



## Social housing

by Louise O'Flynn

### 1. Introduction

The phrase social housing is often used interchangeably with terms such as 'affordable', 'public' or 'low cost' housing.<sup>1</sup> Social housing is one mechanism adopted by Local, State and Commonwealth Governments to address the housing affordability problem in NSW.

Since its introduction in the early 1900s, the focus of social housing has shifted from "supplying affordable properties for rental or home purchase to low and middle income working families, towards providing accommodation on a priority needs basis to households with special needs or in challenging circumstances".<sup>2</sup> Today, households in social housing generally have very low incomes; receive a government pension as their main source of income; are mostly single persons; and are older than the population in general.<sup>3</sup>

The current NSW social housing system encompasses:

- Public housing.
- Community housing.
- Aboriginal housing.

In NSW in 2010, there were more than 150,000 dwellings under social

housing management. 85% of these were public housing, 11% were community housing, 3% were Aboriginal Housing Office dwellings, and 1% was crisis accommodation.<sup>4</sup> In 2010, there were over 83,000 people on the social housing waiting list in NSW.<sup>5</sup>

This e-brief outlines the history of the NSW social housing system and looks at the current situation for the three social housing subsectors. It also considers government social housing initiatives, briefly outlines the NSW social housing regulatory framework and highlights several stakeholder perspectives on the system.

### 2. History of the NSW social housing system

The provision of social housing in NSW has changed considerably over its life.<sup>6</sup> It has transitioned from housing for low income working families in the early 1900s to a social housing system that involves all levels of government, the not-for-profit sector and other organisations, with the aim of helping those who are "most in need."<sup>7</sup>

The history of the development of social housing in NSW is set out on the [Housing NSW website](#). This e-brief

presents an overview of developments since the 1980s.

It was in the 1980s that the Housing Commission "refocused" its housing priorities to those:

...most in need and away from just public housing for 'blue collar workers'. Nuclear, working-class families were now no longer the typical applicants. Growing numbers of single people, including sole parents, the homeless, older people, people with disabilities began applying for public housing.<sup>8</sup>

Over 150,000 homes were built in the 1980s, with more than 270,000 people given assistance to buy homes. The Housing Commission was also renamed the Department of Housing during this period, with the rebadged Department focused on rehabilitating old public housing stock. [Landcom](#), originally founded in 1975, was established to "offer affordable houses on Sydney's fringe."<sup>9</sup> It was amalgamated with the Department of Housing in the mid 1980s to "ensure the timely and affordable supply of new home sites."<sup>10</sup> In 1993 the amalgamation was reversed.<sup>11</sup>

According to Mike Allen, Director General of Housing NSW, in 1987, "non-aged single people and people who needed support services to live independently became eligible for public housing for the first time", while "demand from pensioner and other beneficiary groups increased throughout the 1980s."<sup>12</sup>

### **2.1 1990 onwards**

During the 1990s, the Department of Housing "sought housing solutions in the private and rental markets using innovations, such as [head leasing](#) and

partnerships with private developers and community housing groups."<sup>13</sup> Consequently, the stock of community housing doubled in NSW.<sup>14</sup>

According to Allen, in today's social housing system:

Public housing tenants...are overwhelmingly recipients of social security benefits, rather than wage earners. Many...have complex needs, including a range of non-housing support requirements."<sup>15</sup>

Allen further noted that in 2006-07:

- Almost 10% of newly housed public housing tenants were homeless or at risk of homelessness.
- 97% had a Centrelink benefit as their main source of income.
- Over 30% were recipients of the Disability Support Pension.
- Almost 4% were frail aged, and over 11% were older persons.
- 2% were young adult household heads aged under 20.<sup>16</sup>

The profile of public housing tenants informed the State Government's [2005 plan](#), "[Reshaping Public Housing](#)". Allen described the aim of the Reshaping Public Housing reforms as to ensure that NSW has a "fair" public housing system "which both helps those most in need while remaining sustainable into the future."<sup>17</sup>

