



St Vincent de Paul Society
NSW
good works

Submission to the Housing Strategy for NSW Discussion Paper

23 July 2020

Acknowledgement of Country

The St Vincent de Paul Society NSW acknowledges Aboriginal and Torres Strait Islander peoples as the Traditional Custodians of the land on which we live and work, with deep respect. May Elders, past and present, be blessed and honoured. May we join together and build a future based on compassion, justice, hope, faith, and reconciliation.

The St Vincent de Paul Society

The St Vincent de Paul Society (the Society) has worked in NSW for more than 130 years, providing assistance to people experiencing poverty and disadvantage, with a particular focus on support for people at risk of or experiencing homelessness. We seek to shape a more just and compassionate society by working to address the causes of poverty and injustice.

Our focus is on prevention and early intervention. Members of the Society visit people experiencing disadvantage in their homes, including people at risk of homelessness. Members refer those at risk to our homelessness services, where staff then offer case management, support services, and referral to other agencies to help keep people at home. Specialist responses are provided for women and children wishing to leave family and domestic violence while retaining existing housing.

Where people experience homelessness, the Society seeks to ensure they can move into permanent accommodation, supported by wrap-around services, as quickly as possible. Through our community housing provider, Amélie Housing, we provide social and affordable housing with tailored support to meet the needs of the growing number of people locked out of the private rental market.

The Society also offers transitional accommodation with case management to support people to secure and maintain their own tenancies in the community. We also provide crisis accommodation for those experiencing homelessness or at risk of becoming homeless.

In each instance, appropriate support services are available, including drug and alcohol programs, domestic violence services, independent living skills training, access to meals and laundry facilities, and medical care. Those with more complex needs can access intensive support to help break the cycle of homelessness.

Together with the NSW Government and other NGO partners, the Society is also a signatory to the End Street Sleeping Collaboration, which seeks to halve the number of people experiencing street homelessness by 2025 and work towards zero street homelessness across NSW.

Introduction

Everyone has the right to home. A home is not just the roof over your head. It provides light and warmth, food and comfort. It is where we raise our families, socialise with our friends, and become part of our local community. Home makes it possible to study to realise our potential, to maintain gainful employment, and to retire with dignity. Home is a place where we can belong.

The NSW Government plays a critical role in ensuring that all people—especially those experiencing poverty and disadvantage—have access to housing that affords them physical safety, protection from the elements, and security of tenure, at a cost that does not compromise access to other essentials like food and energy.

To this end, the Society commends the Minister for Water, Housing and Property, the Hon. Melinda Pavey, and the Department of Planning, Industry and Environment (DPIE) for developing a Housing Strategy for NSW. In particular, we applaud the acknowledgement that this Strategy will be a whole-of-government and whole-of-state initiative.

We welcome the opportunity to share our feedback on the Discussion Paper and hope that our contribution will help promote the availability and affordability of housing for people experiencing poverty and disadvantage over the next 20 years.

Our recommendations:

1. That the process for developing the Housing Strategy be amended to include an opportunity for stakeholders to provide feedback on the draft Housing Strategy and Action Plans.
2. That the NSW Government publicly reports against targets in the Housing Strategy and Action Plans every year for the duration of the Strategy.
3. That the Housing Strategy and Action Plans include a target and funding to increase the supply of social housing by at least 5,000 homes every year for the next ten years.
4. That the Housing Strategy and Action Plans include a requirement that at least 15% of all new residential developments on privately-owned land and at least 30% of new residential developments on state and local government-owned land are set aside for affordable housing.
5. That the Housing Strategy and Action Plans include targets for the reduction of homelessness beyond rough sleeping.
6. That the Housing Strategy and Action Plans include commitments to deliver more 'housing first' projects, in addition to the recently announced *Together Home* initiative, across NSW.
7. That the Housing Strategy and Action Plans commit to deliver additional funding for Specialist Homelessness Services across NSW.
8. That the Housing Strategy and Action Plans commit the NSW Government to removing permanent residency and citizenship requirements for access to social housing and rent assistance products.
9. That the Housing Strategy and Action Plans commit the NSW Government to reviewing policy and funding settings to ensure people on temporary visas can access the full suite of homelessness services regardless of their income or visa status.
10. That the Housing Strategy and Action Plans dictate that the NSW Government will legislate to remove 'no grounds' evictions from NSW rental laws.
11. That the Housing Strategy and Action Plans introduce minimum energy efficiency standards for all private and public rental properties.
12. That the NSW Government publicly responds to the statutory review into the Boarding House Act and commits to improve the standard of accommodation available to boarding house residents across NSW.
13. That the Housing Strategy and Action Plans commit the NSW Government to reviewing the nature and extent of issues experienced by tenants of caravan parks with a view to introducing better protections for tenants.

