

**Submission
No 52**

INQUIRY INTO SOCIAL, PUBLIC AND AFFORDABLE HOUSING

Organisation: Lismore City Council

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26 February 2014

The Director
Select Committee on Social, Public and Affordable Housing
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Sir/Madam

NSW Parliamentary Inquiry into Social, Public and Affordable Housing

Thank you for the opportunity to provide a submission to this important enquiry.

Like many communities, a significant proportion of the Lismore community faces considerable difficulties accessing appropriate and affordable housing. While many of the items in the Inquiry's Terms of Reference are beyond the scope of Council's influence, I offer the following information and observations about these issues in Lismore:

- 20% of Lismore's households are very low income. As these are generally households dependent on a government payment as their primary source of income, they face significant challenges paying for housing as housing costs increase.
- Households on very low incomes are effectively locked out of home ownership, as are most low income households.
- The rental market is the only housing option available to low income households in Lismore and limited affordable options are available. Changes since the 1990s in government policy on public rental housing have placed more reliance on the private rental market. However, only 25% of rentals in Lismore are affordable for very low income households and 56% of rentals are affordable for low income households.
- The Lismore housing market has experienced a continuous decline in the supply and availability of rental housing, which has caused increased competition for housing between those that can least afford to access housing. The key reasons for this decline have been increasing house prices and the lack of supply of new housing, which have resulted in new households finding it harder to purchase and consequently needing to rent or new households purchasing older existing rental stock and directly reducing the availability of rental stock. This decreasing supply creates more need for social housing for those who can compete least effectively.
- There is clearly still an essential and key role for public and community housing providers.

Council Chambers
43 Oliver Avenue
Goonellabah 2480 NSW
Telephone 1300 87 83 87
Facimile 02 6625 0400
Email Council@lismore.nsw.gov.au

- Lismore City Council's Housing Strategy 2012 emphasises the need for a diversity of low cost housing options in close proximity to services, shops, medical facilities and public transport options. These are the key criteria for selecting and prioritising residential areas for affordable and social housing development.
- Social housing, which includes public and community housing, comprises 4.2% of Lismore's housing stock, noticeably below the NSW average of 5%. Lismore is well placed to receive more social housing due to the range of medical, social and commercial services it offers along with training and employment opportunities.
- The waiting times for all social housing types in Lismore, apart from 3 bedroom dwellings, is 5-10 years. There has been little movement in waiting lists for social housing, which reflects the low levels of social housing.
- The Federal Government's National Rental Affordability Scheme (NRAS) has provided limited but important additions to Lismore's affordable housing stock. The limited number is largely due to the majority of the NRAS funds to community housing organisations being allocated to develop affordable housing in metropolitan areas. The NRAS is seen as having potential for providing more affordable housing.
- In recent years, Lismore City Council has put significant time and resources into rezoning and supporting the release of land for new housing to address the lack of housing stock, which in turn will ease the pressure in the rental market. The provision of new infrastructure and the renewal of assets is an important contribution that Council has made and will continue to make to support land release. Of course the costs of providing and renewing infrastructure are ultimately borne by the home owner and the community and impacts on the affordability of housing in general. Schemes such as the NSW Local Infrastructure Renewal Scheme assist Councils in minimising the whole of life costs of providing and renewing essential infrastructure for new housing.

Thank you again for the opportunity to provide this brief submission. I trust that it assists the Committee in its understanding of Social, Public and Affordable Housing needs in our regional city.

Yours sincerely

Cr Jenny Dowell
Mayor- Lismore City Council