These reforms "enshrined as a principle the allocation of public housing on the basis of greatest need."<sup>18</sup> [Housing NSW](#)<sup>19</sup> stated that the Reshaping Public Housing reforms "represent a fundamental policy shift in the delivery of public housing in NSW"<sup>20</sup>

Under the reforms, changes were made to:

- People eligible for public housing.
- Length of tenancy.
- How people in need receive support.
- Rental costs.
- Water usage charges.
- Market rental value reviews.
- Property maintenance.
- Public housing property portfolio renewal.<sup>21</sup>

The Reforms also applied to all applicants for and tenants of Aboriginal Housing Office properties managed by Housing NSW.<sup>22</sup> According to Housing NSW, many elements of the Reshaping Public Housing reforms have now been implemented.<sup>23</sup>

In his role as Director General of Housing NSW, Mike Allen emphasised that social housing in NSW needs to meet:

- Heightened demand from people with complex needs.
- Demographic changes, including the ageing population and the rapid growth in smaller households.
- Increasing demand for adaptable housing that can meet a range of special needs without requiring major structural modification.<sup>24</sup>

### 3. Social housing subsectors

Social housing in NSW is divided into three subsectors:

- [Public housing](#): approximately 122,000 properties are managed by Housing NSW.
- [Community housing](#): approximately 19,000 dwellings are managed by

not-for-profit community housing organisations.

- [Aboriginal housing](#): approximately 4,600 dwellings are owned by Aboriginal community organisations and an additional 4,500 dwellings are managed by Housing NSW on behalf of the [Aboriginal Housing Office](#).

#### 3.1 Public Housing

Public housing refers to dwellings owned (or leased) and managed by State and Territory housing authorities to provide affordable accommodation to people on low incomes and those with special needs. In NSW the relevant authority is [Housing NSW](#).<sup>25</sup>

Between 2000 and 2010, NSW saw a 7.3% decrease in the supply of public housing (9,164 fewer public housing dwellings).<sup>26</sup> In June 2010, there were 5,861 new allocations of public housing tenancies.<sup>27</sup> Of these, 69.5% were allocated to applicants assessed with 'greatest need'. According to Shelter NSW, this proportion of allocations on a 'greatest need' basis compares with 39.1% in 1999-2000.<sup>28</sup>

Greatest needs households are defined as low-income households subject to one or more of the following circumstances:

- They were homeless.
- Their life or safety was at risk in their accommodation.
- Their health condition was aggravated by their housing.
- Their housing was inappropriate to their needs.
- They had very high rental housing costs.<sup>29</sup>

Within the "greatest need" category is a sub-category of applicants with a "special need". Shelter NSW further

explained that of the new allocations to those in 'greatest need' in 2009–10, 64.3% were allocated to applicants with a "special need".<sup>30</sup> Special needs households are defined as low-income households that meet one of the following criteria:

- Satisfy the Indigenous household definition.
- Have a household member with a disability.
- Where a principal tenant is aged 24 years or under.
- Where a principal tenant is aged 75 years or more.<sup>31</sup>

According to the [Australian Institute of Health and Welfare](#), households in public housing tend to remain in tenure for long periods, contributing to the low number of new allocations in government-provided housing. The majority of tenancies in public rental housing (nationally 61%) have been in effect for more than 5 years and more than one-third of public housing households had been in the same tenancy for more than a decade. Occupancy rates are also consistently high in NSW public housing (98.9%).<sup>32</sup>

In NSW, the number of people on the public housing waiting list has been falling, with a 38.5% drop between 2000 and 2010 (37,893 fewer people).<sup>33</sup> The largest waiting list drop from one year to another was between 2005 and 2006 (21.1% drop), which according to [Shelter NSW](#) was mainly due to a tightening of eligibility criteria, and reviews of the status of previous applicants.<sup>34</sup> As at June 2010, there were 60,444 applicants waiting for public housing in NSW. The total number of applicants with a 'greatest need' in June 2010 was 22,608.<sup>35</sup>

According to an article published in the [Daily Telegraph](#) on 4 July 2011, nearly

50,000 NSW social housing dwellings are under-occupied, with almost 11,000 people living on their own in houses with more than three bedrooms. A Housing NSW Spokeswoman is quoted in the article explaining that it does not currently have enough one and two bedroom properties into which to move tenants who are under-occupying larger social housing properties.

