

REPORT ON PROCEEDINGS BEFORE

**LEGISLATIVE ASSEMBLY COMMITTEE ON
COMMUNITY SERVICES**

**INQUIRY INTO IMPROVING ACCESS TO EXISTING AND
ALTERNATE ACCOMMODATION TO ADDRESS THE SOCIAL
HOUSING SHORTAGE**

Virtual hearing via videoconference on Thursday 2 December 2021.

The Committee met at 10:30

PRESENT

Ms Wendy Lindsay
(Chair)

Legislative Assembly

Mr Dugald Saunders (Deputy Chair)
Mr Justin Clancy [Videoconference]
Ms Trish Doyle [Videoconference]
Ms Melanie Gibbons [Videoconference]
Mr David Harris
Ms Jenny Leong [Videoconference]

The CHAIR: Let us start the broadcast and—are we ready? Okay, good morning, everyone. Before we start, I would like to acknowledge the Gadigal people who are traditional custodians of this land. I pay my respects to Elders of the Eora Nation, past, present and emerging and extend that respect to other Aboriginal and Torres Strait Island people who are present or viewing online.

Today is the final public hearing for the Community Services Committee inquiry into improving access to existing and alternate accommodation to address the social housing shortage. In 2021/22, the New South Wales Government will invest \$1.2 billion across social housing and homelessness programs in the Stronger Communities Cluster. This includes \$730 million for social housing, supporting secure and affordable housing for people on low incomes, and \$295.9 million to deliver a range of specialist homelessness services across the state like the Together Home program.

The New South Wales Government has the largest portfolio of social housing in Australia, almost double that of the next closest state, Victoria. We do, however, understand the challenges the past two years have created for vulnerable citizens and the need to continue to increase the supply of safe and affordable housing for those in need. We understand the need to not just refresh our existing stock but also work in partnership with the non-government sector to rejuvenate but also increase our social housing supply. Funding has been committed to build new social housing, however, these do take time to erect so in the interim, we need to look at other ways to accommodate those people in need. Therefore, I thank everyone who is appearing before the Committee today to give us their insight into meanwhile use accommodation.

I am Wendy Lindsay, the Committee's Chair and with me today are my fellow Committee members, Mr Dugald Saunders, Deputy Chair and the member for Dubbo to my right. Mr David Harris, the member for Wyong to my left and coming in via WebEx is Melanie Gibbons, the member for Holsworthy, Justin Clancy, the member for Albury and Jenny Leong, the member for Newtown. Trish Doyle will be joining us a little bit later, the member for the Blue Mountains. She just is running a little bit late this morning.

To assist Hansard, I would ask all of the members and witnesses to identify themselves when they start speaking. That would be helpful to the Hansard people and I also do thank everyone who is appearing today and we will now begin with our first witnesses.

LARISSA LLOWARCH, Affordable Housing Officer, Community Programs, Central Coast Council, affirmed and examined before the Committee via videoconference

GORDON CLARK, Director, City Futures, Shoalhaven City Council, sworn and examined before the Committee via videoconference

The CHAIR: Thank you. Would you both like to begin with an opening statement?

Mr CLARK: Yes, thank you.

The CHAIR: Gordon, would you like to go first and would you mind also sending that through to us by email as well if you have a copy of it? That would be great.

Mr CLARK: Yes, I sent it through yesterday afternoon so it should be with the staff.

The CHAIR: All right, thank you.

Mr CLARK: My name is Gordon Clark. I am the—currently the Director of City Futures at Shoalhaven City Council on the New South Wales South Coast. Thank you for the opportunity to appear before the Committee and provide Council's thoughts on this critical issue. We have been actively working on this issue since the release in late 2017 of the Shoalhaven Affordable Housing Strategy, the first of this nature in the Illawarra Shoalhaven region. The strategy emerged from a growing and visible homelessness issue, particularly in our key centre of Nowra-Bomaderry in 2015, 2016. The strategy is a targeted one that identifies achievable local strategies and options for affordable housing with a focus on the role that Council can play. Some progress has been made and Council has been proactive but more needs to be done, as these issues have not gone away.

The recent CoreLogic regional market update noted that our region led regional house price growth in Australia at 35.9 per cent. Access to affordable housing options continues to be a growing issue in our region, particularly for lower income renters and purchasers and has become acute in more recent times. The actions that Council is taking are a small but significant drop in the ocean, such as providing land to Southern Cross Housing to construct 39 much-needed affordable housing units in Bomaderry. Substantial opportunities, however, exist for Council to actively work in partnership with our local community housing providers, the New South Wales Government and the Federal Government, to achieve more substantial provision of additional affordable housing opportunities. This can involve the meanwhile use of Government-owned land for shorter term opportunities while those larger urban renewal opportunities are worked up. So a stepping stone.

To assist in this regard, there is a need to simplify the land dealing arrangements around lower risk proposals that provide good community outcomes. However, frustratingly for Council, we have been struggling to gain much traction in this regard, despite consistent advocacy. We have a strong relationship with our local community housing provider and will continue to work with them and other not-for-profit providers and the New South Wales Government to deliver affordable housing, both for temporary meanwhile use accommodation and permanent affordable housing.

Council would like to see the following by way of tangible actions and reforms. Ensuring housing affordability for purchase and rent is a key consideration in all State Government planning policy review and reform and is used as a performance indicator in evaluation of planning strategies and reforms. Provide clear policy guidance support and pathways for local government and community housing providers and not-for-profit affordable housing initiatives. Next one, New South Wales Government agencies to really embrace meanwhile use opportunities for affordable housing by leasing their current under-utilised land for temporary housing at a subsidised rate and under enabling lease terms to community housing providers, councils or not-for-profits. Finally, that the New South Wales Government highlight positive case studies, positive design examples and produce educational material, principles and guidance for affordable housing development. These can be used by local government, community housing providers, not-for-profits, community groups and the development industry to guide future projects and inspire investment in and greater community acceptance of affordable housing solutions. Thank you again for the opportunity to address this Committee.

The Chair: Thank you. Thank you, Gordon. Larissa, do you have an opening statement at all?

Ms LLOWARCH: I would just like to thank the Committee for the opportunity to participate today and I look forward to speaking to some of the initiatives we have been coordinating at Central Coast Council to tackle the critical housing shortage on the Central Coast and before I start, I would just like to acknowledge the traditional owners of the land I am coming from today, which is that of the Darkinjung people.

The CHAIR: Thank you. Well, from one coast to the other, do any of the members have questions at all for our witnesses today?

Mr DUGALD SAUNDERS: Chair, I might, if I can start off? Thanks for both being here today. Dugald Saunders, I am the member for Dubbo. I just wanted to ask Gordon, you touched on some of the ideas of meanwhile use that you would like to see expanded and maybe worked on a bit from the State Government perspective in collaboration with councils. Could you just expand a little bit on what sort of things you think are viable in just a bit more detail?

Mr CLARK: Yes, thank you for the question. So we first made an approach to Government approximately four to five years ago about some possible meanwhile use opportunities in the key centre of Nowra-Bomaderry in partnership with Southern Cross Housing, our community housing provider—essentially Southern Cross Housing currently manage approximately 1800 properties in the Shoalhaven area, predominantly in Nowra-Bomaderry. Around 1400 of those are Land and Housing Corporation-owned properties and look, we recognise that any redevelopment or renewal of those properties is a real win but potentially it is going to take a long time to realise. But we see the potential for meanwhile use on other parcels of Government land as a stepping stone to those bigger renewal projects, so potentially transitioning people from homelessness or crisis support to temporary housing on meanwhile use land whilst we work with Southern Cross Housing and the Government on those broader renewal opportunities.

So we actually, probably four or five years ago, made an approach to—I think it back then was probably RMS, Roads and Maritime Service, on approximately 2000-plus square metres of land which they own on the Princes Highway close to our centre of Nowra-Bomaderry. Basically, the land is vacant. It was previously occupied by houses. We made an approach to them about their appetite to work with us on a possible meanwhile use for that site for say, let's say six or so temporary homes. Essentially we never got anywhere and basically ultimately gave up. It all just became too hard. At that point, it did not seem to be that there was much appetite and also much procedure around it. We were quite comfortable with it but they were not.

Can I say though that through our Council's advocacy in probably the last 12 months, we have actually started getting a bit more traction again on meanwhile use and have had some really good discussions in the last probably six to eight weeks with staff from Land and Housing Corporation and other Government agencies and it looks like we will revisit that site again. So we say meanwhile use, obviously as a stepping stone, to basically particularly those bigger renewal opportunities around the land and housing portfolio so essentially, yes, allowing us to transition people from homelessness through temporary accommodation into permanent accommodation.

Mr DUGALD SAUNDERS: Yes, so in that particular case then, if it is vacant land, what do you see being built there or put there? Is it caravan-style? Is it Donga style? What do you see actually happening there onsite?

