

Submission to the Regional Housing Taskforce



Homelessness NSW (HNSW) is a not for profit organisation that operates as a peak agency for its member organisations to end homelessness across NSW. Our members include small, locally based community organisations, multiservice agencies with a regional reach and large state-wide service providers.

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What can the NSW Government do to support housing delivery in the regions?

Homelessness NSW recommends that the NSW Government implement a targeted large-scale strategy to address the regional homelessness crisis that includes:

- a) Funding 5000 extra social housing dwellings per year for the next 10 years in NSW.
- b) Funding Specialist Homelessness Services to meet current high levels of demand, including additional funding to meet the challenges of operating in regional and remote areas and the impacts of the COVID-19 pandemic.
- c) Mitigating the urgent housing shortages by purchasing existing dwellings and repurposing into safe and appropriate social housing.
- d) Working with Federal and Local Government to implement a 30% mandatory inclusionary zoning plan including 15% zoning for social housing.
- e) Working with regional communities to deliver trauma informed long-term housing for the diverse cohorts of people experiencing homelessness. This housing needs to be fit for purpose long-term housing with appropriate support services.
- f) Immediate review and action on the barriers to access and safety in temporary accommodation including for victim-survivors of domestic and family violence, families, and people with pets.
- g) Addressing the high overrepresentation of Aboriginal homelessness through re-funding Aboriginal community-controlled organisations to deliver culturally safe housing and integrated support services. In the interim, mainstream organisations should also be funded to deliver targeted support to the high numbers of Aboriginal people experiencing homelessness.

Critical housing supply issues and key contributing elements across regional areas in NSW

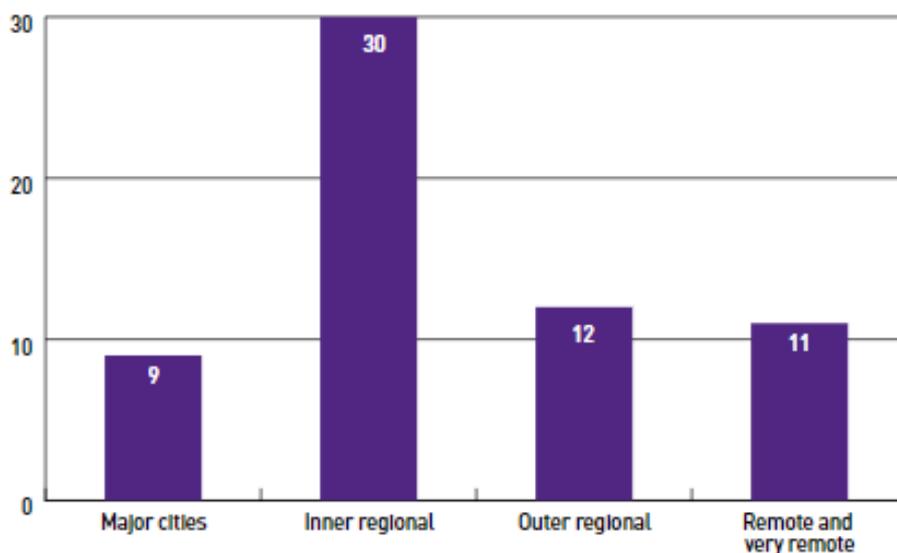
The options for people seeking long-term accommodation are the private rental market, social housing or purchasing a home. The decreasing affordability of housing options in the private housing market and limited supply of social housing has resulted in an increasing number of people being forced into homelessness in regional NSW.

In NSW, the homeless rate was 50.4 persons for every 10,000 persons in the 2016 Census, up 27% from the 39.7 persons in 2011.¹ In 2016, the total number of people counted as homeless in regional NSW was 5,955, 16% of the total homeless population - an increase of 14% between 2011 to 2016.²

In remote NSW in 2016, 230 people were counted as homeless, comprising 1% of the homeless population and reflecting a 43% increase in this cohort from 2011 to 2016.³

According to the *National Homelessness Monitor*, in the four years to 2018–19, it was areas classified as 'inner regional' that typically witnessed by far the greatest rate of increase of homelessness evidenced in figure 1 below

Figure 1: % change in incidence of homelessness by 2014-19 by location type



Source: AIHW, 2020, in Pawson et.al., 2020, 'National Homelessness Monitor', Launch Housing UNSW, <https://apo.org.au/sites/default/files/resource-files/2020-10/apo-nid308929.pdf>, p.78

In NSW, even prior to the impacts of regional drift during COVID 19 homelessness was increasing in regional areas. This was indicated in in outer regional as well as a large increase in remote and very remote homeless.