The 2010 [National Social Housing Survey](#) found that less than half (48%) of adults living in public housing across Australia were in the labour force. The Australian Institute of Health and Welfare considers that this may reflect the priority allocation policies applied by housing departments.<sup>36</sup>

The National Social Housing Survey asked a sample of public housing tenants across Australia to indicate their overall level of satisfaction with the services provided by (or through) their housing department, and their satisfaction with the location and amenity aspects of their dwellings. In NSW, 64% of respondents stated that they were either satisfied or very satisfied with the services provided by Housing NSW. This was the lowest level of satisfaction recorded of all Australian States and Territories, with a high of 84% in Queensland.<sup>37</sup>

### **3.2 Community Housing**

In addition to housing provided by Housing NSW, social housing is also provided by the not-for-profit sector in the form of community housing. According to the [Australian Institute for Health and Welfare](#), "there has been a gradual but steady shift of focus from the public to the community-managed sector."<sup>38</sup> The Institute expects the growth to continue, with Governments committing to a large scale not-for-

profit sector comprising up to 35% of all social housing by 2014. The sector is also expanding under the National Rental Affordability Scheme.<sup>39</sup>

Community housing is rental housing provided to low to moderate-income or special needs households, managed by community-based (not-for-profit) organisations or local councils that have received full or partial subsidies from the Government.<sup>40</sup> Maura Boland, Executive Director of Policy and Strategy, Housing NSW, explained that:

Community housing has played a vital role in augmenting and complementing the delivery of public housing in NSW...Providers have demonstrated a willingness to engage in investment and, ultimately, the development of more properties.<sup>41</sup>

The [NSW Federation of Housing Associations](#), (the Federation) has identified three main types of community housing in NSW:

- Housing associations: not-for-profit housing providers that manage the majority of community housing tenancies in NSW.
- Cooperative housing: subsidised by the Government, however it is fully managed by the tenants themselves, "providing for real control and 'ownership' of their housing."
- Church based agencies: respond to housing needs in their local communities and in partnership with the Government assist through the allocation of church resources.<sup>42</sup>

The NSW Federation of Housing Associations explained that community housing organisations vary significantly in size, with some cooperatives managing half a dozen

houses and others, such as [City West Housing](#), managing a portfolio of hundreds. In 2008-09, City West Housing managed 446 units in the Ultimo/Pymont area, housing approximately 850 people, and 45 units in Green Square, housing approximately 85 people.<sup>43</sup>

The 2008 [Senate Committee Inquiry](#) into housing affordability in Australia, considered community housing providers to have demonstrated their ability to "play a key role in providing a secure home to those otherwise socially excluded."<sup>44</sup> More recently, Commonwealth Social Housing Minister, Mark Arbib recognised the "many strengths" that community housing providers bring to social housing, including:

- Innovation.
- Cost-efficiency (and greater ability to leverage for growth).
- Energy and enthusiasm.
- Grass roots linkages, which can allow better delivery of support.<sup>45</sup>

Senator Arbib sees a "huge role for the community housing sector" and says the Gillard Government is "committed to seeing the community housing sector reach its full potential."<sup>46</sup> He commented:

We know that future demand for overall public housing is estimated to be a 28% increase in underlying demand, or around 93,000 houses by 2023. In today's dollars that would cost about \$25 billion.