Mr CLARK: Look, we never actually got to that point because we could not get past the point of is the

land available? Quite disconcertingly, the only response we received about that five years ago was we ultimately got a—almost a second-hand advice that oh, look, if it was made available, RMS at the time would expect it to be made available at commercial terms. We were saying, well hang on a minute, it is basically sitting there vacant right now. Nothing is on it. We are not about to pay commercial terms for something that will be put on there and removed. At the time, we were talking with Southern Cross Housing and they were investigating a potential project whereby they would take on a series of trainees, put them through basically TAFE building courses and actually manufacture small temporary houses that could potentially be located on that site and/or other sites and then potentially moved. So had a double-edged benefit of basically training—upskilling of young people predominantly from their existing tenancy base but also then providing these tiny homes. But like I said, we never actually got to the model because we could not get past first base of was the land even available?

Mr DUGALD SAUNDERS: Yes and one of the things, obviously, that we—and we have talked about this a bit, is I guess the commercial or the reality around who is going to get—and in your case, maybe it is Southern Cross Housing plus Council plus the State Government. There needs to be some way of making it viable from the perspective of the community housing provider as well as Council so that no one is going backwards because of that arrangement. But the idea of having training as part of it is fantastic. In Dubbo, we have actually had a couple of projects built using specifically first year apprentices from TAFE to exactly do that, so that is a really good one. Can I just ask, maybe both of you, just a quick snapshot on the short-term, like Airbnb-style accommodation and whether you think that is having an impact, given both of you are holiday destinations for a lot of people, particularly coming into Christmas. Do you feel that that is a big impact?

Mr CLARK: Look, I might start because essentially it is something that from our point of view, holiday homes, I will call them that for simplistic terms, have always been a feature of Shoalhaven. They are not new. I think what has, obviously, as we all understand has changed, is the platforms on which they are made available. So holiday homes have definitely always been an issue and/or an opportunity in our area. Yes, obviously they have an impact but I think the thing our Council has been very conscious about is which lever do you pull in that regard and what is the negative consequence of that? So if you make adjustments to, let us call it legislation around short-term holiday rentals, yes, it may help with rental accommodation but on the flip side of that, what does it do to our tourist economy where holiday homes are by far and away the most significant form of tourist accommodation that we have? So I think we would need to be very careful about what do we do around holiday homes and regulating.

The other point that I often make, too, is just because you start to regulate them and take them out of—I will call it the open market, does not mean they are actually going to be made available for long-term rental because quite often, a lot of them are family-owned and actually used as family holiday homes, not as permanent rentals. So it definitely is an issue and it is a growing issue but what we do about it is a finely balanced issue, I think.

Mr DUGALD SAUNDERS: Thanks, Gordon. What about you, Larissa?

Ms LLOWARCH: Our holiday homes are very similar, I guess. Essentially over the pandemic, we thought there may be some sort of changes there where there was lockdown restrictions in travel. That only affected the holiday rentals for a very small amount of time. They are all fully booked. What we have noticed is the amount of investment properties that have been sold to owner-occupiers up here from the migration from—we are guessing Sydney, predominantly, where people are allowed now to have that opportunity to work from home and they are actually buying a lot of the properties. Our rentals, I have been tracking them over the months. In March 2020, just before the pandemic started, we had 1014 available rentals listed on realestate.com on the Central Coast in our LGA. That dipped quite quickly at the beginning of the pandemic down to 500. In the low 500s. Two days ago when I checked, it was down to 414 available rentals on the Central Coast. That not only puts pressure on our renting market, it puts pressure on our community housing providers as well because they are struggling to fill their leasehold quota. I know one of our local providers has been way under their quota for quite a while, just because we have got such a short availability of private rentals on the Central Coast.

The CHAIR: Thank you.

Mr DAVID HARRIS: Can I ask you both, in terms of meanwhile or transitional housing, what is the minimum time period where it is workable? So we have heard from other witnesses that unless the property is available for a certain amount of time, it is actually not even worth going down that pathway. So is there—from your experience, is there a key time limit that these properties have to be available, vacant, for use, for it to be a program that would work?

Ms LLOWARCH: I can start on that, David. Council has actually just embarked on a meanwhile use Temporary Supportive Accommodation program using our Council-owned cottages. We have one that we have had refurbished and the family will move into that, actually at the beginning of next week. We have looked at the time for at least 24 months. A lot of the transitional programs run by community housing providers I know are only for the 12 months. We do not think that is long enough and looking again at maybe private rentals, landlords

prefer that longer term lease. I know we came across quite a few issues of trying to get short-term leases. We are looking at doing 24 months with the transitional with support for that whole time. Just to encourage those people to help—we help them resolve any issues. I do not think 12 months is long enough to resolve a lot of issues and then work on an exit plan to get them into the private rental market. Hopefully using a rent subsidy project—product, sorry.

Mr DAVID HARRIS: Thank you.

Mr CLARK: If I can—

Mr JUSTIN CLANCY: Chair, can I just ask if I can refer to a supplementary there? Oh, sorry, Gordon. Justin Clancy and, Larissa, I might just follow up because I find that that is a really interesting space and I just wanted to ask—agree that 12 months is not long enough and to give that support to allow for 24 months. But then at the same time, is there an opportunity there through what you are doing, to—if they exit that lease earlier because they have found more secure accommodation, is there barriers there or are they incentivised to?

Ms LLOWARCH: Absolutely. As soon as they can stand on their own two feet, the better. I think it is an amazing opportunity and it will also free up the property for another person to start. So yes, I think if they can exit early, there would be no penalties at all.

Mr JUSTIN CLANCY: No barriers from exiting early? Yes.

Ms LLOWARCH: Not at all, no.

Mr JUSTIN CLANCY: Thanks, Larissa. Sorry, Gordon.

Mr CLARK: That is okay. Look, what I was going to say is, I think that the timeframes are twofold. There is, how long is the actual temporary use there? In my mind, that will depend on a couple of things really. Is it a vacant property and when is that vacant property required? So for example, if I take you back to the Transport for New South Wales land, that is unlikely to be required in the next 12 months, two years, five years, 10 years, because it is for a highway upgrade. So potentially, that temporary use if it is going well, could stay there for a long period. The other thing is, obviously thinking about it as if it is an existing building, it really would be depending on how much you may or may not have to spend on that building to allow the temporary use and then actually making it actually worthwhile. So in terms of looking at some of Council's buildings, to actually allow temporary use of those would require potential modification and you would want to at least get a reasonable amount of time out of that if you are going to do it.

In terms of actual tenancy timeframe, I agree with Larissa that really, it has to be a stepping stone. So 12 months would be too small, 24 months potentially would be about right but it is about making sure that there is then somewhere for the people to step forward into and that is why we see it is very important to partner with community housing providers like Southern Cross, so that they can actually have that transition step. We have made a number of approaches to Government about linking meanwhile use to the broader urban renewal opportunities so that potentially people stay in meanwhile use. For example, while the broader opportunity—renewal opportunity is worked up and there is a new or modified house for them to move to.

The CHAIR: Thank you. Gordon, could I just ask you as well, just in relation to the freeway project where you felt it would be a good place to put some temporary housing?

Mr CLARK: Yes.

The CHAIR: Could I—this is a bit of a specific question but was—is there any sewerage and amenity there to have accommodated that?

Mr CLARK: Yes. Yes, absolutely. If any of you know Nowra, it is basically on the highway that runs through Nowra. So it is approximately 400 metres from the edge of our CBD. Previously occupied by dwellings. Yes, so essentially, it is essentially in the middle of our urban area. It just happens that it is right beside the highway and as I said, it was probably three or four houses previously before it was bought by the Government and the houses removed. So services are there. The reason it appeals to us is its proximity to the CBD where those higher level services are and for example, if people do not have cars, which is a high probability, they can walk to all those high level services. They are within easy reach.

The CHAIR: Okay, thank you. Does anyone else have any questions?

Ms JENNY LEONG: Yes, if I may, Chair?

The CHAIR: Yes, Jenny Leong. Yes.

Ms JENNY LEONG: Yes, thank you so much. Thanks so much, Gordon and Larissa. I guess I had two questions. One, specifically Gordon, just to follow on from that. So in that situation, there were already properties on that land. It was acquired by RMS to be able to expand the motorway sometime in the future but was the action

taken by—obviously the motorway is not there yet so I wonder, is there—so to understand it correctly, RMS demolished houses but the land is now sitting not being used because they have acquired it? I wonder if there is a step before that, whether we should be getting RMS to not demolish the houses, acquire the land and allow people to live in them while they are waiting for the next 10 years or whatever it is on the timeframe? I just wonder if you could speak to that because I feel like that seems a better solution than you having to then also find the funding and capital money to build the tiny homes?

Mr CLARK: Yes, look, thank you for the question. It is certainly an interesting and valid one. Look, the houses were—and I will stress, it is the highway, it is not the freeway. So essentially it—and my understanding is, I arrived here in 1989 and those houses were already gone.

Ms JENNY LEONG: Right, okay.

Mr CLARK: So it is not a decision that was made last year, five years ago, they were actually gone in 1989 when I arrived here. So whether that is currently the still practice, I am not sure. But in putting myself in RMS' shoes, back then it would have been, do you leave them there and then you have got the maintenance liability of the dwellings? If you do not put tenants in them, basically do they get vandalised and then become an issue?