Process for developing the Housing Strategy

Consultation

The Discussion Paper advises that, following a review of the public feedback, the Government will publish the NSW Housing Strategy and the first Action Plan in 2020-21. The Society appreciates the Government's intention to develop and implement the Strategy promptly but contends that a crucial component is missing from the process: the opportunity to view and respond to a draft of the Housing Strategy and a draft of the Action Plan. We urge the NSW Government to add this stage to the process so that the Strategy may benefit from further input from key stakeholders prior to being finalised and implemented.

Recommendation 1: That the process for developing the Housing Strategy be amended to include an opportunity for stakeholders to provide feedback on the draft Housing Strategy and Action Plans.

Targets

The Society notes that the Discussion Paper does not make specific reference to the development and inclusion of targets to inform delivery of the Strategic Plan. We submit that targets must be included to guide the delivery of the Strategy and associated Action Plans. In particular, we seek the inclusion of numerical targets to inform the reduction in homelessness and the construction of new social and affordable housing. Without targets we fear that endeavours will continue to fall short of community need, leaving many people experiencing poverty and disadvantage without a place to call home. Our recommended targets for social housing and affordable housing are referenced below.

Monitoring and reporting

The Discussion Paper advises that the Strategy and Action Plans will be monitored, reported on and reviewed every four years. In the assessment of the Society the proposed frequency of monitoring and reporting does not afford key stakeholders an adequate opportunity to assess the progress of the Strategy and Plan. We urge the NSW Government to enhance both transparency and accountability of the Strategy and Action Plans by publicly reporting against key performance indicators every year for the duration of the Strategy.

Recommendation 2: That the NSW Government publicly report against targets in the Housing Strategy and Action Plans every year for the duration of the Strategy.

Affordability of housing

Across NSW, the persistent high cost of housing relative to household income means that purchasing a home is out of reach for many low-income households. For these households, very few homes across NSW are considered affordable to purchase.¹ This high cost of buying a home means that more people are renting. But rents too, are unaffordable for many. Less than one per cent of rental properties are affordable for almost all families and individuals on low incomes in Sydney.²

St Vincent de Paul Society sees the people behind these statistics every day. The lack of appropriately-priced housing can mean there is not enough money to pay for other household

essentials including food and electricity. It can be a catalyst for relationship breakdown, substance abuse, and mental ill-health. It can impede access to education, employment, and health and other support services.

While housing unaffordability has already impacted thousands of households across NSW for many years, the economic recession caused by the COVID-19 pandemic makes the need for action more pressing than ever. As many more people are expected to lose income and employment the Society is concerned that there will be a marked increase in the number of people for whom housing is unaffordable.

As such, the Society welcomes the Discussion Paper's recognition that affordability will remain an important issue, together with the acknowledgement that we must remain vigilant in responding to persistent housing affordability challenges so that everybody can access the benefits of stable housing.

The Society strongly agrees that ensuring housing is affordable for everyone must be central to the vision for housing in NSW. To make this vision a reality, we submit that the Strategy and Action Plans must clearly outline the initiatives the NSW Government will undertake to deliver housing that is affordable for all. In particular, we submit that the following initiatives are critical to the NSW Government Housing Strategy for the next 20 years.