There is no way that State and Territory Governments backed by the Commonwealth can meet this demand alone. We need the community housing sector to play a key role here.<sup>47</sup>

In 2009, the NSW Government announced the transfer of public housing properties to community housing organisations to "help the sector grow and gain more independence."<sup>48</sup> The Minister for Housing at the time, David Borger, explained:

In simple terms, by transferring the ownership of our properties to the community housing sector we give them the ability to borrow funds to build and buy more homes...in NSW we will transfer the title of around 7000 properties by the end of June 2012. We expect that this will help community housing organisations raise millions of dollars to build and buy more homes.<sup>49</sup>

Between January 2009 and December 2010, close to 3,000 properties were transferred from Housing NSW management to community housing organisations under the [Property Transfer Program](#).<sup>50</sup> Housing NSW described the Property Transfer Program as:

...a key vehicle for growing the community housing sector and enables individual community housing organisations to strengthen their financial position and attract investment to build more homes. For tenants who agree to transfer to community housing there is the added advantage of having a local community organisation managing their tenancy.<sup>51</sup>

Due to the Program's perceived success, it was extended by six months to June 2011, with a target of 500 transfers during that period.<sup>52</sup>

Between 2001 and 2010, the number of community housing dwellings in NSW increased by 100.4% to 17,744 dwellings.<sup>53</sup> The [Planning for the](#)

[Future Strategy](#) of the former Labor NSW Government sought to increase this number to 30,000 community housing dwellings by 2016. The Strategy stated that achieving this increase will rely on "strong partnerships between Government, community housing providers and other partners, for example local government."<sup>54</sup>

As with public housing, community housing allocation policies are based on assessment of need. Low income households accounted for 93% of all community housing households across Australia in 2010.<sup>55</sup> From 2001 to 2009, the number of applicants on the community housing waiting list in NSW decreased by 3% to 20,504 applicants.<sup>56</sup>

The 2010 National Social Housing Survey asked a sample of tenants in community housing across Australia to indicate their level of satisfaction overall and their satisfaction with the location and amenity aspects of their dwellings. NSW recorded an overall satisfaction level of 77%, compared to a high of 90% for Tasmania.<sup>57</sup>

### **3.3 Aboriginal housing**

According to the [Department of Human Services](#), NSW has the largest proportion (almost 30%) of Aboriginal people in Australia, while the Aboriginal population is growing at a faster rate than the non-Aboriginal population.<sup>58</sup> In 2008, the Indigenous population in NSW was estimated at 158,764 people or 2.3% of the population.<sup>59</sup>

The [COAG Reform Council](#) noted that Aboriginal people use housing services more extensively than non-Aboriginal people. Moreover, Aboriginal people are over-

represented in the homeless population, and are more likely to live in overcrowded dwellings, particularly in remote areas.<sup>60</sup> Around 33% of Aboriginal people live in social housing in NSW, this compares with approximately 6% of the general population.<sup>61</sup>

There are two types of Aboriginal housing: (a) State owned and managed and (b) Aboriginal community housing. State-owned and managed Aboriginal housing is state-owned housing allocated only to Indigenous households and managed by Housing NSW on behalf of the [Aboriginal Housing Office](#). Aboriginal community housing, sometimes called Indigenous community housing, refers to housing that is owned or leased and managed by Aboriginal community organisations.<sup>62</sup>

The Aboriginal Housing Office (AHO) is the statutory body that plans and administers the policies, programs and asset base for Aboriginal housing in NSW. This includes resource allocation, policy and strategic planning and the monitoring of outcomes and performance in the Aboriginal housing sector.<sup>63</sup>

The AHO is also responsible for the funding and regulation of Aboriginal community housing providers, and advises the State Government on housing policies for Indigenous households.<sup>64</sup> In addition, the AHO has an important role in facilitating and improving employment and training opportunities for Aboriginal people within the Aboriginal housing sector.<sup>65</sup>

According to the [Council of Social Service of NSW](#) (NCOSS):

Aboriginal community housing should be seen as complementing

mainstream housing programs, not replacing them or competing with them.<sup>66</sup>

The NCOSS further explained that:

Aboriginal community housing organisations have been in operation since the mid-1970s. They received a major boost in the mid-1980s when a considerable amount of housing was transferred to Local Aboriginal Land Councils as part of the implementation of the NSW Aboriginal Land Rights Act, and was further boosted in 1998 with the creation of the Aboriginal Housing Office.<sup>67</sup>

The Aboriginal community housing sector in NSW is the largest in Australia, providing housing for around 23% of the Aboriginal population living in social housing in NSW.<sup>68</sup> In 2009 there were 202 Aboriginal community housing providers managing approximately 4,229 Aboriginal community-owned properties.<sup>69</sup> Most providers manage less than 15 properties<sup>70</sup>.

