA and surroundings

According to the Rent Report published by the Department of Communities and Justice, rent of dwellings have increased significantly, particularly in the Blacktown LGA. In the 10 years from 2011 to 2021, median rent of all dwellings had increased by nearly 45%; while in the 5 years from 2016 to 2021, the increase had been nearly 20%. These increases, combined with added competition within the private rental market and the lack of community housing stock, have made the process of placing vulnerable and homeless people even more difficult.

Provision of Housing in Blacktown LGA

Blacktown Housing Strategy 2020

In September 2020, the Blacktown Council release the *Blacktown Housing Strategy 2020*. It sets out a 20-year housing vision for Blacktown City as it grows and changes. It expects that Blacktown LGA will be home to more than half a million people. The Strategy is aimed at

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optimising this growth and to provide the people who live and work in the Blacktown LGA with more opportunities, better services and connections, and the right mix of different housing options and open spaces.

The Housing Strategy aims to concentrate housing growth in established areas around key Strategic Centres and transport nodes that provide significant opportunities in new release areas in the North West Growth Area. This will also include urban renewal of established housing areas.

The strategy also identifies a variety of housing forms and densities to promote housing choice and affordability within the City, along with design quality. However, it remains unclear as to how housing affordability will be achieved and to what impact urban renewal will have on affordability in the Blacktown LGA.

Social Housing in Blacktown LGA

There are over 10,000 social housing dwellings currently in the Blacktown LGA. With a population of nearly 385,000, there is only 259.7 social housing dwellings per 10,000 population. According to population projections published by the Department of Planning, the population in Blacktown LGA in 2026 will be 473,500 with 157,850 households. The implied dwelling projection in Blacktown LGA for 2026 is 160,000, compared to the estimated 138,000 dwellings in 2021. This means that, in the next 5 years, an additional 22,000 dwellings will be needed to house the growing population.

It remains unclear as to whether current housing developments will be sufficient to meet the demand for housing in the Blacktown LGA. Nor is it clear that the current strategies for the development of social housing will be adequate to provide sufficient social housing stock within the LGA.

Other developments will contribute to demand for Housing in Blacktown LGA

As indicated earlier in this submission, the cost of private rental properties have risen considerably over the last 5 years. On current trends these costs will continue with the planned development within the LGA leading to Urban Renewal Precincts and strategic growth centres at Blacktown, Mount DrUITT and Marsden Park. This will be driven by increased connectivity including the proposed Sydney Metro extension from Tallawong Station to Schofields, Marsden Park and Western Sydney Airports well as major road upgrades.

Low interest rates and the ongoing increase in housing investment, particularly in the North West Sydney, has done little to aid in providing affordable housing stock or rental properties. Indeed, in the Blacktown LGA state-owned housing stock is ageing with more than 58 % of the 9,750 dwellings being over 41 years old. This situation will only be exacerbated by the

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planned extension of the Sydney Metro from St Marys to Schofields and other commercial infrastructure designed to make Blacktown, Mount Druitt, and Marsden Park Strategic Centres within North West Sydney. This development will also impact further on land values, rents and the availability of affordable social and community housing.

Available Options to address the housing problem in Blacktown LGA

All options should be considered to increase access to affordable housing in Blacktown LGA and surrounding areas. It is imperative that the planning and development of affordable housing commence immediately, especially along the new transport corridors being created by the Ministry of Transport. We would like to present some options for the development of affordable housing which could also be considered for the Greater Sydney Region.

Establish an Office of Social Housing Commissioner

Addressing the problem of affordable housing will require development and implementation of policies to prioritise and mandate social housing development in the strategic growth centres of the Greater Sydney Region. This could be achieved through the creation of a **NSW Social Housing Commissioner** with statutory functions to bring social housing providers and private investors together for the purposes of sourcing funds and creating strategic partnerships for the development of affordable housing. The Commissioner could also administer a central fund made up of council contributions derived from their affordable housing contribution schemes, to support community housing projects and temporary accommodation.

The Commissioner would also coordinate interaction with relevant NSW agencies and clusters such as Planning Industry and Environment, Communities and Justice, the Treasury and Regional NSW. However, it would also provide the means to bring stakeholders such as community housing providers, the NSW Land and Housing Corporation (LAHC), private developers, the National Housing Finance and Investment Corporation (NHFIC), and T Corp together to advise the Government on pathways to achieve housing for low income and vulnerable people. This could extend to investigating affordable and innovative ways to convert long-term tenancy into home ownership.

The creation of a Social Housing Commission would also provide an excellent opportunity to realign the reporting of strategic clusters to achieve better social housing outcomes, such as transfer of functions under the National Regulatory System for Community Housing Providers. The transfer of these functions would aid in the coordination of regulatory and educational policies and programs designed to encourage development and management of innovative social housing projects.