Ms JENNY LEONG: Yes but if there—and I guess that is what I was just wondering in terms of the different—I do not think anyone wants RMS to be a landlord but in terms of taking that responsibility in the meantime, like we have seen similar acquisitions of homes and properties by RMS. I think their model when they explained it to me was that they acquire first and then plan later. So quite often, they are acquiring homes that they then decide they do not require and so if there was an ability to look at what point they get rid of those homes and if there is a way to have someone else within Government take carriage of that process or a community housing provider. I do not think anyone is suggesting RMS should do it, but I just wondered whether that was it. But it sounds like in this case, those homes were long gone rather than current acquisitions.

Mr CLARK: Yes, look, it is my understanding that RMS may now do things differently. We have obviously had some experience with them on, for example, the Berry to Bomaderry Highway upgrade and in that case, they bought properties and did not demolish the dwellings. Essentially took what they needed and then effectively in the future, will sell back off what is left, including the dwelling. So I think their practices may well have changed. Look, I have got to say, we made the approach to RMS as it was back then, based on a similar model that was running down in Victoria where VicRoads had an actual very similar policy around making their land and their sites available for meanwhile use. That was one of the reasons we kind of—I guess I will call it, for want of a better word, targeted RMS at that point because we could say hang on a minute, here is another similar instrumentality within Australia that has a—and already has a policy around this, you know? That is why we saw that as low-hanging fruit.

Ms JENNY LEONG: Great, thanks so much, Gordon. Can I ask, Larissa and Gordon, obviously—and I really appreciate the heavy lifting that your Councils are doing to address the crisis that people are in as a result of the lack of affordability and lack of private rental and all of the other pressures. Look, I come to this from a position of the reason we are talking about meanwhile use is because there has been a failure to actually deliver the affordable and social housing homes that we require and now we are in a desperate situation where we need to find an interim measure. I appreciate there is always a need for transitional housing and I think most of the advice we get is between one and two years. In relation to the sites we are talking about though, like this site with RMS, we are talking potentially this could be a 10 year, 20 year horizon potentially. What do you see as the benefits of meanwhile use, if there are any, versus the idea of actually giving control of that land or that space for a longer period of time to community housing providers to just provide the social housing that we require?

Because obviously there is all of the support required to do meanwhile use, the capital works that are needed to be done and then we are still looking at a transition plan but we know that the social housing shortage is so great but is there places for people to transition in that two year cycle out of it? So I just wonder, do you see that—are we supportive of meanwhile use because we know it is an immediate crisis we have to solve or do you think meanwhile use is actually what we require and the social housing piece is sort of on its way to being solved? Because to me, I feel like we are doing one that might be a quick fix but we still won't have solved the bigger challenge.

Mr CLARK: Can I say, in my mind, it is a combination of both? Meanwhile use provides basically that short-term, I guess, pressure valve that we need but it also helps us with the broader urban renewal projects where, for example, if you have displaced people from existing dwellings, it potentially provides that option. It also provides that stepping stone like I said. So working with our local community housing provider, Southern Cross, we have I guess pitched what we would call an integrated proposal to Government and I guess that was only within the last probably six to eight weeks. It is about quite clearly saying, meanwhile use is not a solution in itself but it has to be tied to that broader renewal. You cannot just put someone in a meanwhile use dwelling and then have nowhere to take them to. They need to transition along the pathway. So that is why we have quite clearly

said it has got to be involving a community housing provider so you have the wrap-around services and then potentially you have that pathway for them to move into more permanent housing. Then hopefully in the future, home ownership.

Ms LLOWARCH: I—

The CHAIR: Can I just ask you both in relation to your Councils—

Ms JENNY LEONG: Sorry, Chair, can I just get Larissa's answer on that one?

The CHAIR: Yes, sorry. Yes, of course. Sorry, Larissa, I did not see you there.

Ms LLOWARCH: That is okay. That is fine. I probably think very similar along the lines. I think meanwhile use is a little bit of a bandaid at the moment, particularly up here where situations are becoming critical. I think once the temporary accommodation situation goes back to normal and the rough sleepers are not getting that extended temporary accommodation, we are going to see a real need for a lot more crisis housing. As part of that, Central Coast Council, as part of our strategy, we have gone through and had a look at our lands, what we have got available and we have had one site already endorsed for use as a mixed tenure development in partnership with a CHP, possibly we will go through an expression of interest for that. In that, we are looking at doing social housing with a mixture of transitional properties in there, affordable housing and some for the private rental market too, that makes the development more feasible.

I think working with our local community housing providers, and I think this is where the benefit is, they can use—they have pipelines of development. So I think looking further forward, I know on the Central Coast, there was no transfer of social housing in the last tranche. Community housing providers could use that with some title transfer to leverage more borrowing capacity to continue their pipeline of development of social housing up here. So yes, I think there is other options there.

The CHAIR: Thank you and can I just ask you both in relation to your DCPs and SEPPs, as far as Fonzie flats and granny flats goes, are they things that sit in your Council's urban plan?

Mr CLARK: Yes, look, we have a fairly flexible planning scheme. We allow, obviously, secondary—through the State Government legislation, secondary dwellings in all residential zones and a lot, if not all, the rural and even some environment protection zones. We also allow what we call dual occupancies, which is effectively the granny flat model, in all of our urban zones and some of our rural zones as well.

The CHAIR: What about you, Larissa? Is your Council—

Ms LLOWARCH: Yes. Yes.

The CHAIR: Do you have that as well? Yes?

Ms LLOWARCH: Yes, secondary dwellings are permitted in all of our residential zoning and we have even got—I am thinking Fonzie flats and shop top housing is another useful—to use that airspace above is another one that we have got in a lot of our local centres as well, which we have investigated. So that it is close to—

Mr DUGALD SAUNDERS: Are you seeing many private investors, though, looking at doing that though? So subdividing or providing the shop top stuff? Or converting? That sort of thing? Is there much interest from private and/or public developers?

Ms LLOWARCH: I think we have got a start-up here actually. There is a few developers that have been looking, particularly under the boarding house SEPP, getting shop top housing with a foyer model underneath happening. I know that there is a couple of developers on the Coast that are very keen to look at increasing affordable housing. Another model that I have seen is a dual occupancy on a land that looks like a single house but has two very separate areas in it which works really lovely up here as well in our suburban areas. So yes, I think it is starting. I think people are really starting to understand the need for it.

Mr CLARK: Yes, look, we have certainly seen a significant increase, particularly in applications for secondary dwellings. Dual occupancy. Particularly as land markets become tight, obviously quite often one of the only development opportunities in an area is a secondary dwelling or a dual occupancy. The other thing which also has an influence on that too is land price. So as land price goes up, people—other options become more economically feasible and also more practical. Interestingly too, that prior to the recent change to the planning legislation, when we had our affordable housing strategy prepared in 2017, we had one registered boarding house. In the last four to five years, I think we have had—I think it is upwards of about six private boarding houses approved, particularly within the Nowra-Bombaderry area. So we have seen a significant uplift in that form of development by the private sector.

Mr DUGALD SAUNDERS: Do you think Council support has helped with all of those things we are now talking about? Because there are some councils, and certainly in my area, that have been quite anti that more urbanised approach to things because it is a regional city as opposed to a metropolitan city So the density has

been thought to be, we do not want to over-populate certain areas but to the point you made earlier, Gordon, you do need to be close to services for some of this type of housing, particularly. So do you think Council involvement and encouragement is making a difference and can continue to make a difference?

Mr CLARK: Look, I think that that has been one of the positives of adopting an affordable housing strategy. It actually shows that Council recognises its role in that space. In return, or I guess in turn, that has basically given not just the community housing providers but the private sector certainly more confidence to take a step in that regard. Like as I said, we have had a significant number of boarding house developments. We have also had not-for-profits stepping in more into the affordable housing space. So for example, Anglicare have done a significant development—a couple of significant developments in Nowra, as have a couple of the other not-for-profits. You know, anecdotally, that is because they recognise that Council is receptive to affordable housing. For us, the issue is not going away. Like if I look at this week's election, I think nearly every one of the candidates has said one of their number one priorities, affordable housing.

Mr JUSTIN CLANCY: Chair, please just a supplementary there. Gordon—

The CHAIR: Justin?

Mr JUSTIN CLANCY: Thanks, Chair. Gordon, I suppose just to follow on to Dugald's question there. Based on your experience, would you encourage other Councils to be exploring, adopting their own affordable housing strategy if they have not done so at this stage? Then secondly, given the State's Housing Strategy 2040, how do you see your strategy meshing in with that, please?

Mr CLARK: So look, from our point of view, our strategy really came out of—as I said, probably back in 2015/16, a very, very visible homelessness crisis in Nowra. So Council basically, we could not wait for other levels of government to assist. So essentially, the Council stepped into that space. The one thing I have failed to mention was that, as part of that, one of the things we actually did do was worked again with another not-for-profit to provide a homeless shelter in Nowra in the absence of anyone else. So for Council, it was about very much responding to what was happening locally on the ground. Interestingly, the housing trust based in Wollongong released a Council scorecard for the Illawarra Shoalhaven Councils about a month to six weeks ago, based on what are they doing in the affordable housing space. I think out of the four, we are quite proud of the fact that we were the only Council that actually received a pass mark and the other three basically did not even get past the midline point. So I would hope that it encourages other Councils to step into that space because we definitely have a role to play.