Social housing

Chronic under-investment in social housing means there are more than 51,000 applicants—or more than 100,000 adults and children³—waiting for social housing in NSW.⁴ In parts of the state the wait time is in excess of 10 years.⁵ While this expressed need for social housing is already unacceptably high, the total unmet need for social housing is significantly higher still. Across the state, more than 137,000 households in the bottom 20 per cent of income earners are experiencing housing stress or are homeless.⁶

The NSW Government made commitments to increase the stock of social housing in its housing strategy *Future Directions for Social Housing in NSW*. The most significant initiative under this strategy is *Communities Plus* which promises to deliver up to 23,000 new and replacement social housing homes.⁷ Of note though, the then Minister for Social Housing Brad Hazzard advised that 17,000 of these properties would be demolished which suggests that *Communities Plus* will deliver 6,000 new social housing properties.⁸ While we accept and appreciate the need to replace old social housing stock, we note that 6,000 additional dwellings does not come close to meeting the need for extra social housing stock across NSW.

Future Directions is supported by the \$1.1 billion *Social and Affordable Housing Fund (SAHF)* which will deliver 2,450 social housing properties by 2023. Amélie Housing, our community housing provider, will deliver 350 of these social housing properties.

Another mechanism for the delivery of new social housing is the *National Housing Finance and Investment Corporation (NHFIC)* which provides low-cost finance to community housing providers to encourage them to develop more social and affordable housing. While some NSW-based community housing providers have accessed finance through NHFIC⁹ very few are reported to have done so to build additional social housing properties beyond those already announced.¹⁰ Community housing providers can also seek to develop more social housing stock using debt financing that pre-dates the arrival of NHFIC but there is little public evidence that this is happening on a notable scale.

All told, public commitments from the NSW Government and community housing providers to build additional social housing appear to total less than 10,000 new dwellings. While this will certainly help many households to escape housing stress and avoid homelessness, it falls substantially short of what is required to ensure everyone has a place to call home. Without significant additional investment, 213,000 households in the bottom 20 per cent of income earners are projected to experience housing stress or homelessness by 2036.¹¹

To address the chronic shortage of social housing and reduce homelessness and housing stress across NSW, the Society urges the NSW Government to increase the supply of social housing by at least 5,000 homes every year for the next ten years. We ask that this target be included in the Housing Strategy and associated Action Plans.

Our community housing provider, Amélie Housing, would welcome the opportunity to partner with the NSW Government to deliver additional social housing. Presently, Amélie Housing manages over 1,000 properties across Australia. Over the next two years this will double to approximately 2,000 properties, including the dwellings delivered through the SAHF. The Society has contributed land and funding to support the development of these homes. Beyond the commitments above, we have identified access to land in some regional areas and development opportunities in Sydney, Newcastle and Wollongong to deliver yet more social housing.

However, we are unable to do this alone. As the NSW Government is aware, even with access to low-interest finance through NHFIC and elsewhere, there is a funding gap between the cost of delivering social housing and the revenue received from tenants, including Commonwealth Rent Assistance. To support Amélie Housing—and other community housing providers across NSW—to deliver more social housing, the sector needs Government to bridge this funding gap. As such, we urge the NSW Government to invest additional resources to deliver the necessary social housing outlined above.

Recommendation 3: That the Housing Strategy and Action Plans include a target and funding to increase the supply of social housing by at least 5,000 homes every year for the next ten years.

Affordable housing

The high cost of housing is forcing many people on low and moderate incomes—including essential workers such as educators, nurses, carers and social workers—further from jobs, transport and other services.

Currently, nearly 80,000 households across NSW need affordable housing but their needs are unmet. Another 24,000 households are projected to need affordable housing over the years ahead. Without significant additional investment, the shortfall will total more than 100,000 properties by 2036.¹²

Without access to affordable housing, some households are living in housing that is poor quality, insecure or inadequate for a family's needs. This may involve extended periods of couch surfing or living in overcrowded conditions with friends or other family members. People in these households experience pressure that can affect their physical and mental health, their employment prospects, their children's educations, and their relationships with family, friends and the broader community.