¹ Homelessness NSW, no date, 'Homelessness in New South Wales', <https://homelessnessnsw.org.au/wp-content/uploads/2021/03/Homelessness-in-New-South-Wales-.pdf>, p.1

² Ibid.

³ Ibid.

Figure 2: Change in incidence of homelessness 2014-19 by area remoteness and jurisdiction

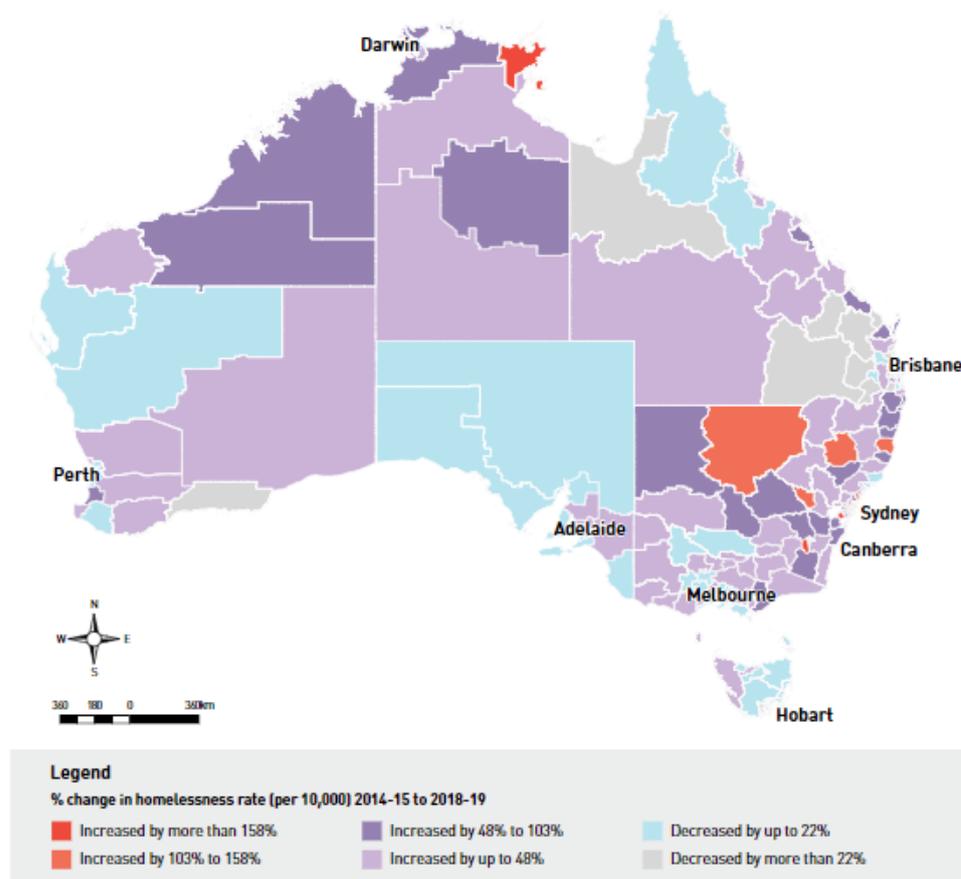
	Aus	NSW	VIC	QLD	WA	SA	TAS	ACT	NT
Major cities	9	32	8	-3	-3	-1	-15	-24	-14
Inner regional	30	105	15	0	35	42	-11	NA	33
Outer regional	12	66	24	5	-8	-32	11	NA	24
Remote/v remote	11	165	-13	-38	32	-35	-93	NA	28

Source: Source: AIHW, 2020, in Pawson et.al., 2020, 'National Homelessness Monitor', Launch Housing UNSW, <https://apo.org.au/sites/default/files/resource-files/2020-10/apo-nid308929.pdf>, p.78

This includes areas of regional NSW where, as demonstrated in Figure 3, the homelessness rate (per 10,000) from 2014-15 to 2018-2019 increased by 103 per cent to 158 per cent.