In our area, too, we have just had our regional plan refreshed and one of the good initiatives coming out of that from Government is the establishment of an affordable housing roundtable involving the Councils, involving the State Government, involving the Community Housing providers and the not-for-profits. So look, I would absolutely say that I would encourage Councils to step into that space, because it is one of the hot issues in all areas that I am reading about. Sorry, Justin, what was your second question?

Mr JUSTIN CLANCY: Thanks, Gordon, and then with the State's housing strategy just recently being—how do you see it integrating? Is there a level of, I suppose, meshing between the two strategies?

Mr CLARK: Look, I think we have already earmarked that one of the things we will do with our Nowra new incoming Council early next year is a refresh of our affordable housing strategy based on a couple of things. Based on, obviously, we have already—well a few things, I should say. We have already done some of the actions in the strategy but we have also got this new State Government policy around different forms of housing that we need to make sure that the strategy is not in conflict with that. The other thing that we have recently done is actually invested some money in a product called .id housing, which is basically an online platform from our demographic provider, .id, where we can actually start to track key data through time and actually, if need be, adjust the strategy. Rather than having a document that is produced one year, sits in place for three or four years and does not evolve. So essentially, we will do all of that, Justin, as part of a refresh of the document early next year.

Mr JUSTIN CLANCY: Thank you, Gordon.

The CHAIR: Gordon, could I just ask you, just a bit specific. Just in relation to the boarding houses, do you have any data on the tenancy as to what demographic of people have moved into those boarding houses? Ages? Like is there a certain age that appears to be going in there? Or female versus male? Do you have any data on it at all?

Mr CLARK: Yes, we at this point do not have much data on it because I think, without the data in front of me, that of those five or six that we have had approved, I think one is up and operational. Two are close to construction completion and others are in different states in construction. Certainly, our strategy says that basically, Council's preferred model is boarding houses which are administered by CHPs. That way, there is that—I will call it the broader longer-term control and oversight because obviously with the private model, we

actually do not necessarily know who is actually in each boarding house on any given—at any given point in time and is it actually meeting the market? Or is it basically just another form of rental accommodation for the market?

The CHAIR: Thank you.

Ms JENNY LEONG: Just as a quick follow up to that, Gordon, is there any requirement for those boarding houses to actually meet any affordability measures?

Mr CLARK: Yes, look, I believe so but that is certainly—I am not sure whether that has necessarily now changed under the new legislation that came out a couple of weeks ago, too. So I will have to say that we are still playing catch-up on that new piece of legislation and what that does or does not do in terms of boarding house planning but then also boarding house operation.

Ms JENNY LEONG: Yes, because we have seen a great increase in enthusiastic private developers building boarding houses that now are certainly not affordable for anyone on income support.

Mr CLARK: Look and I think that was—as I said, that is why our preference was for them to be not necessarily developed by CHPs but potentially when they are developed, potentially run by CHPs where there is a better model around their operation rather than being privately run into the future.

Ms JENNY LEONG: Absolutely.

Ms LLOWARCH: In Central Coast Council, one of my first jobs was updating our guidelines for our social impact assessment around new generation boarding houses and registered boarding houses. We are actually looking at incorporating a chapter in the DCP as well around that, just to ensure that they are affordable and they are well managed and well maintained. Yes, I think it is a benefit not only for the tenants but also for the surrounding community and helps reduce objection to those sort of plans coming through.

Ms JENNY LEONG: I mean, if those guidelines or those details are in any state to share, Larissa, it might be helpful in terms of the report being put together to look—because we are looking at different guidelines for what would be useful to consider in terms of meanwhile use and obviously there is—recognising in your submissions, there are concerns about the community's response to some of these plans.

Ms LLOWARCH: Yes.

Ms JENNY LEONG: So having a good sense of what that looks like on that might actually help guide some of these recommendations.

Ms LLOWARCH: Sure. Absolutely.

The CHAIR: Thank you. Does anybody else have any other questions for our witnesses today? Well thank you both for joining us, we really appreciate your time and your submissions for our inquiry and very grateful for your effort. Thank you for attending today.

(The witnesses withdrew.)

(Short adjournment)

DEBORAH BRILL, Deputy Chief Executive and Head of Policy and Innovation, NSW Land and Housing Corporation, Department of Planning, Industry and Environment, affirmed and examined before the Committee via videoconference

LUKE WALTON, Executive Director, Housing and Economic Policy, Department of Planning, Industry and Environment, affirmed and examined before the Committee via videoconference

BEN HEWETT, Executive Director, Innovation, Strategy and Integration, Department of Planning, Industry and Environment, affirmed and examined before the Committee via videoconference

JOANNA McCLELLAN, Director, Housing Strategy Implementation, Department of Planning, Industry and Environment, affirmed and examined before the Committee via videoconference

NATTLIE SMITH, Director, Aboriginal Housing Office, affirmed and examined before the Committee via videoconference

JASON KARA, Director, Strategy & Design, Housing & Homelessness, Department of Communities and Justice, affirmed and examined before the Committee via videoconference

ROLAND STANMORE, Director, Justice and Housing Branch, Treasury NSW, sworn and examined before the Committee via videoconference

The CHAIR: Thank you. Just to make it a little bit easier, if you do give any evidence or speak, could you just give your name first? Just for Hansard to keep track of who is who, particularly with there is so many of you being on. I would just like to introduce myself, I am Wendy, the State MP for East Hills. To my left, I have Mr David Harris, the member for Wyong. Jenny Leong, member for Newtown is coming in via WebEx, as is Melanie Gibbons, member for Holsworthy and Trish Doyle, member for Blue Mountains. Justin Clancy, the member for Albury, is also online, too and Dugald Saunders, the member for Dubbo. So thank you all for joining us this morning and being a part of the inquiry into meanwhile use for this session. We appreciate your time in joining us today and we will just kick off with some questions. Does anybody have any questions they would like to direct to anyone to begin? David, no?

Mr DAVID HARRIS: Yes, well I will kick off. So your submission addresses the need for crisis and key worker accommodation, which we have heard through a lot of different submissions. You have talked about that there is a need for innovative models and some are being trialled. Can you tell us a little bit more about what models are being trialled and where they might be up to? Whoever is the expert in that field? I won't go to anyone particularly. Maybe nobody?

The CHAIR: No?

Ms BRILL: Look, I'm sorry. Look, I think in terms of the broader—sorry, for Hansard, Deborah Brill from Land and Housing Corporation. I am involved in teacher and police housing so I am happy if that is helpful to talk with you a bit about that? But perhaps if we could also take on notice for the Committee, regional New South Wales is doing a piece of work around key worker housing which is taking a whole of government approach. So we could certainly take on notice for you some of that broader work. In terms of teacher and police housing, we are spread quite [inaudible] across the state—

The CHAIR: Sorry, Deborah, you are dropping in and out. We might—

Ms BRILL: Sorry.

The CHAIR: —need you to come off and reconnect back in, perhaps?

Ms BRILL: Yes, I wonder if I stop my [inaudible].

The CHAIR: Even if you perhaps stop your video and just use the voice recording.

Ms BRILL: My apologies.

The CHAIR: It might be better.

Ms BRILL: Just try that as a first—is that a bit better, Chair?

The CHAIR: Yes, that is better. Yes. Thank you.

Ms BRILL: Is it? Okay. Look, we are spread across the state and we are very conscious that there is the need for [inaudible] teacher and police housing—

The CHAIR: No, you dropped out again.

Ms BRILL: Oh. I'm very sorry. Let me—

The CHAIR: Sorry, I need you to disconnect and reconnect.

Ms BRILL: Will do. My apologies.

The CHAIR: Okay, thank you.

Mr HEWETT: Ben Hewett here. I might just outline the Housing Strategy and how that—in response to that first question. It might also give some context for others.

The CHAIR: Okay, thank you.

Mr HEWETT: So as you may be aware, in May 2021, the Government released the first comprehensive housing strategy for the State. Housing 2041. We note that in that—this submission that the strategy directly relates to delivery of improved social housing outcomes. The strategy itself is about a 20 year vision for better housing outcomes across all of the state. It seeks to unify the New South Wales Government commitments to housing related policies, programs and projects and it is about considering all types of housing types and tenures across the housing sectors. So in that, we know that there are a range of things to address. Some of them are about partnering with industry and community housing providers to the test new housing typologies on Government land and improving Government-led residential development outcomes and processes to drive the supply of more affordable, diverse and resilient housing as well as supporting the supply of suitable housing for essential workers in hard to fill locations. Then the last thing I would probably add on that one is, it is also about supporting new housing typologies and partnering with local governments and community housing sector and developers to trial

new ways of facilitating Temporary Supportive Accommodation options for those people experiencing homelessness. Temporary Supportive Accommodation is our terminology for meanwhile use.

