

INQUIRY INTO SOCIAL, PUBLIC AND AFFORDABLE HOUSING

Organisation: The Benevolent Society

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Submission to the NSW Legislative Council Inquiry into social, public and affordable housing

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1. Introduction

The Benevolent Society welcomes the inquiry by the Select Committee on Social, Public and Affordable Housing.

As a mainstream provider of services to low income and disadvantaged people in New South Wales, we are very aware of the importance of increasing the supply of social, public and affordable housing, and of the link between inadequate housing and disadvantage. Low income households in NSW are finding it increasingly difficult to obtain housing that is affordable, secure and appropriate to their needs. This in turn limits their ability to obtain and retain employment, engage in education and training, and build better lives for themselves and their dependants.

An increased supply of secure and well-located housing that is affordable by low income people could have a transformative effect on the economy of NSW as well as on the wellbeing of individuals, families and children.

2. About The Benevolent Society

The Benevolent Society is Australia's first charity. We are a not-for-profit and non-religious organisation and we've helped people, families and communities achieve positive change for over 200 years. We help people change their lives through support and education, and we speak out for a just society where everyone thrives.

Our focus is to foster wellbeing throughout life – from infancy to older age – with services that:

- prevent problems or reduce their negative impact
- tackle problems early before they become entrenched
- help people use their strengths to solve their own problems
- give priority to people experiencing social and financial disadvantage.

Snapshot

- The Benevolent Society is a secular non-profit organisation with 992 staff and 722 volunteers who, in 2013, supported more than 76,800 children and adults primarily in New South Wales and Queensland.
- We deliver services from 64 locations with support from local, state and federal governments, businesses, community partners, trusts and foundations.
- We support people across the lifespan, including children and families, older people, women and people with mental illness, and run community development and social leadership programs.
- Our revenue in 2012/13 was \$92 million.
- In 2012/13, 83% of our income came from government sources. Private fundraising, trust and foundation grants provided another 4%, client fees generated 7% and investment income contributed 6.5%.
- The Benevolent Society is a company limited by guarantee with an independent Board.
- For more details see www.benevolent.org.au

We know that prevention is better than cure and it's more effective to act early rather than react later. The earlier we act, the greater the impact and the lower the cost to the community in the long run. This principle guides our own work in The Benevolent Society but it is also a valid principle for the NSW Government.

The Benevolent Society runs two low cost housing complexes in Sydney for older people over 70 on low incomes who have no, or minimal, assets. The Benevolent Society is otherwise not a provider of housing/accommodation. However, many of our services provide support to people in housing stress, in insecure housing or who are homeless, as will be discussed further below.

3. Link between inadequate housing and disadvantage

Many of our clients have significant difficulties with housing and, although this is generally not the primary purpose of our services, most of our services help clients to overcome housing-related problems. They include:

- families with children who are struggling with parenting or there are concerns about the wellbeing of the children; many of these families also have mental health and/or drug and alcohol issues
- individuals with serious mental illness who need assistance to manage their daily activities in order to live independently
- older people who do not own a home needing support to continue to live independently, as well as secure housing
- women experiencing domestic violence.

Many such clients when they first come to us – including those with children – are living in garages, ‘couch surfing’ or sleeping on the floor with friends or family, literally sharing a couch with children, or moving from motel to motel. Others are paying unsustainably high amounts of rent relative to their incomes. In some cases, a family unit has had to split up because of lack of suitable and affordable housing.

In these circumstances much of the work of our practitioners, especially at the initial stages of engaging with a client, is taken up with helping them to address their immediate housing needs. This tends to mean spending endless hours constantly advocating on behalf of clients with Housing NSW for Temporary Accommodation, with other housing services, supported accommodation providers, and private agents and landlords – and getting an awful lot of knockbacks.

We frequently assist clients to apply to go on the priority housing list and in some cases have been able to successfully assist clients into public or social housing. Developing partnerships with local community housing providers has facilitated this.

For those who we are able to assist to obtain housing (whether public, social or private rental) some then need help to sustain their tenancies, especially to start with.

In some geographical areas we have been able to develop good relationships with local real estate agents. By reassuring the agents that clients will be assessed for their ability to sustain a tenancy (financially and in other ways) and that they will be supported by us, we have been able to assist clients into private rental housing. Our ability to do this is dependent on the state of

Kevin’s story

Kevin is a single man in his 50s receiving support with living skills from The Benevolent Society. He has no permanent home and his income is the Newstart Allowance. Kevin faces several barriers to employment including his homelessness, a past criminal record and self-harming behaviour. Kevin feels that he is unable to look for work until he has found stable accommodation and received counselling and treatment in relation to his self-harming behaviour.