Figure 3:

Figure 5.12: Percentage change in homelessness rate (per 10,000), Statistical Areas 3 of Australia, 2014-15 to 2018-19



Source: Source: AIHW, 2020, in Pawson et.al., 2020, 'National Homelessness Monitor', Launch Housing UNSW, <https://apo.org.au/sites/default/files/resource-files/2020-10/apo-nid308929.pdf>, p.79

Equity Economics estimate that at least 9,000 more people in NSW will be homeless from February 2020 to June 2021– an increase of 24.0 percent in the homeless population.⁴ The number of NSW families experiencing housing stress will increase by over 88,000 or 24.3 percent.⁵

The COVID-19 pandemic has particularly impacted the affordability of the regional housing market, with decreasing residential vacancy rates and increasing median rental property prices due to migration from urban centres. Some regions in NSW will experience a 40.5 percent increase in homelessness.⁶

The Women's Housing Needs in Regional Australia report conducted over 1,000 women on low to moderate incomes in regional Australia found: One in eight women (13%) report having been homeless in the past five years. - One in every eight women (13%) have lived temporarily with friends or relatives in the past 5 years as they were unable to afford the private housing market. Around 1 in 20 have lived in a caravan park, government managed property, in their car or in crisis accommodation. - One in four of those who have experienced homelessness hid it from others, including close family members and friends. - Two thirds of women (68%) on low and moderate incomes in regional Australia are concerned about the cost of living and two in five (43%) about the cost of housing.⁷

Unaffordability of the private rental market

In regional NSW renting is now increasingly unaffordable. Regional unaffordability worsened with the COVID-19 pandemic as an increase in demand for housing due to people moving from urban areas and returning residents increased demand without increasing supply. This has pushed down rental vacancy rates and increased median rental prices.

Housing Industry Association (HIA) calculate that regional areas experienced a larger fall in affordability than the capital cities, with the regional index falling by 3.7 per cent in the December 2020 quarter. This has seen it return to the level it was in December 2019.⁸

HIA's figures on regional Australia have reflected those released by property research group CoreLogic, which recently said that regional markets were up 2.1 per cent over February 2021, while continuing to show a higher rate of capital gain relative to the capital cities, which rose by 2.0 per cent.⁹

The unaffordability of the Sydney rental market has meant that regional areas are often the only option for those on low incomes.

⁴ Equity Economics, 2021, 'A wave of disadvantage across NSW: Impact of the COVID-19 recession', https://www.ncoss.org.au/wp-content/uploads/2020/10/A-WAVE-OF-DISADVANTAGE_-COVID-19_Final.pdf, p. 23

⁵ Ibid. p.4

⁶ Ibid p.23

⁷ YWCA National Housing, 2020, 'Women's Housing Needs in Regional Australia', Melbourne, Victoria, YWCA National Housing, https://www.ywcahousing.org.au/wp-content/uploads/2020/05/2020_WomensHousingNeedsinRegionalAustralia_SinglePages.pdf

⁸ Mortgage Business, 2021, 'Housing affordability declines sharply in regions', <https://www.mortgagebusiness.com.au/breaking-news/15461-housing-affordability-declines-sharply-in-regions>

⁹ Ibid.

However, as Figure 4 below show, 2021 rental prices in the Byron Bay, Ballina and Tweed council areas on the state’s north coast, Wingecarribee council area in the Southern Highlands and Kiama having outstripped Sydney’s median rent price of \$550 a week for a house.¹⁰

Figure 4

Top 10 regional house rent rises		
LGA	Median asking rent	Year-on-year change
Snowy Monaro Regional	\$450	28.6%
Bellingen	\$520	26.8%
Byron	\$880	26.2%
Wingecarribee	\$600	20.0%
Ballina	\$620	19.2%
Eurobodalla	\$520	18.2%
Forbes	\$330	16.8%
Coffs Harbour	\$525	16.7%
Parkes	\$350	16.7%
Tweed	\$640	16.4%

Source: Burke Kate, 'Soaring rental prices creating housing crisis in regional NSW', Domain, July 20 2021, <https://www.domain.com.au/news/soaring-rental-prices-creating-housing-crisis-in-regional-nsw-1070834/>

A recent Everybody’s Home Campaign report also highlights regional areas that are reaching the unaffordability of Sydney.