According to the [Australian Institute of Health and Welfare](#), of the 2,175 applicants in 2010, 494 were greatest needs applicants. Between 2001 and 2010 there was a 28% decrease in the number of applicants on the Aboriginal community housing waiting list.<sup>71</sup>

#### **4. Recent social housing initiatives**

For many years the cost of housing in NSW has been a concern for governments at all levels. Social housing is one mechanism adopted by Commonwealth, State and local governments to address the housing affordability problem in NSW.<sup>72</sup>

#### **4.1 National Affordable Housing Agreement**

On 1 January 2009, the [National Affordable Housing Agreement](#) (NAHA) came into effect. The NAHA provides a framework for Commonwealth, State, Territory and Local Governments to improve housing affordability, reduce homelessness and reduce housing disadvantage for Indigenous people.<sup>73</sup> The NAHA identifies the "roles and responsibilities of each level of government and establishes a performance framework against which the key outcomes of the agreement are measured."<sup>74</sup> The NAHA is supported by a Commonwealth Specific Purpose Payment of \$6.2 billion over five years paid by the Commonwealth to the States to help achieve [NAHA key outcomes](#).<sup>75</sup>

According to the COAG Reform Council, the NAHA "aims to ensure all Australians have access to affordable, safe and sustainable housing that contributes to social and economic participation."<sup>76</sup> Through the Agreement, the Commonwealth and NSW Governments have committed to a range of reforms, including:

- Improved integration and coordination of assistance to people who are homeless or at risk of homelessness.
- Improvements to social housing arrangements to reduce concentrations of disadvantage and improve the efficiency of social housing.
- Improve access by Indigenous people to mainstream housing, including home ownership and contributing to the 'Closing the Gap' targets.
- Other reforms to increase the supply of affordable housing.<sup>77</sup>

The NAHA is supported by three National Partnership Agreements on [social housing](#), [homelessness](#) and [Indigenous Australians living in remote areas](#). The NAHA replaced the [2003 Commonwealth-State Housing Agreement](#) (CSHA) between the Federal Government and the States and Territories.<sup>78</sup> The CSHA, effective from 1 July 2003 to 31 December 2008, provided more than \$5.2 billion of Commonwealth funding for such housing assistance as public and community housing, Indigenous housing, crisis accommodation, home purchase assistance and private rental assistance.<sup>79</sup>

#### **4.2 Commonwealth Government initiatives**

Social housing is a central component of the Commonwealth Government's measures to address affordability. An example of this is the introduction of the [National Rental Affordability Scheme](#), which aims to increase the supply of new affordable rental dwellings by up to 50,000 by June 2012. The [National Building Economic Stimulus Plan](#) also aims to increase the supply of social housing. Funding of over \$5 billion was allocated to the Social Housing Initiative from 2008-2009 to 2011-2012 for the construction of new social housing and a further \$400 million over two years for repairs and maintenance to existing social housing dwellings.<sup>80</sup>

#### **4.3 NSW Government initiatives**

The previous NSW Labor Government introduced a series of initiatives to help increase the availability of, and access to, affordable housing. It established the [Centre for Affordable Housing](#) and introduced the [Rentsart](#) scheme. Rentstart is managed by Housing NSW and provides a range of financial



assistance to help eligible clients set up or maintain a tenancy in the private rental market.<sup>81</sup>

In April 2010, Housing NSW together with 27 community housing providers and the AHO, launched a new program called [Housing Pathways](#) to simplify the social housing waiting list system. Under Housing Pathways, a single Statewide [waiting list](#) has been created for both public and community housing. This combined the separate waiting lists into one.<sup>82</sup>

