

**Submission
No 89**

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

Organisation: Housing Trust

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Options to improve access to existing and alternate accommodation to address the social housing shortage

Housing Trust Submission



Housing Trust welcomes the opportunity to make a submission to the Committee on Community Services on options to improve access to existing and alternate accommodation to address the social housing shortage.

As the Illawarra's largest Tier 1 Community Housing Provider (CHP) our focus for the purpose of this submission is on affordable rental housing.

The Illawarra and Shoalhaven region has a significant rental housing affordability crisis with around 10,000 households in rental stress and social housing waiting times of 5-10 years. These estimates are yet to take into account the effects of COVID19 on the region's population.

Housing Trust believes that ideology change is required. Having a home must be the priority.

Priority leavers to increase the supply of affordable rental housing

1. Set meaningful and measurable Social and Affordable rental supply targets for the State and all LGAs
 - Establish baseline data on current Social and Affordable stock, its standard and suitability
 - Targets must keep up with the growth in demand and deliver net annual increases in Social and Affordable rental stock
 - Extend the Affordable Rental Housing SEPP dedication from 10 to 20 years minimum.
2. Access to land
 - Public land to be identified and offered first to not-for-profit CHPs at a concessional price that makes it affordable, at no cost with title transfer, as meanwhile use, or under 35 year leasehold at peppercorn rent
 - No sale of public land to private entities without direct, material increases in Social and Affordable rental stock. Use delayed settlement to ensure supply.
 - Landcom required to deliver 20% Affordable rental stock managed by a CHP
 - Replace the “highest and best use” financial obligation for government assets with an obligation to deliver Social and Affordable rental housing and social outcomes
3. Access to capital
 - Government backed bonds/guarantees to allow CHPs and their construction partners to access private capital and debt at low rates
 - Further rounds of property transfers from LAHC to CHPs with capital grants to enable upgrades if required. The renewal and uplift of old LAHC to be prioritised
4. Increase and extend the Community Housing Leasehold Program (CHLP annual subsidy) so CHPs can secure more stock from the private rental market.
5. Fast track DAs as ‘deemed’ approvals for CHPs, Communities Plus, and LAHC renewal projects.

6. State-wide consistency and concessions

- Mandate 20% inclusionary zoning for all medium-high density developments with leases managed by CHPs. Provide developer concessions on rates/fees
- Waive DA fees for CHP projects
- Modify the Council, civil work and infrastructure requirements to permit and fast track developments using manufactured homes on leasehold and meanwhile use land. Stock must still meet the BCA.

Concerns / general comments

- Simply increasing supply, diversifying housing the type and using a build-to-rent model will not improve affordability without specific targets and controls.
- There is a need to audit and monitor private developer use of the Affordable Rental Housing SEPP. Has the stock been delivered, are the tenant leases compliant with the Guidelines? Create a central record, perhaps through Fair Trading.
- Stamp Duty to Land Tax – charities need to retain their exemptions. Safeguards are required to prevent private investors passing on the costs to tenants as rent increases. If the annual tax remains in perpetuity once it is applied, a change in household circumstance (loss of income, relationship breakdown etc.) will increase housing stress and vulnerability.
- NRAS – almost all stock developed by investors will be lost to Affordable supply within the 10 year incentive period (c. 2026). CHPs are struggling to retain theirs.
- LAHC policies and practices must actively support CHP growth and sustainability. Any risk to government is negated by the robust requirements of the National Regulatory System for Community Housing and other statutory oversights including ASIC and the ACNC. LAHC should leverage these not add more controls.
- Silver Liveability – if mandated there is a risk that projects won't proceed as costs may be prohibitive due to (say) sloping sites, flood risk areas etc.



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