When calculating the number of hours worked to pay to afford rents using a disability support worker wage, hours required for Sydney are 20 hours. For other areas the hours of work required are now:

- South coast 17.9
- North coast 20.2
- Hunter region 18.4
- Central coast 18.9

This section of the submission uses these four areas as examples of regional rental unaffordability and explain the issues pushing people to homelessness in regional areas. Homelessness NSW acknowledges that this a crisis across many different regional areas

¹⁰ Burke Kate, 'Soaring rental prices creating housing crisis in regional NSW', Domain, July 20 2021, <https://www.domain.com.au/news/soaring-rental-prices-creating-housing-crisis-in-regional-nsw-1070834/>

and particular towns but will use these areas as examples of an acute trend across a geographical area.

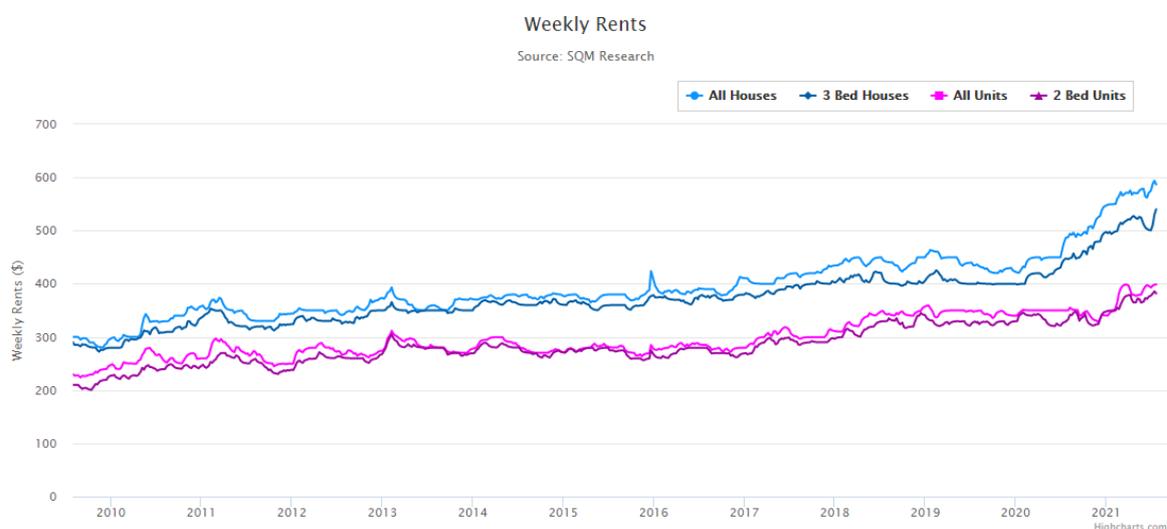
Southern NSW including South Coast

Figure 5 below indicates that weekly rents in the South Coast have increased from \$300 for all houses in August 2009, to \$583 in August 2021.

Figure 5

WEEKLY RENTS

REGION: SOUTH COAST NSW



SQM Research Weekly Rents Index									
Week ending		Change on prev week	Rolling month % change	Rolling quarter % change	12 month % change	3 year % (pa) change	7 year % (pa) change	10 year % (pa) change	
28 Jul 2021	All Houses	586.9	-6.9 ▼	2.8% ▲	2.7% ▲	20.7% ▲	9.9% ▲	6.4% ▲	5.9% ▲
	3 br Houses	540.1	9.9 ▲	7.7% ▲	2.4% ▲	20.7% ▲	10.1% ▲	6.0% ▲	5.5% ▲
	All Units	399.1	0.9 ▲	0.7% ▲	5.1% ▲	14.0% ▲	5.0% ▲	5.2% ▲	4.1% ▲
	2 br Units	381.9	-3.9 ▼	1.6% ▲	4.7% ▲	16.1% ▲	5.0% ▲	4.9% ▲	4.1% ▲

Source: SQM Research, 'Weekly rents region: South Coast NSW, no date, <https://sqmresearch.com.au/weekly-rents.php?sfx=®ion=nsw%3A%3ASouth+Coast+NSW&t=1>

Another calculation estimates that the price of rental properties along the NSW South Coast has increased by 25.7% in the last year.¹¹