The CHAIR: Thanks, Ben. What—

Mr HEWETT: As to the specifics in terms of particular models, we are still in the early stages of identifying and testing potential ways forward there to establish the sort of pilots that we might undertake. So I cannot—without the—I am not in a position to be able to talk through any of that detail yet. It has not resulted in specific projects, per se.

Mr DAVID HARRIS: So in—I was at a housing roundtable on Tuesday and the community housing providers told us that they have the finance and the wherewithal to do projects, they just have no land. This is on the Central Coast. So has there been any progress made on the Crown Land 2031 Action Plan in terms of identifying land that might be appropriate for these purposes? Because it seems that there is a will to produce more stock, it is just that they are being held back by the fact that they cannot access land.

Mr HEWETT: Ben Hewett again. Yes, that is part of the process that our team, Housing and Property Group, which includes Crown Lands, are involved in trying to identify Government land to assist with that process. Again, I cannot talk to the specific projects yet around that but we are definitely exploring those issues. Deb might be able to speak to that a little bit further but otherwise we could take that on notice and talk to Crown Lands.

Mr DAVID HARRIS: Thanks, Chair.

Ms JENNY LEONG: Chair, if I may clarify—

The CHAIR: Thanks. Deb, did you have anything to add to that?

Ms JENNY LEONG: Sorry, Deb. Sorry. Go for it.

The CHAIR: No, she's disappeared again.

Ms BRILL: Sorry, I [inaudible]—

The CHAIR: No, it is not working. Ben, can I—

Ms JENNY LEONG: Maybe Chair, maybe someone from the Secretariat can call Deborah Brill, Chair?

The CHAIR: I think we might have to try and just get her in on the phone, perhaps. Ben, can I just ask you, just in that plan, what in your view—what is one of the more innovative parts of this plan that we have not seen or visited before that is part of that 2041 plan in your view?

Mr HEWETT: The Housing Strategy?

The CHAIR: Yes.

Mr HEWETT: One of the more innovative things in that space? I think in this first—the first action plan that supports that Housing Strategy, the action plan for 2021-22, collects together many of the initiatives that Government is already undertaking. We are starting the work now for the next action plan which will identify future ways of working. So the coordination that is going on, I think is possibly a—one of the better parts of the innovation occurring, like we have not seen this level of coordination happening before. But the other one perhaps to mention is the TSA. The Temporary Supportive Accommodation. If you would like a little bit more detail on that, I might throw to Joanna McClellan to outline that if you are interested there?

The CHAIR: Okay, that would be good.

Ms McCLELLAN: Thanks, Ben. Hi, Joanna McClellan, Director of New South Wales Housing Strategy. So yes, in the Housing 2041 strategy, the long-term strategy, we have introduced in the first action plan, the topic of meanwhile use and it is called Temporary Supportive Accommodation. I note that the Committee's terms of reference is considering this particular topic to help solve some of the housing issues across New South Wales. So the inaugural action plan does outline TSA in looking at pilot projects that the Government is partnering with local governments and the community housing sector and developers, planning to explore these in detail. We have noted in the submission that particular work as well. So the program though is currently exploring trialling and investigating options. So we note some of the challenges in the delivery that were written into the New South Wales Government submission as well in relation to cost considerations, appropriateness of the locations, the need to link this particular area with longer term housing solutions as well. It is clear that the TSA model is not there to replace longer term social housing, it is just an additional measure to provide support as well.

Now, the New South Wales Government program for TSA is exploring opportunities with Wollongong Council but we are also looking to release a discussion paper which many of the submissions you have heard, we are hoping to also speak to that community about what are the opportunities for TSA for developing a New South

Wales framework as well? Part of that framework would be looking at all of the different issues that you've discussed with participants for the Committee hearings around ability to access transport and services would be key. We need to have an understanding of the support for infrastructure as well, looking at appropriateness of sites. We need to consider really carefully the selection of cohorts and identifying exit pathways for people to manage long-term housing needs as well. We would look at building assessment requirements, accessibility issues as well, environmental and fire safety standards for any use of land and existing buildings. We need to also consider the provision of wrap-around support services through specialist homelessness services or community housing providers as well and there is also a need to look at standard documentation that would be adapted for individual projects. That is really important to make sure there is the right leasing arrangements, roles and responsibilities for this particular innovative housing solution and they'll be clearly laid out and defined as well.

So it is early days in that the Housing Strategy was released in May this year but we are looking at this particular innovative housing solution in detail by testing and trialling, considering the use of Government land for this purpose as well. So we are having many conversations with other interested groups outside Government to see what can be done for the use of Government land for this purpose. All of those things would be looked into developing next year, a framework for TSA to be adopted with New South Wales.

The CHAIR: Joanna, is there any—you were saying testing and trialling some. Is there any underway—projects underway at the moment in this space?

Ms McCLELLAN: So as outlined and with—when the New South Wales Housing Strategy was released by Minister Pavey, there was mention of us looking to explore opportunities with Wollongong Council. There are other options that we are looking at, at the moment, with New South Wales Government land. I cannot really share the details of those projects at this stage because they are in the very early stages of development but yes, we are considering lots of different options within Sydney and regional New South Wales as well.

The CHAIR: Okay, thank you. Jenny Leong.

Ms JENNY LEONG: Yes, thank you so much, Chair. Jenny Leong here. Thank you all for joining us. I guess I had a couple of questions but maybe the first one I can just address just going on, Joanna, from what you were talking about then. I just want to thank you all for the submission and I think, looking at the numbers and the size of the waiting list and the decline in social housing across the state, it is a refreshing reality that we have that picture in front of us, of what the state of the crisis is. I recognise that it is early days in terms of the 2041 strategy, I guess whether this is to you, Joanna or to you, Ben, my—or maybe someone else has the answer to this. My concern is, there is nothing in the strategy that seeks to reduce the waiting list. Obviously there is a Premier's priority around 50 per cent reduction in rough sleeping. I mean, that is a fairly low target, to be honest, because that means we are accepting that 50 per cent of homeless people in New South Wales that are rough sleepers, which is only 10 per cent of the homelessness population, will continue to be sleeping on the street. That does not seem a very ambitious goal, to my mind.

But my concern is, there is nothing—there does not appear to be anything in the housing strategy that is addressing the existing waiting list which I think, on your figures, is around 50,000 households. So I am guessing in the order of 80,000 to 100,000 people. Where does that get addressed in the departments that we have available here to answer questions, DPIE, Treasury, Aboriginal Housing Office, who has responsibility for actually getting that waiting list down? Because the priorities around social housing seem to be about getting people out of social housing, not how we are increasing social housing to get more people off the waiting list. So is that a criteria or a KPI for somewhere in the space that we are talking about at the moment?

Mr HEWETT: So, yes, Ben Hewett here. So we are looking—the next action plan, as I mentioned before, will be able to pick up more specific targets that are going forward. The process there is about a comprehensive Government response. But I am wondering if I throw to Jason on this one for a little bit more detail there?

Ms JENNY LEONG: Yes, sure, I will trust Ben, you are the right—

Mr KARA: Yes.

Ms JENNY LEONG: Or I will trust other people can be the right people to know who is to answer it.

Mr HEWETT: Yes.

Mr KARA: Yes, sorry, Jason—

Ms JENNY LEONG: I note that we have got lots of departments. Thank you.

Mr KARA: Yes, Jason Kara, Department of Communities and Justice. Just highlighting there that in terms of social housing itself, we have got a budget of over \$1.19 billion that is going into social housing and homelessness this year and out of that, there has been a large amount that has been committed to growth in the sector. So just highlighting some of the announcements also since October '21, the Government announced \$183

million that was being dedicated to fast-track housing. I think it was fast-tracking over 1400 new homes. The package included \$50 million to expedite the delivery of 2800 homes around—which includes 1000 social housing homes. That is going to be built in Western Sydney, Wagga Wagga and Coffs Harbour, through the Communities Plus Project, which Land and Housing Corporation manage.

That is in partnership with the private sector and community housing providers as well. So I think that addresses some of Mr Harris' earlier comments about land provision for CHPs. So LAHC actually provide that in partnership with Community Housing Sector, which is really great. There is \$50 million, which is for the delivery of around 290 new social houses and that is in partnership with the community housing sector and that is something called the Community Housing Innovation Fund. That is something—the Department of Communities and Justice actually co-designed this process throughout—this whole fund through 2019 and 2020 with the sector. In our first—I think I have got the note here, I have got it somewhere. I will find the numbers, exact numbers, later but out of about \$23 million worth of Government investment, we have been able to secure over—about \$65 million worth of actual social housing investment and this is by allowing—working with community housing sector, vesting the land with them at the end so they own it. They can borrow against it and they can attract that capital again, what Mr Harris was referring to at the start of the meeting.