Kevin has been sleeping on the couch in a studio apartment rented by his adult son for the past eight months, but the cramped conditions have led to tensions in his relationship with his son and he will need to leave soon.

the local rental market, as landlords often do not want to know about people on low incomes if they have other potential tenants on higher incomes or with good rental records from which to choose.

Where we can we assist clients to obtain affordable, secure housing appropriate to their needs and circumstances. However, unfortunately, despite our efforts and those of other services/agencies, many of our clients are not able to obtain housing as there are simply not enough properties available or not in their price range. It is very difficult assisting low income clients to find private rental housing in the metropolitan area at a price they can afford.

The situation is similar in rural areas, but especially during mining booms when there have been influxes of well-paid workers.

When first referred to us some of the people with serious mental illness that we assist through our Personal Helpers and Mentors (PHaMs) services, are living in their cars or couch-surfing with family or friends, while others are in very temporary housing (e.g. a refuge) or have just come out of a residential facility. Because of the limited availability of public housing, and of private rental housing affordable by someone on a disability support pension, they have been unable to obtain long term and safe housing despite the continuing support and assistance of The Benevolent Society's staff.

Most of the older people who we support through our community care services have secure housing – they are homeowners or live in public housing. However, for those who are not, their housing situation is often very precarious and their options very limited. Typically such clients will be living in places that are very unsuited to their health and mobility and/or they have to move frequently. When they move it is often very difficult to relocate within the same geographical area. While local connections and familiar local amenity are important at any age, they are particularly crucial to older people's wellbeing and ability to live independently. These connections are much harder to rebuild in older age if broken by a forced move to a new area.

Lone fathers with young children are another group that is difficult to assist to find appropriate temporary housing. There are few avenues open to them as women's refuges and shelters for homeless men are not suitable.

Impact of insecure housing

Our experience is that if clients do not have secure housing, our ability to assess and assist them with their other support needs is very limited. Moreover, lack of affordable and secure housing contributes to their continuing difficulties in many ways. Poor housing is both a cause and effect of disadvantage.

Mike and Tayla's story

Mike and Tayla and their three children, Jason, 4, Chloe, 2 and Duncan, 8 months, lived in the outer suburbs of Sydney where they rented a modest, older-style three-bedroom house. Mike worked as a retail sales assistant while Tayla looked after their three children at home. Tayla received Parenting Payment and family tax benefit.

Mike and Jill are young parents (under 25) being supported by The Benevolent Society through our Foundations for Young Parents program which helps young parents develop parenting skills, access support services and overcome social isolation.

Unfortunately Mike became ill and unable to work, he claimed Sickness Benefit but the family's income had dropped and they fell into rental arrears. Despite receiving assistance from emergency relief services, they continued to fall behind with the rent. The family was evicted and afterward stayed in a motel paid for by Housing NSW, on a temporary basis. They must move out each week and reapply for temporary accommodation.

A 2009 study by AHURI¹ made similar observations, finding also that housing insecurity makes it more difficult for people to engage in paid work or to study, thus contributing to and reinforcing their financial insecurity. It can be very difficult for people to look for, find or keep paid employment when they move a lot.

The AHURI research similarly reported that housing insecurity affects social connectedness. In particular, mobility, housing instability and a lack of belonging, are obstacles to social connectedness for adults and children. Lack of a secure home can make it difficult to establish a sense of identity and self-esteem.

Achievement of housing security across its various dimensions would appear to be particularly important for people with life-histories of high mobility and a sense of lack of belonging. To deal with other areas of uncertainty in their lives they need to be 'at home'.

For lower-income people who are unlikely to buy their own home, housing security means having the opportunity to have a rental home which is stable, safe, private and comfortable, and in which adults and children can develop a sense of belonging and a sense of continuity and constancy in everyday life.

When supporting people with mental illness, often with backgrounds of trauma, our first priority is to try help them stabilise and feel safe. It is difficult, if not impossible, to do this in the absence of a safe and secure home.

A recent evaluation by The Benevolent Society of our PHaMs services, found that one of the most common needs identified by participants at entry to the program was access to safe, secure and stable housing, without which they found it very difficult to deal with any other issues and/or begin their recovery journey.²

From our experience of working with low income families we have observed the damaging effects of housing instability on parents and children. For example, when constantly moving it can be more difficult to:

- find employment
- undertake training
- comply with Centrelink requirements and appointments
- receive important correspondence from Housing NSW in time
- register with local health services, maintain preventive health checks etc
- attend school or child care
- make use of child and family support services (for example, a hard won place in a child care service may be lost if the family moves, or it might not be possible to continue to have access to a support service if the equivalent service in the new area is run by a different organisation).