In response, the Society advocates for NSW to increase the supply of affordable housing by introducing mandatory inclusionary zoning targets. Specifically, we would like to see the NSW Government introduce a requirement that at least 15% of all new residential developments on privately-owned land are set aside for affordable housing and at least 30% of new residential

developments on state and local government-owned land be allocated for affordable housing in perpetuity.

We acknowledge that the Greater Sydney Commission plans include an objective for housing to be more affordable but note that they also advise that targets in the range of 5-10 per cent of new residential floor space are subject to viability. We contend that these targets are insufficient to meet the community need for affordable housing.

We further note that large property developers have successfully operated with inclusionary zoning requirements in other jurisdictions. In South Australia for example, a 15% target delivered more than 1,200 affordable home in 2013, with a further 2,800 affordable homes committed to be built in future developments.¹³

New York City is another example of a successful housing policy that includes an inclusionary zoning scheme. The Housing New York plan has financed more than 62,500 affordable homes since its inception in 2014 and the New York administration is ahead of schedule to reach its goal of creating or preserving 200,000 units of affordable housing over ten years.¹⁴

The introduction of mandatory inclusionary zoning targets in NSW would mean that fewer people on low and moderate incomes would be locked out of our cities or have to rely on insecure or inadequate housing.

As with social housing, our community housing provider, Amélie Housing, would welcome the opportunity to deliver additional affordable housing. Amélie Housing is in the process of delivering 150 new affordable housing homes through the SAHF but could allocate additional land together with expertise to deliver more affordable housing to low and moderate income earners should the requisite funding be available.

Recommendation 4: That the Housing Strategy and Action Plans include a requirement that at least 15% of all new residential developments on privately-owned land and at least 30% of new residential developments on state and local government-owned land are set aside for affordable housing.

Homelessness

The high cost of private housing and ongoing shortage of social and affordable housing is contributing to escalating homelessness. Between 2011 and 2016 homelessness in NSW increased by more than 37 per cent—significantly greater than in any other state or territory—such that one in every 200 people was homeless.¹⁵ Of these, some sleep rough — on the streets, in parks, squatting and living out of their cars. Many more rely on temporary arrangements such as supported accommodation, boarding houses, and the generosity of friends and family. A large and growing number are forced to live in severely crowded conditions.

While these statistics represent an already unacceptable situation, recent modelling has identified that the economic impacts of the COVID-19 pandemic mean that the number of people experiencing homelessness in NSW could increase further, by up to 16,000 people.¹⁶

Last year, the NSW Government signed a Memorandum of Understanding with the Society and other partners to commit to reduce rough sleeping in the City of Sydney and across NSW.¹⁷ We welcomed the introduction of this initiative and its elevation as a Premier's Priority. Through the *End Street Sleeping Collaboration* we are striving to achieve these targets. To complement and expand this

initiative—and help avoid a further escalation of homelessness—we would like to see the Housing Strategy and Action Plans include broader targets for the reduction of homelessness beyond rough sleeping. We believe that the inclusion of such targets would give sharper focus to the efforts of Government, non-government organisations, businesses, and individuals who share the goal of ending homelessness in NSW.

Recommendation 5: That the Housing Strategy and Action Plans include targets for the reduction of homelessness beyond rough sleeping.

To help deliver this reduction in homelessness, the Society supports the adoption and resourcing of housing first initiatives, whereby people experiencing homelessness can access both housing and the wrap around services necessary to maintain that housing. The Society welcomed the recent announcement that NSW would invest \$36 million over two years for the *Together Home* initiative. We ask that the Housing Strategy and Action Plans include further commitments to deliver more housing first projects at greater scale across NSW.

Recommendation 6: That the Housing Strategy and Action Plans include commitments to deliver more ‘housing first’ projects, in addition to the recently announced *Together Home* initiative, across NSW.