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To prioritise community housing under the planning laws, the Social Housing Commissioner should have statutory powers to approve community development applications involving non-LAHC owned land (but drawing on the expertise of the LAHC) where it was necessary to meet funding requirements and to reduce project and building costs.

Facilitating Short-term Accommodation

To address the issue associated with domestic violence and homelessness the number of refuges and shelters operating in the North West Sydney Region needs to be increased urgently. The use of existing structures such as disused and stand-alone hospital wards or nurses' quarters that could be renovated quickly without major planning and construction costs should be considered as an interim measure.

Unused hospital land, which is not earmarked for immediate development, should be considered for the erection of transportable homes or living quarters to provide short-term accommodation and shelter for homeless or vulnerable patients discharged from the hospital system. Accommodation fees could be funded through existing programs such as rental assistance schemes or, subject to Commonwealth agreement, under the Medicare system where the person required ongoing medical support.

There is also the option for the NSW Government to provide funding for the purchase of transportable homes and other structures which could be erected on serviced land owned or managed by local councils or not-for-profit organisations specifically for the provision of short-term accommodation. The establishment and servicing of transportable homes could be funded through existing financial assistance programs provided to domestic violence and homeless clients. Once established, a portion of the future rents obtained could be used to fund additional community housing projects and activities to provide long-term housing options for homeless and other vulnerable people.

Where appropriate, affordable housing contribution schemes should be used to direct a mandated percentage of levies collected by councils to be used to provide seed funding for the establishment of temporary and short-term housing for vulnerable people. This is issue that could be explored further through the appointment of a Social Housing Commissioner.

Facilitating Social Housing through Housing Ownership Associations

It is our submission that there should be greater use of Housing Ownership Associations (HOA) in the construction and management social housing projects. These associations can range from co-operatives registered under the National Co-operative Law (NSW) (CNL) to corporations registered under the Corporations Act 2001 as companies limited by shares or by guarantee.

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HOA's are self-governing bodies that are run by resident homeowners who are elected to a board or committee to oversee the management of housing properties. Importantly, they represent a community of people who have come together for the specific purpose of achieving home ownership. As such they have an active stake in working together for the benefit of the association.

Governance of HOA's is achieved through a collective set of enforceable rules and bylaws. They cover the payment of fees and the use and maintenance of common areas, such as swimming pools, parks and communal lawn maintenance. These rules and maintenance fees help to up keep the appearance of common areas and maintenance of housing stock.

The rules of a HOA are focused on member participation and equality, concepts which provide an ideal platform to aid in the development of social housing in NSW and the reduction of homelessness. The collective interest of the members in securing long-term stable accommodation and/or ownership means that there is less likelihood of disputes, neglect of common areas and property destruction.

The structure HOAs is yet to be fully explored as a means by which tenant members can gain equity under membership rules through the payment of rent. While there are mechanisms to achieve this through formalised legal instruments and agreements, they are often cumbersome and expansive to implement and enforce. In addition, there are considerable conveyancing and other professional costs to effect registration of title.

We accept that such a proposal would require legislative amendments to give legal force to the rules so that they could operate within the requirements the Residential Tenancies Act 2010 and the Real Property Act 1919. Appropriate protections would also need to be legislated for to recognise title after the qualifying time or event had occurred. However, substantial benefits could flow from reducing the complexities for tenant members of HOAs to achieve home ownership.

By way of an example, the rules of HOA could provide for an automatic transfer of title based on the number of years that rent was paid by the tenant member, say 20 or 25 years, in line with fixed term housing loans. On transfer of title, the member would remain an owner member of the association paying normal strata fees on the property, or other maintenance contributions in the case of a community title. This would also result in a substantial reduction in living costs for the owner member.

The advantage of this option is that it provides an incentive for tenant members to achieve equity from the time they commence to pay rent, albeit through access to rental assistance or other support mechanisms. As such, tenants are more likely to pay rent and to look after

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properties if they know that they will gain equity in their rented premises. It will also avoid the recurrent problems associated with short-term leases in a competitive rental market.

Conclusion

We appreciate that our submission has provided a brief outline of possible avenues that may be explored by the Committee to address accommodation issues facing vulnerable and homeless people, particularly those with a background of domestic violence. However, we would be pleased to provide additional information to the Committee to aid in the development of its recommendations.

Finally, on behalf of Sydwest, I would like to thank the Committee for extending the time for the lodgement of our submission.

Yours sincerely

Elfa Moraitakis
Chief Executive Officer
20 August 2021

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