Impact of high housing costs

High housing costs affect the families we work with in many ways. For example, some families paying high proportions of their income in rent have so little after-housing disposable income that they struggle to cover other necessities such as food, transport or medication. In these families, it is common for children to go without up-to-date school books and uniforms, and to miss out on school excursions and leisure activities because their families simply cannot afford them.

¹ K Hulse and L Saugeres (2009) Housing insecurity and its link to the social inclusion agenda, AHURI Research and Policy Bulletin Issue 113 May

² The Benevolent Society (2014) [Evaluation of The Benevolent Society's Personal Helpers and Mentors Scheme](#)

While The Benevolent Society does not provide emergency relief, we have a limited allocation of funds that can be spent on buying certain goods and services to support families. This list of the most common items purchased provides a snapshot of the essential items that low income families in housing stress may have to forego:

- children's clothing, school uniforms and shoes, school excursions and other activities
- specialist assessments and treatments for children (e.g. speech therapy)
- child care fees
- essential furniture and household items, beds, mattresses, linen and blankets
- nappies and personal hygiene products
- medications
- family outings
- cleaning products
- books and educational toys for children
- home safety equipment (e.g. stair gates)
- transport
- food and groceries (in emergencies only); and
- electricity bills (in emergencies only).

Older clients paying high rents will typically cut expenditure on medications and other health items, to make ends meet.

4. Link between housing and child development

The connections between housing and childhood development are well-recognised in the literature. Insecure housing has been found to affect the mental health of parents and family stability. Family instability is associated with poorer educational performance and rates of school completion.³

Housing instability can impede the ability of children to develop social skills, which can in turn affect their future development and educational outcomes. Safety and stability are key to children growing up as resilient and fully functioning members of society.

The Benevolent Society believes it is unacceptable that children's development and future wellbeing should be put at risk because of insecure housing, frequent moves or homelessness.

Early childhood, in particular, is a critical time during which the basic foundations for development are laid down, upon which all future learning and development builds cumulatively. The nature of the home environment in which children grow up, has an important influence on child wellbeing. The quality of the parental-child relationship is especially important. Conversely, adverse experiences such as sustained poverty are detrimental to children's development. This is very significant if high housing costs are causing families to live in poverty.

Three pathways appear to be involved in the relationship between poverty and child development

- children in poverty tend to have less cognitively stimulating environments, and live in impoverished language environments,
- lower income parents tend to engage in harsher and less responsive interactions with their children, and

³ Taylor and Edwards (2012) Housing and children's wellbeing and development, Evidence from a national longitudinal study Family Matters 2012 No. 91 AIFS

- disadvantaged children must contend with a wide array of stressors that strain and eventually impact negatively upon their brain development and damage their biological and psychological regulatory systems, with effects over the life course.⁴

5. Integration of housing services and social services

As mentioned earlier, as a mainstream service provider, we work closely with a number of housing services, including Housing NSW and community housing providers, in order to assist clients in housing difficulties and to advocate on their behalf. Our aim is to do so as early as possible, to prevent problems getting worse and more difficult to address.

Our experience in working with Housing NSW is varied, as is that of our clients. In some areas we have been able to develop good relationships with client services officers in the local office so that they now appropriately refer clients to us, for example, when clients need assistance to complete forms, with advocacy or other support.

However this is not always the case. We observe that Housing NSW frontline staff do not always have the skills or time to properly assist some of the families we work with – such as people with mental health or drug and alcohol issues, poor literacy and people with poor communication skills who struggle to explain their circumstances coherently. Some are simply told to get extra help from ‘someone else’ but not where to obtain that help.

Housing NSW rules, forms and procedures can appear impenetrable to the very people they are intended to assist. The rules associated with applying and re-applying for temporary accommodation – especially having to attend the Housing NSW office on a daily or near daily basis – can make it difficult for families with complex needs to at the same time look for other accommodation, attend Centrelink appointments and so on. This is especially the case when travelling long distances to and from the Housing NSW office is required.

The following case study illustrates how difficult it is for clients to ‘navigate the system’ without assistance.

Kelly and Sam

Kelly has long term mental health issues and her 15 year old son has intellectual and physical disabilities.