In November 2010, Housing NSW announced an expansion to its [Boarding House Financial Assistance Program](#) to increase the supply of boarding house accommodation. The expanded program provides grants of \$10,000 per room to developers for the construction of boarding houses, or for the addition of new self contained rooms to existing premises.<sup>83</sup>

[SEPP \(Affordable Rental Housing\) 2009](#) was used by the former NSW Government to increase the provision of affordable housing. In May 2011 the O'Farrell Government made significant changes to the affordable housing SEPP on the basis that it imposed inappropriate development on suburbs across NSW<sup>84</sup>. According to the Department of Planning and Infrastructure, the changes involved:

...amending and removing certain provisions and retaining those provisions which encourage new affordable rental housing that is compatible with its surroundings and in locations that are well served by public transport.<sup>85</sup>

An affordable housing taskforce is also to be established to help develop a new "Affordable Housing Choice SEPP".<sup>86</sup>

#### **4.4 Local Government initiatives**

Some of Sydney's local councils have introduced measures to help improve housing affordability in their area. The most commonly adopted measure is the inclusion of provisions in local planning policies to allow the council to levy development contributions (or infrastructure levies) from developers for the provision of affordable housing. For example, Waverley Council introduced an [affordable housing program](#) to help "maintain social diversity and improve sustainability through the promotion of equitable, secure and accessible affordable housing."<sup>87</sup> The program was the first of its kind to permit a greater Floor Space Ratio (FSR) for developers in return for monetary contributions to finance affordable housing.<sup>88</sup>

Other examples of local government areas which have introduced measures to help increase the provision of affordable housing include North Sydney Council's affordable housing [strategy](#), Willoughby Council's [affordable housing policy and guidelines](#), and the City of Sydney's [draft Green Square affordable housing program](#).

### **5. The NSW social housing regulatory framework**

There is no single piece of legislation governing social housing in NSW. Instead a series of legislative instruments form the social housing regulatory framework. These include:

- [Aboriginal Housing Act 1998](#)<sup>89</sup>
- [Aboriginal Land Rights Act 1983](#) Section 52B Social housing schemes
- [Housing Act 2001](#) Part 9A Community Housing

- [Housing Regulation 2000](#) Schedule 1 Regulatory Code for community housing providers
- [Environmental Planning and Assessment Act 1979](#) Section 94F Conditions requiring land or contributions for affordable housing and Section 94G Provision of affordable housing<sup>90</sup>
- [Residential Tenancies Act 2010](#) Part 7 Social Housing tenancy agreements
- [Redfern-Waterloo Authority Act 2004](#) Section 30 Development contributions for affordable housing and Section 33 Matters affecting the Aboriginal Housing Company and "the Block"<sup>91</sup>
- [SEPP Affordable Housing Amendment 2011](#) (outlined in section 4.3 of this e-brief)

As discussed in section 4.4 of this e-brief, some of Sydney's local councils have also introduced measures to help improve housing affordability in their area. These measures together with the identified legislative instruments are important components of the NSW social housing regulatory framework.

### **5.1 Recent developments in the regulatory framework**

Housing NSW released [Planning for the Future](#) in 2007, a five year strategy for growth and sustainability in the social housing sector. The strategy sets a target to grow community housing from 13,000 (in 2007) to 30,000 properties by 2017.<sup>92</sup>

To facilitate the objectives of this strategy, the [Housing Act 2001 \(NSW\)](#) was amended in 2007 to provide for the establishment of the [Registrar of Community Housing](#) to determine the registration status of community housing organisations, in accordance with the requirements of the regulatory

code.<sup>93</sup> All organisations that provide community housing under a community housing agreement with Housing NSW must be registered. Furthermore, only providers that meet specific requirements can be registered and are eligible to receive assistance for their community housing business operations from Housing NSW.<sup>94</sup>