We note that where permanent housing is not available, people experiencing homelessness may need to access to crisis accommodation. But as homelessness has increased, so too has demand for these services such that many people are unable to access the emergency accommodation they require. A lack of practical alternatives compels many people to stay in dangerous environments, including women and their children experiencing domestic and family violence. In response, we urge the NSW Government to increase funding for Specialist Homelessness Services to ensure they can meet community demand.

Recommendation 7: That the Housing Strategy and Action Plans commit to deliver additional funding for Specialist Homelessness Services across NSW.

We also contend that housing and homelessness services should be available to people who are not yet citizens or permanent residents. This includes people who are seeking asylum in Australia, and women on temporary visas exposed to domestic and family violence.

Currently, barriers to accessing housing and homelessness services and supports expose people on temporary visas—many of whom have often already experienced trauma—to further risk. It means they may have little choice but to stay in a violent relationship or face the dangers of sleeping rough.

In NSW, people on temporary visas are not eligible for public or community housing. Access to crisis accommodation can be difficult because many people on temporary visas have little or no access to income supports and there are few exit pathways into longer term housing. Where they are able to access crisis accommodation, they can spend months or even years living somewhere designed only to meet a short-term need.

Access to homelessness and housing services should not depend on visa status. Under the auspice of the new Housing Strategy and Action Plans, the Society urges the NSW Government to remove permanent residency and citizenship requirements for accessing social housing and rent assistance products. The NSW Government should also review policy and funding settings to ensure people on temporary visas can access the full suite of homelessness services regardless of their income or visa status.

Recommendation 8: That the Housing Strategy and Action Plans commit the NSW Government to removing permanent residency and citizenship requirements for access to social housing and rent assistance products.

Recommendation 9: That the Housing Strategy and Action Plans commit the NSW Government to reviewing policy and funding settings to ensure people on temporary visas can access the full suite of homelessness services regardless of their income or visa status.

Security of tenure

No grounds evictions

People who rent should have the security they need to make their house a home. With a growing proportion of people now renting their homes, and renting for longer, our housing system has not adequately adapted to ensure that people living in these households have the security they need to thrive.

The *Residential Tenancies Act 2010* (NSW) was recently amended to offer improved protections for renters. Despite some positive progress, renters can still be evicted from their homes for any reason. This can make it hard for people living in a rented property to assert their rights—such as asking for repairs—because they fear it may lead to eviction. Of the two million people renting their home in NSW, nearly one in ten have been evicted with no grounds. And one in seven renters report not making a complaint or asking for a repair because they fear adverse consequences.¹⁸

The ‘no grounds’ termination provision effectively means a tenant can be asked to leave for any reason – for example, following a dispute with the landlord. Removing the ‘no grounds’ provision would not only give people who rent greater security, it would mean they could more confidently assert their rights. This change would not stop people who own a property and rent it out from ending this arrangement when there is a genuine reason to do so – such as when a tenant fails to pay rent or to look after a property or when a landlord sells or moves into a property.

The Society urges the NSW Government to continue its positive rental reform by legislating to remove ‘no grounds’ evictions from NSW rental laws.

Recommendation 10: That the Housing Strategy and Action Plans dictate that the NSW Government will legislate to remove ‘no grounds’ evictions from NSW rental laws.

Standard of accommodation

The Society submits that people who rent should be able to live in homes that are of a standard that supports their health and wellbeing. However, too many rented properties in the NSW rental market do not meet community standards.

Sustainable housing

People on low incomes in particular are more likely to live in poor quality housing that is not energy efficient and offers little protection against extremes in temperatures. This can result in unnecessarily high energy bills or can force people to ration their energy use to an unhealthy degree. While it is now possible to achieve significant energy savings by investing in efficient appliances,

home upgrades or rooftop solar, people who rent their homes have largely missed out on the benefits of these advances. Not only are the upfront capital costs of energy efficiency upgrades out of reach for many, but renters cannot make significant changes to their homes, such as installing insulation, that would reduce their energy needs.

