

Submission
No 52

**INQUIRY INTO HOMELESSNESS AND LOW-COST
RENTAL ACCOMMODATION**

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The Director
Standing Committee on Social Issues
Legislative Council
Parliament House
Macquarie Street
SYDNEY NSW 2000

Re: Inquiry into homelessness and low cost rental accommodation

Wingecarribee Shire Council appreciates this opportunity to comment on homelessness and the availability of low cost rental accommodation. Within limited means, Council has contributed to affordable housing and to other local programs for persons experiencing homelessness. The Wingecarribee Shire Local Environment Plan to be adopted this year will significantly influence housing diversity and in doing so choice and affordability relative to household needs and financial means.

Economic conditions, market demand, housing diversity and household size influence housing availability and affordability in any one locality. Barriers to private rental accommodation include availability and affordability as well as discrimination. Homelessness is a result of many factors; individual or family circumstances, available support and help to retain or secure appropriate accommodation. For most people with help from family, friends or services homelessness is a relatively brief experience.

Wingecarribee Shire has a population of 44,272 residents, representing 16,218 households with an average occupancy rate of 2.6 persons (ABS 2006). Separate housing accounts for 90% of occupied dwellings. Higher density housing remains low at 9% compared to 29% statewide. Private rental housing stocks are also low at 21% of occupied housing compared to 28% for NSW. Public housing makes up only 2.4% of occupied housing stock, well below the average of 5% for both NSW and the Sydney Greater Metropolitan Region (GMR).

The NSW Department of Housing confirms that housing affordability is an issue in the Wingecarribee Shire and community service providers describe increasing demand for crisis assistance due to homelessness. Main contributors are demand and lack of housing or accommodation suitable for lone person, couple and low income

households. By 2011, more than 80% of local housing need will be for one and two bedroom dwellings.

In 2006, 60% of low and moderate income households across Wingecarribee Shire were living in stress due to home purchase compared to 61% for the Sydney GMR and 43% for the rest of NSW. Similarly, 53% of low and moderate income households in private rental accommodation were paying more than 30% of income on rent. Of persons receiving Commonwealth Rent Assistance, two fifths are in housing stress. More than half are single persons and two fifths are couple only households ¹

Highlands Community Centre provides local access to Department of Housing assistance and reports a sharp rise in private rental costs in recent months with many clients paying up to 50% of income on rent and some paying more. Centrelink beneficiaries experience the discrimination of real estate agents and often must accept substandard accommodation. Waiting periods for priority access to public and community housing is in excess of twelve months. Temporary accommodation in local hotels and motels is affected by tourism as are the two local caravan parks, both reported to be no more affordable than private rental accommodation.

Wingecarribee Council has not been able to take advantage of affordable housing programs or incentives either Commonwealth or State, due to program targeting or capacity to contribute financially. The Commonwealth Local Government Affordable Housing Program targets high growth localities and is dependent upon large scale development to achieve infrastructure savings and benefits. The National Rental Incentives Program is similarly dependent upon economy of scale and big investment. As a small regional locality, Wingecarribee Shire requires discrete, local solutions to address housing affordability and homelessness.

Wingecarribee Council has in the past donated land to assist Argyle Community Housing. Firstly for cluster housing with priority of access given to young parents and secondly for two dwellings targeted to key worker households. This stock is owned and managed by Argyle Housing ensuring sustainability as affordable rental housing. Argyle Housing can continue to increase affordable stocks in this manner. Council has very little surplus land, but can pursue land donation or acquisition at cost when negotiating Voluntary Planning Agreements with major developers. The State government also owns land in this Shire which could be provided for this purpose.

¹ Information on the Wingecarribee Housing Market" NSW Department of Housing August 2007

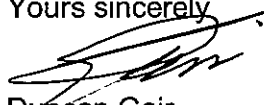
Council donates funds of \$20,000 per annum for Argyle Housing to designate and maintain two dwellings as transitional housing for women and children affected by domestic violence. Tenants are supported during transition by Pathways, a women's accommodation brokerage service funded by the Department of Community Services. Each year, eight families are helped to overcome crisis and secure accommodation, often gaining priority for community housing. This is a successful model which should be equally accessible to other groups such as young people, men and couple families. This requires State investment to extend brokerage services to all persons facing or experiencing homelessness, as well as maintenance funds for transitional housing.

While Council has recently approved another annual donation of \$13,000 for Argyle Housing to designate two dwellings as transitional housing for young people, it did so to reduce serious risks for homeless youth, recognizing this as a State government responsibility for which Council does not have the financial capacity to subsume.

The Wingecarribee Local Environment Plan 2009 will increase housing diversity improving choice and affordability for small and low income households. Land use zones promote medium density housing and mix including shop top housing and boarding houses in proximity to services and transportation. New residential areas will also accommodate housing mix including smaller dwellings. Single storey medium density housing is required to be adaptable and 50% of two storey medium density housing to be accessible to cater to prevalence of disability in an aging population. Other provisions allow for dual occupancy or a secondary dwelling on residential blocks providing accommodation for adult children or aged parents for example. Affordable housing for lone person households will increase by this means. As not all home owners can afford a secondary dwelling, tax incentives could influence uptake.

Council's main concerns are to sustain community and workforce diversity and to reduce the disadvantage and risks associated with homelessness. While partnership arrangements with Argyle Housing demonstrate effective means, to do so Council has subsumed State government responsibilities without recompense.

Yours sincerely,



Duncan Gair
Mayor