The [Housing Regulation 2009](#) was introduced to help ensure financial viability, quality housing and continued growth in community housing in NSW. [Schedule 1](#) of the 2009 Regulation outlines a regulatory code for community housing that providers must comply with in order to receive assistance from Housing NSW.<sup>95</sup> The regulatory code focuses on tenancy management, asset management, governance and housing developments. As set out in the regulatory code, providers are registered in one of four classes,<sup>96</sup> which reflect the risks associated with the type and scale of the business activities that they are undertaking.<sup>97</sup>

In relation to Aboriginal community housing, in 2010, the [Registrar of Community Housing](#) was engaged by the AHO to establish and implement the [Provider Assessment and Registration System](#) (PARS). PARS is part of the [Build and Grow Aboriginal Community Housing Strategy](#).<sup>98</sup> Eight key areas are covered by PARS, including: asset management, sustainable tenancies and communities, and sound governance.<sup>99</sup> The system is modelled on the Regulatory Code for Community Housing Providers and on the [NSW Standards for Governance and Management of Aboriginal Housing](#). The Registrar's PARS team will be responsible for undertaking the

registration of assessments of Aboriginal community housing.

Federally, in an [address](#) to the Power Housing Conference in March 2011, Commonwealth Social Housing Minister, Mark Arbib, explained that the Commonwealth and State Government's are working to establish a national regulatory system for community housing "to encourage sustainable growth of the sector."<sup>100</sup> Currently, each State has its own regulations pertaining to the community housing sector.

Maura Boland, Executive Director of Policy and Strategy, Housing NSW explained that the proposed national regulatory system once developed will:

Harmonise regulatory approaches across Australia for not-for-profit housing providers undertaking large-scale affordable housing projects...[it] aims to support the emergence of a national market for not-for-profit housing providers operating across state and territory borders... A consistent regulatory regime will reduce the report and regulatory burden on growth providers and enable them to operate easily across state and territory border.<sup>101</sup>

## 6. Stakeholder perspectives

The [Australasian Housing Institute](#) has suggested that the Commonwealth Government appoint one minister to the portfolio of housing<sup>102</sup> and introduce changes to the tax system to "encourage and stimulate investment in affordable housing,"<sup>103</sup> including changes to negative gearing. It has called for the adoption of a ten-year plan for public housing that includes targets and investment agreed to by State and Commonwealth Governments. The Institute further

recommended that [Commonwealth Rent Assistance](#) be reviewed to determine whether it can be used in a more effective and efficient way.<sup>104</sup>

In [Anglicare's](#) 2011 Rental Affordability Snapshot, the organisation recommended that the Commonwealth Government: increase the national supply of public and social housing in the 2011/2012 Federal Budget; commit to the construction of 220,000 new affordable public and social housing dwellings by 2020; and increase the current rate of Commonwealth Rent Assistance for low and fixed income earners.<sup>105</sup> It also recommended that the NSW Government continue to implement the [Planning for the Future: New Directions for Community Housing in NSW](#) policy and increase community and social housing stock beyond previous targets.<sup>106</sup>

According to [Shelter NSW](#) "the availability of affordable housing provides a critical link in overcoming disadvantage." However, Mary Perkins, Executive Officer of Shelter NSW further stated:

...housing might not always improve 'non-shelter' outcomes in areas like employment, health and education – if the housing is in poor condition, if it doesn't meet the disability, ageing or cultural needs of occupants, or if it's located in places with limited access to jobs, schools and public transport. We need to ensure that everyone in New South Wales can gain access to housing in a condition and in areas that enhance liveability.<sup>107</sup>

In June this year, Shelter NSW published a [research paper](#) that considered tenants' views on the impact of changes in eligibility and allocation policies on public housing

estates. As part of its research, Shelter conducted focus groups with tenants which found that:

- Tenants were "strong supporters" of public housing.
- Tenants wanted better customer service and a more active response to neighbourhood issues.
- Tenants wanted improvements to support services for high need tenants, and especially for those with mental illnesses.
- Tenants wanted to live in mixed housing neighbourhoods.<sup>108</sup>