Kelly was previously living in southern NSW in public housing. However she moved to Sydney in order to improve her son’s educational opportunities, which in her southern NSW area were very limited. This turned out not to have been a good move as she had ‘relinquished’ her public housing tenancy in southern NSW but was unable to obtain public housing in Sydney nor find anywhere else to live, and her son didn’t get into any of the schools in Sydney (which was the reason for their move). She tried to move in with relatives back in southern NSW but was not welcome there. She and her son have been homeless now for 6 months.

During that period she has used nearly all of the 28 days of emergency accommodation (usually in a motel) that Housing NSW can provide for people in crisis who are homeless and who have no other options. She is only offered 1-3 nights at a time, and is required to look for private rental housing. This made it very difficult for her to put her housing situation on a more permanent footing, find schooling and other support for her son, or to address other pressing needs. At various times she

⁴ Moore, T.G. and McDonald, M. (2013). Acting Early, Changing Lives: How prevention and early action saves money and improves wellbeing. Prepared for The Benevolent Society by the Centre for Community Child Health at The Murdoch Children’s Research Institute and The Royal Children’s Hospital.

used emergency refuge accommodation run by NGOs, or has stayed in caravan parks and motels at her own expense.

She came into contact with the Benevolent Society's Partners in Recovery program by chance rather than through a formal referral process. (She re-contacted a previous support worker who now works for the Benevolent Society).

In the three weeks that the Benevolent Society has been supporting her, we have assisted her to navigate Housing NSW rules and procedures, advocated for her with Housing NSW, and spent time everyday ringing all the agencies we are aware of in this part of Sydney that might have short term accommodation available.

Meanwhile we are also assisting her to re-apply for permanent priority housing with Housing NSW. This has meant trying to find a GP in Sydney prepared to take her and her son on with their complex medical histories, so as to be able provide Housing NSW with evidence of her and her son's medical situations. Her previous GP was on holiday and unavailable.

It also meant assisting Kelly to apply for a 'change of circumstances' to enable her to be considered for priority housing in Sydney, not where she previously lived. To help Kelly try and obtain private rental housing so she has somewhere to live meanwhile, we have also helped her apply to Housing NSW for a 'ledger' (a history of her previous rental payments to Housing NSW) or for a 'satisfactory tenancy report'. These are required by real estate agents as a reference, before she can put in a formal application to take on a private rental tenancy. At the time of writing Housing NSW have not yet provided these reports and not any indication of how long it will take.

We have recently helped Kelly successfully obtain medium term accommodation in a caravan park, but for her to take this up we have also had to help her apply for a loan from Housing NSW or an NGO source to cover the bond.

Going to her numerous appointments - medical, real estate agents and at Housing NSW - is easier said than done as Sam has poor mobility and, being without a home, Kelly needs to take all her bags with her.

Lastly, now that steps are underway to obtain housing for more than a few days at a time, we can attend to assisting Kelly and Sam in other aspects of their lives. We have successfully re-linked her son up with Ageing, Disability and Home Care (ADHC), who are now developing an education plan for him.

Our experience in dealing with Housing NSW with Kelly has been very variable and highlights room for improvement in their customer service to people with multiple and complex needs. Some client services officers were very helpful in proactively advising Kelly and us of the options open to her, the steps she needed to take and other sources of assistance. Others were less than helpful. For example, failing to provide her with crucial pieces of information such as that she could apply relatively simply to 'reinstate' her housing with Housing NSW so long as she did so within 6 months. She was also not told that she would need and could apply for a 'satisfactory tenancy report' to apply for private rental housing. Kelly was not referred to the Benevolent Society, or any other similar service (as far as we know).

Dealing with Housing NSW's procedures and requirements were totally beyond Kelly's ability without assistance. Our intervention can be regarded as a success story, as it appears that Kelly is finally on the path to getting secure accommodation and appropriate assistance for her son. They have somewhere to live meanwhile and they are still together, but it was a close shave.

The case study illustrates how onerous and complex Housing NSW's systems are, no doubt intended to prevent abuse and to act as a rationing mechanism given Housing NSW's very limited stock. But they have the effect of making it impossible for people such as Kelly and Sam to negotiate.

By contrast, our experience in dealings with community housing providers has been that they are willing to work in partnership with us to share information, to advise us if vacancies are arising and to explain Housing NSW's policies to people like Kelly and Sam who are looking for housing.

Successful programs

There are several programs utilised by Benevolent Society clients that we find are particularly helpful. For example:

- temporary and medium term accommodation services such as This Way Home in Newcastle, that also provide access to support for other complex needs
- the *Start Safely* program, through which women are enabled to leave a domestic violence situation with support such as subsidised rent, and facilitated access to social or private rental housing
- *Rentstart* assistance with bonds and advance rent.

