

**Supplementary  
Submission  
No 24a**

**INQUIRY INTO SOCIAL, PUBLIC AND AFFORDABLE  
HOUSING**

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Submission [Supplementary] to the

Legislative Council Select Committee  
on Social, Public and Affordable  
Housing

**Inquiry into social, public and affordable housing**

From Ross Smith

For publication along with the other papers and material arising from the inquiry.

## Preamble

This submission is supplementary to my other submission made to the Legislative Council Select Committee on Social, Public and Affordable Housing Inquiry into social, public and affordable housing.

This submission deals with Media News videos and extracts from the NSW Parliament's Hansard service relating to Public Housing in NSW

## **Media News videos**

The videos in the list below raise the question of why has the government allowed the situations portrayed in the videos to arise. If the government was not aware of the situations shown in these videos, then it is a sad comment on the manner in which the administration of public housing has been delivered.

The first three videos show the living conditions experienced by Public Housing tenants on a long term ongoing basis.

The last video - Fortune to be made from Public Housing – shows the ongoing ability of a member of the public to buy properties owned by NSW Lands and Housing Corporation that have been deemed Beyond Economic Repair, repair them, rent them on the open market and show a sustainable return whilst building a self funding rental property portfolio.

The properties, once repaired, have cost the purchaser significantly less than market price. This raises the question of the administrator's ability to reliably ascertain the market value of individual properties within the portfolio and to then apply normal commercial portfolio management principles.

The video begs the question of the quality of the financial management capacity and ability of the administrators of public housing in NSW. The administrators have access to working capital at a far lower price than a member of the public. The costings of the administrators are based on market rent with a breakeven point calculated on receipt of maximum subsidised rentals. In the case of the administrators the difference between market and maximum subsidised rent is the source of stock expansion funds.

## **Reference/Background material sources**

### **Head of Community Services responds to public housing concerns**

Posted Fri 27 Sep 2013, 8:26pm AEST

The Director General of the Department of Community Services Michael Coutts-Trotter responds to questions about decaying public housing and ongoing issues within the child protection portfolio.

Quentin Dempster

Source: 7.30 New South Wales | Duration: 11min 50sec

<http://www.abc.net.au/news/2013-09-27/head-of-community-services-responds-to-public/4986280>

### **Housos left to live in squalor**

Air date: Thursday, October 17, 2013

There's smashed windows, leaking roofs and syringes everywhere, but this is home to hundreds of Aussie battlers.

They're the forgotten housos who are left to live in squalor and dilapidated buildings.

<http://aca.ninemsn.com.au/article/8740387/forgotten-housos-living-in-squalor>

### **Seniors living in public housing prison**

Air date: 14<sup>th</sup> February 2014

They're the terrified seniors living in a public housing prison.

These pensioners are surrounded by drug addicts and criminals and are desperate to leave.

But no one is listening.

<http://aca.ninemsn.com.au/article/8799683/seniors-living-in-public-housing-prison>

### **Fortune to be made from Public Housing**

Air date: Wednesday, January 29, 2014

People buying damaged Public Housing stock, renovating/repairing it and then renting it out.

<http://aca.ninemsn.com.au/article/8791203/fortune-to-be-made-from-public-housing>

## **NSW Parliament's Hansard service**

The following extracts from the NSW Hansard records show that the subject of public housing has been raised in the NSW Parliament, with reference to need for both public and social housing of an adequate and appropriate nature developed and delivered in consultation with the community.

### **Extract N<sup>o</sup> 1**

Legislative Council Notice Paper No. 178—Tuesday 23 November 2010

15205

#### **143. Mr Pearce to move—**

That this House:

**(a) recognises the need for adequate and appropriate social housing, especially for the elderly and disabled,**

(b) notes the community's concerns about the State's implementation of the Federal Stimulus Funding under the Nation Building and Jobs Plan, including many proposed Department of Housing developments in areas such as Maitland, Charlestown, Swansea, Lake Macquarie, Ryde and Kiama electorates which are being pushed through using special state planning powers and procedures without proper consultation with Department of Housing tenants or surrounding communities, and

(c) calls on the Government to consult each community and address their concerns before plans are finalised and development commences on the proposed public housing developments.

#### **151. Mr Pearce to move—**

That this House:

**(a) acknowledges the need for public housing across New South Wales for those in need,**

(b) condemns the State Labor Government for steamrolling local communities and overriding local planning controls in its construction of social housing,

(c) condemns Premier Kristine Keneally for back flipping on her promise to repeal temporary planning provisions, and

(d) calls on the State Labor Government and Premier Keneally to hand planning decisions back to local communities.

## **Extract N<sup>o</sup> 2**

### **HOUSING AND PLANNING**

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**The Hon. GREG PEARCE** [5.51 p.m.]: The New South Wales Liberals and The Nationals regard housing strategy as a critical policy area. Housing construction, maintenance and refurbishment is a significant contributor to and driver of the State's economy, so there are significant economic reasons for stimulating housing as a driver of growth in the New South Wales economy. **Our vision is for a New South Wales economy that is more productive, where everyone has the opportunity to rent or buy a decent home at a price they can afford, in a sustainable community and in a place where they want to live and work. The New South Wales Liberals and Nationals believe there is considerable scope to improve management and delivery of public housing to the most needy in our community and to address the dilapidated public housing stock in New South Wales. We are committed to restoring a service culture to the New South Wales Government's housing bureaucracy and giving dignity and choice to residents.**

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<http://www.parliament.nsw.gov.au/prod/parlment/hansart.nsf/V3Key/LC20101028076>