Based on its research findings, Shelter NSW suggested that tenants:

...have a valuable and unique perspective on how the [social housing] system works. Good policy-making processes will include listening respectfully to their views and experiences, and attempting to devise solutions that work for them.<sup>109</sup>

In a [policy paper](#) prepared by the [Property Council of Australia](#) (PCA), it was noted that there is a greater role for the community housing sector and private enterprise to provide more affordable rental accommodation in NSW. The PCA recommended that the Government help to facilitate investment of private funds in the social housing market and pointed to examples from the United States and the United Kingdom where there is a "large and well established private investment market in affordable housing."<sup>110</sup>

The PCA recommended that the Government transfer public housing to the private sector for redevelopment, management and ownership. It also suggested that a Public Private Partnership model similar to the

[Bonnyrigg public private partnership](#) be used as the template to:

enable more efficient and effective redevelopment of run-down housing stock, finance new stock through capitalisation and result in more public housing units for those most in need.<sup>111</sup>

In 2008, the [Housing Industry Association](#) considered that an increase in Australia's investment in public housing was "essential to accommodate the growing number of homeless and those on public housing waiting lists."<sup>112</sup> The HIA recommended that capital funds be allocated to the expansion of public housing stock and the creation of a "genuine partnership between the Commonwealth and the States in co-equity arrangements."<sup>113</sup>

HIA also called on the Government to fund the establishment of an Australian Housing Trust to deliver new public housing through Commonwealth and State partnerships in areas of high need and in a transparent and timely way.<sup>114</sup>

## 7. Conclusion

The subject of social housing can be seen as part of the larger picture concerned with housing affordability. Within that context, social housing typically seeks to address the housing needs of the poorest and those in most need in the community.

From this e-brief a portrait emerges of the NSW social housing system as continually evolving and adapting to address changing needs. In particular, over the course of the 20<sup>th</sup> century the emphasis shifted from the provision of affordable properties for low and middle income working families to the provision of accommodation on a

priority needs basis for special needs households.

This trend seems likely to persist into the 21<sup>st</sup> century. It also seems that the social housing system will continue its shift towards a community-managed sector, with the NSW Government continuing to transfer properties from public housing into community housing management. A major challenge is to attract sufficient private investment into affordable housing to meet the growing demand.

<sup>1</sup> D MacLennan and R Williams, Affordable housing in Britain and America. York. UK: Joseph Rowntree Foundation, 1990, quoted in. M Gabriel, K Jacobs, K Arthurson and T Burke with J Yates, [Conceptualising and measuring the housing affordability problem](#), AHURI, 2005 p 6.

<sup>2</sup> Australian Institute of Health and Welfare, *A profile of social housing in Australia*, AIHW, Canberra, 2010, p 1.

<sup>3</sup> Australian Institute of Health and Welfare, 2010, n2.

<sup>4</sup> T Drabsch, [Population, Housing and Transport Indicators for NSW](#), Statistical Indicators 4/11, Parliamentary Research Service, 2011, pp20-31.

<sup>5</sup> Commonwealth Government Australian Institute of [Health and Welfare, Housing Assistance in Australia](#) 2011, p viii.

<sup>6</sup> M Allen, [The transition of the public housing system to a social housing system](#), speech notes, Shelter NSW Conference – the Shape of Public Housing, 2008.

<sup>7</sup> M Allen, 2008, n6

<sup>8</sup> Housing NSW, [History of Public Housing in NSW](#), 2010.

<sup>9</sup> Landcom, [A brief history](#), publication date unknown.

<sup>10</sup> Housing NSW, 2010, n8.

<sup>11</sup> Landcom, publication date unknown, n9.

<sup>12</sup> M Allen, 2008, n6.

<sup>13</sup> M Allen, 2008, n6

<sup>14</sup> Housing NSW, 2010, n8.

<sup>15</sup> M Allen, 2008, n6.

<sup>16</sup> M Allen, 2008, n6.

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