Feedback from Benevolent Society clients who have used the *Start Safely* program is that without it they would not have been able to access private rental housing, that it provided vital relief from the burden of high rents, and also created the opportunity to start saving money.

Improving social service integration

The Benevolent Society has been pleased to contribute to discussion about how best to improve linkages between mainstream social services and housing services, through the Going Home Staying Home Linkages to Human, Social and Justice Agencies Working Group. In its 2013 final report to the Going Home Staying Home Sector Reference Group⁵, the Working Group noted that:

Mainstream services have a significant role to play in supporting the Going Home Staying Home reforms as staff are often the first to become aware that a client is experiencing homelessness or is at risk of homelessness. They are therefore uniquely placed to intervene early to prevent homelessness in the first place or to quickly resolve the issue through a combination of a referral to another agency and direct service delivery.

The report makes a number of important recommendations in the areas of client-focused holistic service delivery (including for any children involved), early intervention and prevention, multi-agency approaches, clear referral pathways and processes, exit planning, confidentiality and data collection.

It is important that the momentum of this work is maintained and these recommendations implemented.

6. Supply of social, public and affordable housing

The Benevolent Society is not in a position to comment in detail about the supply of housing that is affordable by low income people. However, we note that in 2012 the National Housing Supply Council's *Housing Supply and Affordability Key Indicators* estimated that there was a shortage of 89,000 dwellings in New South Wales.

Anglicare's 2013 *Rental Affordability Snapshot* found that, of 12,880 properties available for private rental in Greater Sydney, only 23 properties were both affordable and appropriate for households with income support as their primary source of income. The situation was only slightly better for households on minimum wage, who could have afforded 241 of the properties advertised for rent in the whole of Greater Sydney.⁶

⁵ http://www.housing.nsw.gov.au/NR/rdonlyres/25375E6B-FEF5-459B-84B8-B2AD17CF5C4C/0/Linkages_WorkingGroup.pdf

⁶ Anglicare (2013). *2013 Rental Affordability Snapshot*.

In relation to public and social housing, at June 2013 there were 57,451 applicants on the general waiting list.⁷

We would also like to bring to the attention of the Committee concerns that the supply of one particular form of social housing for low income older people without assets is diminishing. We refer to 'independent living units' or ILUs developed mostly by aged care organisations during the 1960s to 1980s with capital subsidies then available from the Commonwealth Government.

Residents are typically on an age pension and pay a rent or recurrent fee fixed as a proportion of the age pension. Some organisations require residents to pay a small capital contribution if they are able to.

As most were built in the 1960s-1980s many now require rebuilding or upgrading. However, the income is insufficient to provide for capital upgrades. As a result, when rebuilding or upgrading occurs, there is often a loss of low cost ILUs for rent, as the provider will typically convert them into residential aged care and/or independent living units that require a substantial capital entry fee only affordable by those who have a home to sell. Upgrading to meet modern accessibility requirements will also cause a loss of yield. We understand that few aged care providers have been able to access National Rental Affordability Scheme funds (NRAS) to assist in retaining units for rent, but this is unusual.

7. Recommendations

It is widely recognised that there is insufficient housing within the financial reach of low income people in NSW, that the supply of public housing has been in decline for two decades, and that the demand for public and social housing is increasing.

We acknowledge that the NSW Government is undertaking a number of steps to make better use of the resources and stock available, including through putting greater reliance on community housing. However this will only go so far. It is imperative that the NSW and federal governments pay much greater attention to increasing the supply of public, social and affordable housing. This will require increased expenditure.

We recommend that the NSW Government:

- commit to increasing the supply of public, social and affordable housing, in partnership with the federal government, by specified targets
- invest further in the development of community housing / social housing, including in innovative financing approaches
- put greater focus on preventive and early interventions so that families at risk of homelessness or in their first experience of homelessness do not become chronically homeless
- improve cross-government collaboration and partnerships with NGOs to develop better linkages between housing services and mainstream services, so that people's needs can be addressed more holistically and effectively
- ensure the continued funding of services and programs that provide or facilitate access to temporary and medium term accommodation *and* access to support for other complex needs, such as This Way Home in Newcastle and Start Safely for women escaping domestic violence
- review trends in the supply of independent living units (low cost rental retirement housing) for older people, and options for stimulating growth in this form of low cost housing.

⁷ NSW Government Family & Community Services, Housing NSW. (2013).