Efforts should be made to ensure renters share the benefits of advances in energy efficiency, giving them more control over their energy use and therefore their bills. The most effective way to achieve this is to introduce minimum standards for all rental properties. While incentives that encourage landlords to upgrade their properties could support the implementation of mandatory standards, they are unlikely to achieve widespread change – and lift the standard of the worst performing dwellings – on their own.

The Society therefore urges the NSW Government to mandate minimum energy standards for all public and private rental properties across NSW.

Recommendation 11: That the Housing Strategy and Action Plans introduce minimum energy efficiency standards for all private and public rental properties.

Boarding houses

Across Sydney in particular, many people experiencing poverty and disadvantage have little choice other than to seek and maintain accommodation in a boarding house. In far too many instances, the standard of accommodation is below what a reasonable person would deem acceptable.

Last year the NSW Government commenced a statutory review into the Boarding House Act which included calls for community feedback. Since then—nine months later—we have not received a response from Government.

We urge the NSW Government to respond to the consultation and, as part of the Housing Strategy, to commit to improve the standard of accommodation available to boarding house residents across NSW.

Recommendation 12: That the NSW Government publicly responds to the statutory review into the Boarding House Act and commits to improve the standard of accommodation available to boarding house residents across NSW.

Caravan parks

Some people who are either homeless or at risk of homelessness find themselves seeking housing in a caravan within a residential park.

The Society is aware of a range of issues that can further entrench disadvantage for people who rent caravans as accommodation of last resort. These include the lack of lease or occupancy agreements between tenants and landlords, sub-standard accommodation, poorly maintained facilities, the high cost of electricity, lack of access to EAPA vouchers, and the quality of potable water.

We urge the NSW Government to review the nature and extent of issues experienced by tenants of caravan parks with a view to ensuring there are adequate protections in place. The Society would welcome the opportunity to participate in such a review.

Recommendation 13: That the Housing Strategy and Action Plans commit the NSW Government to reviewing the nature and extent of issues experienced by tenants of caravan parks with a view to introducing better protections for tenants.

Conclusion

The Society once again thanks the NSW Government for introducing a Housing Strategy for NSW and for the opportunity to provide comment on the Discussion Paper.

We see the introduction of a whole-of-government Housing Strategy as being key to delivering an adequate supply of appropriate and affordable housing to all households across NSW, especially those experiencing poverty and disadvantage.

We hope to have the opportunity to comment on a draft Strategy and Action Plan, including key initiatives and numerical targets, over the months ahead.

¹ NSW Government (2020) Discussion Paper A Housing Strategy for NSW, p85

² Anglicare (2020) [Snapshot: Anglicare Sydney – Greater Sydney and the Illawarra](#)

³ NSW Auditor-General (2013) Making the best use of public housing

⁴ NSW Department of Family & Community Services (2016) [Expected Waiting Times](#)

⁵ Ibid

⁶ City Futures Research Centre (2019) Estimating need and costs of social and affordable housing delivery

⁷ NSW Department of Family & Community Services (2016) Future Directions for Social Housing in NSW

⁸ Email from UNSW Professor Hal Pawson (2019)

⁹ National Housing Finance & Investment Corporation (2019) [Media Releases](#)

¹⁰ National Housing Finance & Investment Corporation (2019) [NHFIC affordable housing finance exceeds half-billion mark with loan to SGCH](#)

¹¹ City Futures Research Centre (2019) Estimating need and costs of social and affordable housing delivery

¹² City Futures Research Centre (2019) Estimating need and costs of social and affordable housing delivery

¹³ Australian Housing & Urban Research Institute (2017) Increasing the supply of affordable housing for low income tenants

¹⁴ New York City Housing (accessed 2017) Housing New York – Three Years of Progress

¹⁵ Australian Bureau of Statistics (2018) Census of Population and Housing, Estimating homelessness

¹⁶ Equity Economics (2020) Supporting Economic Recovery in NSW: Investment in Social and Affordable Housing

¹⁷ End Street Sleeping Collaboration (accessed 2020) [Sydney Gets Started](#)

¹⁸ CHOICE (2018) Disrupted: The consumer experience of renting in Australia