We have also got \$30 million for 80 new small-scale social housing, primarily in Western Sydney and regional New South Wales and also \$20 million for new and upgraded social and affordable housing. That is in partnership with Aboriginal Community Housing providers through the Aboriginal Housing Office and they have their own fund there which really targets the specific needs of Aboriginal community housing providers, which is a little bit different from the mainstream sector, called the Aboriginal Community Housing Investment Fund. Then there is also again through AHO, \$20 million for 45 new homes. That is targeting large Aboriginal families, supporting kinship living and reducing overcrowding et cetera.

Look, I will also—in terms of innovation, during COVID the Government committed, I think about \$122 million towards supporting 1000 rough sleepers through the Together Home Program. So this was an extension of the existing community housing leasing program but we also came and provided wrap-around supports for a number of years to really support those individuals sustain a tenancy. Whether that tenancy ends up being a social housing tenancy or a private tenancy is really going to be dependent upon their needs and how they respond and some other assessments like that. So we are doing that with the sector, with specialist homelessness services, with groups like Neami National but the housing leases are actually held by community housing providers as well. So you would have—I think at the start of October, and I am sorry I do not have more up-to-date figures off the top of my head but the start of October, I think 564 of the 1000 places were committed at that stage.

I am not providing a straight narrative here, sorry. I am going to jump back to the Community Housing Innovation Fund. So since that first release, the tranche one of the Community Housing Innovation Fund, which delivered so much, the Government has subsequently come through and topped that up twice. So the original fund was \$50 million. Came through with another \$50 million through the Social Housing Stimulus in early October and then through the Domestic and Family Violence Stimulus, came through with another \$52.5 million, which will be specifically targeting women and children escaping domestic and family violence to resolve their housing needs. So there is a lot of growth that has come through in the last 12 to 24 months beyond merely maintaining the portfolio.

Ms JENNY LEONG: Thanks so much, Jason. Just to go back to the question around where the priority sits to address the waiting list, I appreciate—and I think the Together Home program has been amazing, I am the first to talk up how powerful it has been to see that we can actually solve rough sleeping if we put the efforts and resources where they are needed and I think that is a huge credit to everybody jumping in and working across a range of different sectors and Government departments to make that happen. Just in relation to though, the figures and the numbers you were talking about then, they—in isolation, they sound like good announcements and large amounts of millions or hundreds or whatever but based on the Government's own submission, we are talking 3208 households, Aboriginal households, who are awaiting housing. Five thousand priority applications for housing, currently waiting for housing.

The numbers you were talking then, while I appreciate they are useful, every new house is good, we are talking like 45 Aboriginal housings for family. We are talking 200 new social housing dwellings but we are talking tens of thousands of people—applications, sorry, not people. So I just wonder where does this sit in the Government's strategy to address that waiting list? If it is not in the 2041 Housing Strategy, does that mean we are accepting that that waiting list will be at that scale until post 2041? Or where does that sit in terms of the responsibility for this? Because my big concern—and just going back to your comments, Joanna, is that what we have heard from people in the sector is transitional housing is great. Whether we call it TSA or meanwhile use, that is wonderful but if there is 50,000 people on the waiting list for long-term accommodation and no private rental stock available in regional areas, meanwhile use does not solve the problem because in two years, we do not have anywhere to put those people.

Ms McCLELLAN: I might give an extra comment then. So Jo McLellan. So you are absolutely right and part of the Housing Strategy is that we now have a whole of government framework that we can work towards to achieve the long-term vision. Now, the Housing Strategy itself was written and designed so that it would not just be a one point in time document itself. It is a strategy that is live and so you will see that there are over 70 actions that are being delivered in the first two years but the plan and the intent of it is to constantly look towards creating new actions that are consistent across Government. So working with all of the agencies here today and more around solving a systemic housing solution and issue.

So, whilst the strategy itself may not have targets that we would achieve in 20 years, it is because we know a lot can change in that time. So subsequent action plans that will be developed, and we are already looking towards things for next year, will look to address the finer details of those things that have been raised by the community. The things that you are hearing at the Committee as well. So we are keen to take on board all of these particular issues and work towards a systemic solution for those things, working in partnership with DCJ. Looking at waitlists and what we can do to cover the entire spectrum of housing to solve issues for anybody, wherever they sit in terms of housing needs as well.

Ms JENNY LEONG: Chair, sorry, I just have one quick one which just goes from the Council submissions that we heard before. We just heard someone from Shoalhaven Council and also from the Central Coast Council. Obviously a lot of Government land in terms of acquisitions and things like that sits with RMS or Transport rather than with DCJ or DPIE and I just wondered in relation to that, is there something that happens within the departments for that integration or do you think that there would be space for better coordination around where Government has acquired land, Councils say that there are lots of barriers to them to be able to then have those conversations. I am guessing all of you would like to be able to facilitate great ways for Councils to be able to do that. Are there any thoughts you have about how we could make some recommendations to actually make that easier to see a coordination between areas of Government departments that do not have responsibility for housing but do have the land?

Ms McCLELLAN: So on that one, I will also respond. Jo McLellan. Yes, so part of the Housing Strategy Action Plan talks about a Government-led residential development policy and there is lots of work underway to look at use of Government land to support housing solutions. We are also having conversations with the Councils about this particular topic and I think, through the Housing Strategy work, we have established internal working groups that now meet regularly and are able to discuss these things in terms of use of land for all agencies and whether or not that will help improve housing outcomes as well.

Mr HEWETT: Ben Hewett here as well. There is an internal State Government governance arrangement around the Strategic Land and Property Framework which includes a Property Strategy Collaboration Committee where state government agencies come together regularly to discuss land availability and divestment and those sorts of issues that allow for these sorts of things. It has been—it was initiated in 2019. We are always looking at improving that, expanding that function. So there is potential moving forward to also work with local government in that space. The opportunity here, because both the Housing Strategy and this Strategic Land and Property Framework sit within the housing and property group of the Department of Planning, Industry and Environment for coordination across these sorts of issues. So that is absolutely one of the things that we are focussed on at the moment, which is looking across Government at land that is available for housing and developing the appropriate policies and frameworks to help enable us to meet these needs as quickly as we can. Noting, of course, that there are also other systems at play here that we need to navigate in order to bring projects into the world, so to speak.

Ms JENNY LEONG: Thank you all.

The CHAIR: Thank you, Jenny.

Mr DAVID HARRIS: Yes, look, a concern I—as I said, I was at the Housing roundtable on the Central Coast on Tuesday. There is a lot of plans being drawn up. There is a lot of committees from what you are talking about. There is a lot of investigating and looking at and collaborating but the reality is that on the Central Coast, there is 200 less social housing properties than we had 10 years ago and what people are telling us on the ground is that they are just not able to provide new stock. That means that two things are happening. One is, the waiting lists are staying the same and the other one is, the current properties' maintenance is just going downhill at a massive rate. So I know that you have got to have plans before you move forward but over the last decade, to see that we have got 200 less properties available than we had previously and there is a lot of planning and looking at and everything like that, it is—you know, we cannot wait till 2041, we need to get this stuff moving now.

Yes, I am a little bit disconsolate that it sounds like there is stuff going to happen but that does not answer our current problems. Our offices are inundated on a daily basis with people who cannot find a house or the rents that they are being asked to pay is just way out of their control. We met with one lady who has got a good paying job with three kids who cannot get a rental property on the Central Coast. Has tried and tried and tried and I suppose we get a little bit frustrated that there is a lot of planning and talking and all of this sort of thing going on but on the ground, everyone is feeding back to us there is very little action. I suppose that is an editorial rather

than a question.

Mr HEWETT: Ben Hewett. I am sure—we do not have Deb, Deborah Brill, back with us as the representative from Land and Housing Corporation, do we?

The CHAIR: She is on via the phone, I think. Yes.

Mr HEWETT: I am not sure if this is one for Deb to speak to?

The CHAIR: Deb, can you hear us?

Mr STANMORE: I can give a high—just a high level in terms of resourcing to the social housing sector, which Jason alluded to before, if you like? Which may be roughly a billion dollars a year was obviously the base funding for social housing and homelessness but since—in the last 18 months, really, or the 2021 budget back in November of the previous year, announced \$812 million additional for the social housing sector. Jason took you through an additional \$183 million that was announced as part of the economic recovery package and also mentioned the Domestic and Family Violence, which is about another \$485 million over about four years. So in a broad sense, there has been about \$1.5 billion added to the whole social housing system with those three announcements over the last 15 months but I recognise the issues you are raising. I mean, clearly the priority waitlist is the issue that needs to be taken into account in terms of levels of resourcing. It is obviously something that we need to—all the Government agencies keep looking at to consider in terms of what other future decisions might be made or considered by Government.

The CHAIR: Roland, sorry, could you just speak up a little bit? You are just a bit soft to hear.

Mr STANMORE: Sorry. Did you hear—

The CHAIR: That is okay.

Mr STANMORE: Did you hear enough?

The CHAIR: We could hear you but you are just very faint, that is all.

Mr DAVID HARRIS: So Roland, I understand that there is a lot—as Jenny said, there is a lot of dollars but we are not—on the ground, we are not seeing houses. That is the issue. If the problem was starting to—if we actually saw that there was an increase in volume of actual builds, then we'd probably have more confidence but when we have got, as I said, 200 less social housing units on the Central Coast than we had 10 years ago, what do we tell the people on the Central Coast? Where is that money going? Because we are not seeing it.