A real estate agent reported that when he posted information on short-term rentals available, he heard extreme stories of people facing homelessness on the South Coast town

¹¹ Bailey Ellouise, 'South Coast rental crisis, price hikes push youth into homelessness', Bega District News, 21 April 2021, <https://www.begadistrictnews.com.au/story/7218829/south-coast-rental-crisis-price-hikes-push-youth-into-homelessness/>

of Ulladull, "People who had just had babies and were living in their cars, people with a disability living on couches — there were 80 inquiries in four days".¹²

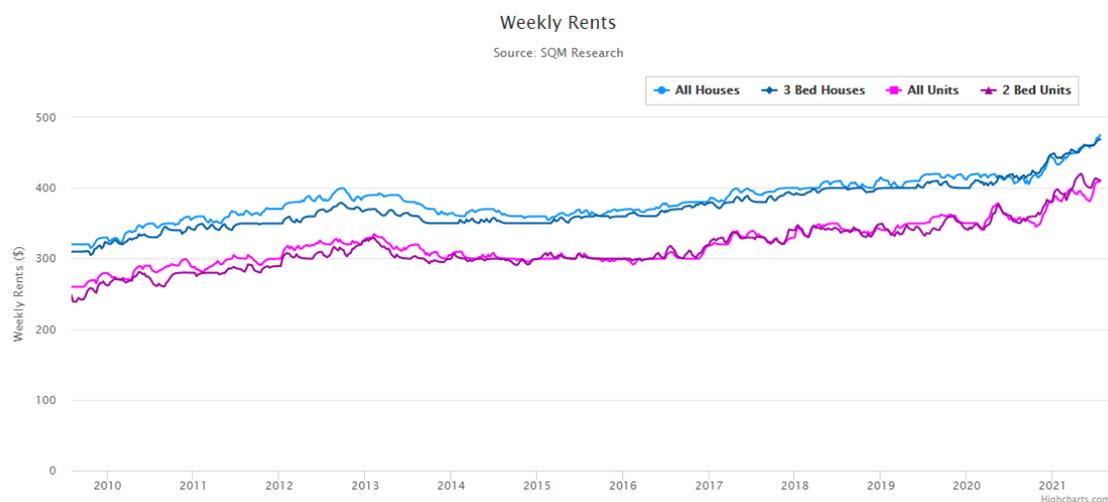
Domain's 2021 June Quarter report found rental prices rose the most in the Snowy Mountains region — up by more than 28 per cent since last year.¹³

Hunter region

Figure 6 below indicates that weekly rents in the Hunter region of NSW have increased from \$320 for all houses in August 2009, to \$478 in August 2021.

Figure 6

WEEKLY RENTS REGION: HUNTER REGION



SQM Research Weekly Rents Index									
Week ending		Change on	Rolling	Rolling	3 year	7 year	10 year		
28 Jul 2021		prev week	month % change	quarter % change	%(pa) change	%(pa) change	%(pa) change		
Hunter Region	All Houses	475.4	4.6 ▲	3.2% ▲	4.5% ▲	17.0% ▲	5.5% ▲	3.7% ▲	2.7% ▲
	3 br Houses	469.1	0.9 ▲	2.0% ▲	4.2% ▲	13.1% ▲	5.5% ▲	4.1% ▲	3.0% ▲
	All Units	409.6	0.4 ▲	4.3% ▲	3.5% ▲	14.7% ▲	6.2% ▲	4.5% ▲	3.2% ▲
	2 br Units	410.9	-0.9 ▼	0.8% ▲	-1.6% ▼	16.5% ▲	6.7% ▲	4.6% ▲	3.7% ▲

Source: SQM Research, 'Weekly rents region: Hunter Region, no date, <https://sqmresearch.com.au/weekly-rents.php?sfx=®ion=nsw%3A%3AHunter+Region&t=1>

¹² Clifford, Jessica and James, Melinda, 'Homeless crisis looms beneath the surface in holiday town on NSW South Coast', ABC News, 17 June 2021, <https://www.abc.net.au/news/2021-06-17/a-homelessness-crisis-hidden-in-a-beachside-holiday-town/100220558>

¹³ Proust, Keira and Lauda, Simon, "Extravagant" rental prices push more renters into temporary accommodation, accelerating homelessness', ABC News, 16 July 2021, <https://www.abc.net.au/news/2021-07-16/extravagant-rental-prices-nsw-south-coast/100295700>

Charleston State MP Melissa Harrison described the emergency unfolding in Lake Macquarie and Newcastle, where rental vacancy rates are the lowest in the state and rents have climbed as much as 30% over one year in some parts of her electorate.¹⁴

In October 2020, Equity Economics Report predicted that homelessness in Newcastle and Lake Macquarie could increase by 40 per cent by June 2021.

