

Submission
No 148

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

Name: Name suppressed

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The Director
Select Committee on Social, Public and Affordable Housing
Parliament House
Macquarie Street
SYDNEY NSW 2000
Email: socialhousing@parliament.nsw.gov.au

Dear Sir or Madam

“WITHOUT PREJUDICE”

**SUBMISSION ON THE ROLE OF RESIDENTIAL PARKS & VILLAGES –
EXPERIENCES WITH COMMUNITY SOCIAL ADVOCACY GROUPS**

Thank you for the opportunity to make comments to this enquiry into Affordable Housing in the Residential Parks and Villages section.

I write as a resident and also the president, of a manufactured home Village Residents' Committee. In the past I was president of a church charitable organisation assisting underprivileged and disadvantaged with their needs. For many years I was a member of the Lake Macquarie City Council Ageing and Disability Panel, having retired at the last intake of volunteers. I therefore feel I have the experience to make comments on this very important issue.

Residential parks and manufactured housing estates and villages are essentially filling a vital gap in the section of affordable housing for the NSW and Federal governments.

Last year *The Residential Land Lease Communities Act 2013* was passed and this disastrous piece of legislation will drastically reduce the amount of affordable housing in the State. The reasons for my opinion are as follows:

- The legislation is weighted in favour of the Community Operators (park owners under the still current *Residential Parks Act 1998*), to allow them to more easily configure their parks and villages to accommodate a more up-market style of housing and in so doing, reduce the number of humble manufactured homes and caravans with fixed annexes, which are still home to mostly pensioners and low income earners.

Our parks and villages do have some self-funded retirees, but as they are on fixed incomes which were drastically reduced during the recent GFC, they are finding it extremely hard to cope with the current low interest rates, and a number of these folk are becoming more reliant on the aged pension.

Our homes are compact, mostly two and three bedroom dwellings, and in my own case, my home is spacious enough for me to live comfortably. Knowing that at last, I own my own home is very comforting, because as I am now a single aged pensioner, I would not be able to afford to purchase any type of home in suburbia.

- The new legislation also includes a very discriminatory clause which states that parks and villages in NSW should be for the over 50s. This will eliminate the possibility of any young couples or single folk, with or without children, being able to purchase a home of their own in any park or village. Many of these younger people may have lost their jobs, with the consequence being the loss of their homes due to mortgage default. If they are in the situation of being able to purchase a home in a park or village, they would possibly be entitled to family support which would help keep their young families together.

As citizens of this country, these people must not be discriminated against by depriving them of their rights to purchase their own home, no matter how humble it may be. It is my understanding that most park operators are aware that if their parks/villages have 50% or more residents aged over 50/55, operators are eligible to apply for exemption from land tax, which is an obvious incentive for a park owner to have a majority of residents in that age bracket.

- There is an influx of conglomerates, including some multi-national companies, buying more and more of these parks and villages. Their motives for doing so are demonstrably clear, ie park and village residents are seen as “cash cows” who will fill their coffers with more and more funds from rents and regular rent increases. It is in the interest of such organisations to expand their purchases of parks/villages throughout the State to provide increasingly attractive dividends to their shareholders, at the expense of residents. This information is blatantly clear on these organisation’s websites and they make no attempt to disguise their reasons for obviously deceiving the State government last year, into believing they are only buying parks and villages in a generous gesture to help keep the affordable housing market “viable”.

What these organisations would have the government, and the hapless residents believe, is far from the reality. Residents and prospective home buyers are finding that the maintenance of parks/villages is deteriorating and that the costs of the new homes being installed are over and above the affordable limit for lower income earners and pensioners.

In my view, the new legislation has rung the death knell for affordable housing in this State.

- Another reprehensible clause in this dreadful piece of legislation outlines the manner in which a community operator (park owner) can calculate the periodic rent/site fee increases, as being according to the Sydney CPI, or the variations in the meagre pension increases we may receive. The reference to pension increases was, in my opinion, a sneaky inclusion in the second draft of the Bill. It is disgraceful for park owners (community operators) to utilise funds pensioners receive from the taxpayer through the Federal government welfare system, in order to fill their own pockets. This option appears to offer the operators a licence to implement larger rent increases, even when the CPI is at a low level.

Pension increases are granted to help recipients feed themselves and pay for food, clothing, health, medical needs/treatments etc, and there are very few pensioners, particularly in regional areas, who can afford the social activities which have proved to be vital to an aged person's state of health and mind.

- The termination clauses in the legislation will also make it easier for unscrupulous operators to terminate agreements, which will mean that ousted residents will be applying for public housing, which in some areas already has a 20 year waiting list. This scenario raises the definite prospect of aged pensioners who have lost their residential park/village home, becoming homeless and perhaps ending their lives on the street.
- The local branch of the Society of St Vincent de Paul has advised it is becoming increasingly difficult to find affordable housing for some of their clients and this being a regional area, adds to the difficulty.

The NSW government has an obligation to its citizens, particularly those in disadvantaged groups, to ensure that quality, affordable housing is increased State-wide.

Furthermore, the government should be mindful of any continued attempts by vested interests endeavouring to convince it they are providing a necessary housing niche, cloaked under the "affordable housing" guise.

Yours sincerely

c Greg Piper MP
and by email

I provide my personal information on the basis it is not for general publication.