Mr STANMORE: I cannot give specific location or regional answers. I mean, I think—look, the social housing stock is growing but admittedly growing slowly. I mean, the SAHF, obviously we have had about 2000 houses delivered through the Social and Affordable Housing Fund. Millers Point, you would all be familiar with. We sold basically 419 dwellings. We were on the way—we have delivered, I think, over 1600—no, sorry, Land and Housing Corporation is about to deliver 1875 to that. So that is a growth of 1400 for Millers Point. Growth of 2000 eventually, 3400 from SAHF. So there is—

Ms JENNY LEONG: Sorry, Roland, can I just jump in there because I am just aware, we tend to go with dwellings rather than bedrooms. Can you give us the bedroom growth rather than the dwelling growth?

Mr STANMORE: I do not have—

Ms JENNY LEONG: What we lose is three-bedroom—we lose three-bedroom homes and we get one one-bedroom units and then it is talked up that there is an increase in dwellings but there is not an increase in beds so it would be useful to get the—even if you need to take it on notice, it would be useful, either from you or Jason, to get the actual bed numbers in growth, not the door numbers.

Mr STANMORE: Well we can take that on notice and to be honest, it is a—probably a Land and Housing Corporation and possibly AHO. Land and Housing Corp who need to provide that detail and I am sure they would be happy to do that. I think one of the things—one is that the dwelling, the average density size of dwellings, has been decreasing over a couple of decades. So we actually do have a lot of social housing where we actually have some spare bedrooms in them. So part of destocking is to make sure that we—the social housing stock is providing the right size bedrooms and most of them tend to be small dwellings now. One and two bedroom dwellings as opposed to the old three and four bedroom dwellings. So Land and Housing Corporation, obviously Deb and that, can take you through that and provide further details on notice if you want in regard to that.

Mr HEWETT: Sorry, in regard to Deb Brill from Land and Housing Corporation, if we could try her again, apparently she can hear us but she is not sure we can hear her. She may have some answers to this.

The CHAIR: Deb, are you there? I can see you but I cannot hear you. Oh, there we go.

Ms BRILL: Hello, can you hear me?

The CHAIR: Yes, we can.

Ms BRILL: Excellent. Hello, Deborah Brill from Land and Housing Corporation. To answer the questions about bedrooms, we can absolutely take that on notice and provide you with advice on that. I mean, I do appreciate there has been a focus on Land and Housing Corp building new builds in terms of number of bedrooms. We are building new developments to the priority waitlist that exists at the moment and the projection of what households will look like in the future who will need social housing. So we are weighting our new builds towards one and two-bedders because that is what the priority waitlist is telling us is required. So for us counting the number of dwellings and the number of dwellings that are occupied to the best extent possible, is a better measure of how we are meeting housing need than the number of bedrooms.

Ms JENNY LEONG: Sorry, Chair. But just with respect, Deb and just in relation to that, I just think it is really important to keep this on the record. The reason why the demand on the priority housing waiting list is for one-bedroom dwellings is because we are targeting as a Government—the priority of the Premier is to target rough sleepers who are typically older single men. If our Premier's priority was different and we were looking at housing children, then the priority waiting list would not be one-bedroom dwellings for single older men but if that is—and I just really worry about that because I appreciate that is where we are at because that is the current priority housing waiting list but that is because the Premier's priority was set to address rough sleepers and the demographic of those rough sleepers are single men, not people with children.

Ms BRILL: Look, Jason may be happy to talk a bit more about how the priority waitlist is constructed but the waitlists—sorry, how a person gets on priority is not only measured by the Government's priority around homelessness. There are a range of factors that are taken into account to build that priority waitlist. Jason, did you want to elaborate on what—how DCJ considers the construction of the waitlist?

Mr KARA: Yes and I am just looking to see if I can grab some figures but I have not been able to find them. Maybe if you can talk a bit longer.

Ms JENNY LEONG: I do not want to—I just realised the time. I do not want to jump in. If Jason wants to take that on notice, other people have got their hands up so I was going to say, I am happy to get that on notice so we can move on. Apologies.

Mr KARA: I will quickly say that the Premier's priority did not change the construction of the priority waitlist at all. At risk of homelessness puts you on priority waitlist. The gender balance of the priority waitlist is tilted towards women. I think there are, out of 5308 households on the priority waitlist, I think there is about 2300 single women households which includes about 860-odd single women households with children. Much—most people on the priority housing register are there due to priority medical, at immediate risk or currently homeless and factors like that. So the priority, the construction has not changed since the Premier's priority was announced.

The CHAIR: Thank you.

Ms MELANIE GIBBONS: Chair, if I may follow up on that? Just—and I know I am jumping in on member for Albury but if I can follow up on that point? Can we also—if we are looking at what is being constructed, can we also look at the figures of head leasing as well? Because I would be of the understanding that we would be head leasing more family size homes and possibly building more smaller bedrooms. So when it looks like we are constructing less bedrooms, I would think that people are still being housed in what is suitable for them. So I think that balance needs to be found and can I just mention on the head leasing, many of the people who do need a roof over their head seem to be concerned about going into the private rental market even with that support behind them and obviously landlords can be concerned as well. What can we do to ease that balance so that going into the private rental market with the support of head leasing behind them can be a more favourable option? It is obvious that some people do tend to want to stay on the list rather than taking that option up.

Mr KARA: I won't—sorry, Jason from DCJ. I won't speak on private rental protections, that is not my patch, but in terms of diversion, yes we do have an extensive—we have two head leasing products. We have one that is directly leased by the department and we also have an extensive community housing leasing program and you are correct, they do favour larger families. Mainly because of the affordability. It is more affordable if you have more people in a household who have the potential to earn or who attract Commonwealth Statutory Payments so that makes rental more affordable.

We also provide other diversionary products as well. One thing I can say that DCJ does in terms of making—supporting people who are in private rental is through our specialist homelessness services. We provide extensive amount of services. I think we are over 25,000 last calendar year. Twenty-five thousand households were supported to maintain their tenancy. Over 90 per cent of those clients were able to maintain their tenancy through—and again, that is through Government funded specialist homelessness service intervention.

The CHAIR: Thank you. Justin, I believe you had a question? Member for Albury?

Mr JUSTIN CLANCY: Thank you, Chair, and thank you to each of you for being with us today. I want

to touch on a different theme. Southern Youth and Family Services in their submission touched on speculative vacancy and that is dwellings that remain vacant. They cite a figure of 68,000, 70,000 homes—dwellings vacant in Sydney due to speculation. I just want to explore, does Government have a, I suppose a sense or a way of auditing or getting a sense of the number of vacant dwellings within Sydney? Perhaps some of the reasons why that might be the case and whether Government has a response to that, please?

Mr WALTON: Luke Walton here from—

Mr HEWETT: You go, Luke.

Mr WALTON: —the Planning part of DPIE. We can take that on notice and see if we have those sorts of figures. I do not—I am not aware of that but we can definitely look into that for the Committee and let you know.

Mr JUSTIN CLANCY: Luke, appreciate that. I wonder whether then, Roland, from a Treasury perspective, whether Treasury—I suppose whether there is a concern of under-utilisation of dwellings? Or if there is Government levers that can be employed in looking, responding to that?

Mr STANMORE: What I can say is obviously considerations in Treasury do look at these issues. We actually look at the census data that is on spare bedrooms in properties which obviously picks up all vacant properties. So we will be very interested to see what the 2021 census shows. There has obviously been growth in spare bedrooms and investment in vacant properties in all of the last four census' with some not lived in. I guess you are aware that the New South Wales Government is considering property tax reforms. Clearly some of those property tax reforms could create incentives where it is less desirable to have vacant properties and then more desirable to increase the utilisation of properties but look, those—they are things that do come into consideration around different things. I mean clearly, now the federal tax settings on properties obviously have impacts as well in terms of people trying to hold the capital gains et cetera. They—but yes, they are things that we do track over longer periods of time and we will definitely be looking into the census data on spare free bedrooms which is a key indication, obviously, of spare properties as well.

Mr JUSTIN CLANCY: Thank you. Thanks, Chair.

The CHAIR: Thank you and Trish Doyle, member for Blue Mountains also had a question.

Ms TRISH DOYLE: Yes, hello everyone. I hope you can hear me all the way from the Blue Mountains here. Just indicate if it is a problem and I will turn my video off because there is huge bandwidth problems up here at the moment. I cannot see any of you, really. Look, I just wanted to go quickly before I ask a question to some of the points that my colleagues have made, particularly member for Newtown and member for Wyong. With all due respect, thank you all of you for your work. I know that there is opportunities and there are also some difficulties with progressing in this space. We hear so much—and this is what comes into our office from our communities—we hear so much about initiatives and action plans and considerations and policies and strategies and conversations and designing processes and commitment to and statistics and figures and particularly, Jason, you referred to those stats and figures and commitments in terms of monetary commitments to those struggling in domestic violence situations. I would say to you all, but particularly with DV, that these are some steps towards making amends for all the cuts that have happened over the years. So with all of these initiatives, we are still not hitting the sides of demand.

What I want to put to you, and Roland just touched on it, although I could barely hear him, there are obstacles. I am hearing from my local council, from my local community, around obstacles and barriers. I am not quite sure what they are, between Government departments and DPIE. I will give you an example to—for this question around what are these obstacles and what can you do? What are you doing to address them? The Blue Mountains, we live on a ridge line. Either side of the Blue Mountains really just are cliffs so the possibility for development is limited here but we actually do have a case that I have taken to the Minister for meanwhile use.

But there are a couple of Government departments that are not interacting with DPIE and so here we have a possibility of an avenue to push through and this inquiry to highlight the difficulties and the possibilities but we are still seeing those obstacles and it is very frustrating. Roland, you talked about vacancies and one of the issues that our Committee is looking towards is options. Viable options to encourage property owners to lease their properties. I just wondered whether anyone—whether it is you Roland, and you will have to turn up your volume, or someone else can speak to what those obstacles are. What you are doing to address them and one option, the vacancy tax possibility.

Mr STANMORE: Yes, it is Roland again. I am not aware—hopefully you can hear me. This time will be a bit louder. I am not aware of any considerations around a vacancy tax at all. I think the more considerations around much larger property tax reform and the different incentives that obviously I think most people would appreciate that stamp duty is a barrier to transacting properties. Tax obviously is an incentive not to hold properties vacant for a long term if you have got to pay land tax every year on it. So obviously property tax reform is one

issue in that regard but I am not aware of any other. Certainly not aware of any considerations around vacant property tax at all.

Mr HEWETT: Ben Hewett here. If I could just respond to the Blue Mountains example, Ms Doyle? My team is involved through the Strategic Land and Property Framework in that specific project. It is in fact—has sorted out those issues and helping Government agencies communicate to resolve the issues there to make sure that the project can be delivered. I do have to note that there are Government policies around terms of realising highest and best use and that can be a challenge for social and affordable housing on Government land. One of the things that we are investigating, obviously. But I—going forward into next year, I hope a number of the projects that we are involved in, in terms of trying to facilitate Government agencies to drive an outcome, will be brought to fruition.

Ms TRISH DOYLE: Thank you, Ben. I appreciate that there has been some resolution of some of those obstacles and look forward to seeing some other examples that are similar.

Mr DAVID HARRIS: Can I just ask, Roland may know this. Under the Rudd Government, there was a program of building social housing in the private sector and subsidising rents for 10 years. That program is about to run out. Has there been any discussion about extending those subsidies with the Federal Government? Because a whole lot of currently affordable housing is about to lose that status which could be even more disastrous in an area that is already very stressed.

Mr STANMORE: Look I am not—yes, obviously well aware of the NRAS scheme and the—over a staggered period of 10 years there will be dwellings which will gradually start to come off and no longer receive the Commonwealth subsidy. In broad terms, I think around half are operated by CHPs and in a sense, they may well stay in the CHP sector. May still be offered in some ways as affordable housing but recognise there might be the other half that finish up just going back to private and not be there. I am not aware of—I know I think there has been sometimes some issues raised with the Commonwealth but I am not aware of any current considerations around extending that subsidy at all. Jason from DCJ may know the latest on NRAS but I am not aware of any considerations from the—certainly not from Treasury—

Mr DAVID HARRIS: Okay, yes, because the number we are hearing is, it is potentially 3000 dwellings that will lose its affordable status.

Mr STANMORE: Yes, that might be—yes, that sounds about right in the sense that yes—but by 2026. It will be gradual over a period of time, five years. Over the next five.

The CHAIR: Can I just ask, and this is probably a question for LAHC. Is there any software developments that are being worked on in relation to some of our stock that may be sitting empty awaiting works to be undertaken? Where there is blocks of units that are older? Because I just felt like, in 2019 when I was campaigning, that some of the housing that I was actually doorknocking was empty. So do we have any up-to-date software systems in place that is bringing some of these empty places to light? I mean, it just seems that perhaps that could be an easy fix that we do have stock but somehow it is sitting idle that we could have people in. Can anyone speak to that at all?

Ms BRILL: Deborah Brill from Land and Housing Corporation. Look, I cannot talk about your area specifically but if you do have questions about vacancy in your area, I am happy to take—you know, specific questions of that, I am happy to take that on notice. Broadly, in terms of our approach to vacant properties, we work really hard to make a decision about what happens to vacant properties quite quickly. So we set ourselves a KPI around how quickly a vacant property is able to be—have any repairs and maintenance required so that it can be re-let. If it is determined that the house is not in a condition or not in a location which is going to meet current or future need, we then look to move it through the sales process so that the funds from that house can be recycled and put into new developments.

So we are conscious that that is an area that we need to watch and move on as quickly as practicable. Some housings do stay vacant because we are planning to redevelop the site and there is a lag, I suppose, between the previous tenant leaving the house and the development process commencing. Whether that is planning through Council or whether it is the tender process to get a new build happening but we work very hard to keep our occupancy rate as high as possible and that sits at around 98 per cent.

The CHAIR: Okay, thank you.

Ms JENNY LEONG: Chair, if I may just jump in and ask Nattlie one question? Because we have not heard from Nattlie and obviously we have heard from stakeholders significantly about the issues around specific housing needs and Aboriginal housing needs. Nattlie, I just was wondering in relation to the Aboriginal Housing Office, where you see the intersection between the potential for supporting Aboriginal-led community housing providers working with you but also recognising that while the Government might call it Crown land, it is actually—it was first and foremost Aboriginal land. So—and I wonder where you see the Committee could

provide some recommendations that would look specifically at maintaining and ensuring the provision of Aboriginal housing in this space, working closely with, I guess, Land Councils and LGAs?

Ms SMITH: Thank you for that question. I guess for us, it is the sense of Land and Housing Corporation might do more of those bigger developments whereas we try to do more of the smaller developments and that salt-and-pepper effect on having Aboriginal people living within a community as opposed to living on the fringes. I guess for us, it is working with Councils around maybe mandating a bit more of the targets around inclusionary zoning to support more Aboriginal people and more Aboriginal housing development in local government areas. That would definitely help us to go forward. The other thing we have also been doing is, some of our under-utilised properties, we are working with communities around an Aboriginal-led co-design approach of some—of a little bit of transitional housing options. Whether it be Aboriginal women and children fleeing domestic family violence, whether it is the people coming out of gaols or kids coming out of out-of-home care. We have actually got a number of small projects all across New South Wales where we are testing and trialling different models that communities want to work in their communities.

One of the interesting ones is in Gunnedah where an Aboriginal Community Housing provider has actually bought a pub and it was a pub that was vacant for years and we have supported them to put a drop-in hub down below where wrap-in supports, you can drop-in and talk about your housing needs. But upstairs, we have got some transitional housing that has been developed. So I think they are the types of unique and innovative things where you actually work with communities around what they want as opposed to us going, who would like a McDonald's service model? So I think for us, it is around—I think we definitely need more resourcing in the sense of working with communities. Aboriginal Housing Office of course is delivering 45 new properties. Yes, some of them are bigger homes and some of them are the smaller dwelling homes but we are working with our AHO regions and our communities around supporting potential Elders—or older Aboriginal people or people who do not have the family size that they have had, to still have that option to potentially move to a property that they can age in place.

That does not—that is more easily accessible for them and is a lot newer. Not that we are pressuring that, but if that is something that they feel most comfortable with and we have actually—I was speaking to my Western Region Regional Relationship Manager today. Some of them have definitely taken that option up and that pride in that sense of being able to have a property that they can age in place and not potentially go to nursing homes. We are then refurbishing those older and bigger homes so that we are able to cater for more bigger families with our older properties. So I think for us, our model is very bespoke. We want to work with communities on what it is that they need. We—this morning, I had a meeting with Three Rivers Regional Assembly where we are working in partnership with them on a community consultation for their communities and working on—what types of properties, what types of things do they need for their actual communities and then helping to feed that through our cycle of feeding the supply of suitably appropriate housing for them.

The CHAIR: Thank you.

Ms JENNY LEONG: Thanks so much for that, Nattie.

Mr JUSTIN CLANCY: Chair, please? Justin here and I appreciate we are running out of time but—and Roland, I might ask if it is possible to take on notice, I would be interested in Treasury's assessment of initiatives such as Western Australia's Keystart program with the low-deposit home loans and other home loan assistance that the Western Australian Government has adopted. Thank you.

Mr STANMORE: Yes, I will take that on notice, thank you.

Mr JUSTIN CLANCY: Thanks, Roland.

The CHAIR: Okay, any other questions Committee? No? Well look, thank you all very much for joining us today and any questions on notice, we would appreciate it if you could return those back to us within a week. If you do need an extension beyond that, that is okay if you could just let us know. That would be greatly appreciated so we can continue with the report and finalising the inquiry. So thank you very much for your time and joining us all today.

(The witnesses withdrew.)

The Committee adjourned at 12:30.