Local crisis services are reporting calls for help 26 per cent above their capacity, which indicates that this increase is occurring.¹⁵

In Newcastle and Lake Macquarie, homelessness is projected to increase by 40.5 per cent and housing stress to increase by 33.8 per cent.¹⁶

Kirsten Adam from Compass Housing told ABC news "As we know, housing is a human right and we have 3,600 on the social housing wait list. That is households in Cessnock alone" Ms Adam said.¹⁷

Most of the clientele I work with are between 16 and 24, and about 80 per cent of those are experiencing homelessness" said Will Doran, the Youth Services Manager at the Kurri Kurri Community Centre.¹⁸

Central coast

Figure 7 indicates that weekly rents in the Central Coast of NSW have increased from \$352 for all houses in August 2009, to \$575 in August 2021.

Figure 7

¹⁵ Francis-Coan, Sinead, 'Renting in Newcastle: Tenant tells of a brutal market for renters', Newcastle Herald, 18 May 2021, <https://www.newcastleherald.com.au/story/7255298/negotiating-newcastles-brutal-rental-maze/>

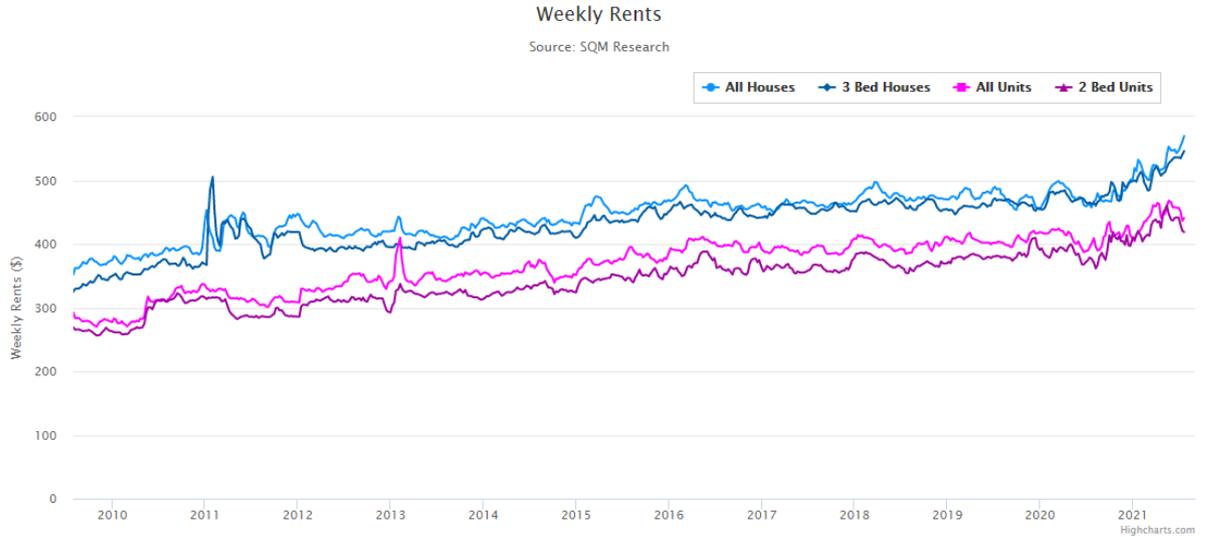
¹⁶ Op. Cit, Equity Economics, 'A Wave', p. 14

¹⁷ Wakatama, Giselle, 'Rental crisis gives rise to motel nomads as families struggle to stay off the streets', ABC News, 10 May 2021, <https://www.abc.net.au/news/2021-05-10/motel-nomads-fighting-to-stay-off-the-streets/100112752>

¹⁸ Ibid.

WEEKLY RENTS

REGION: CENTRAL COAST



Week ending		Change on	Rolling	Rolling	3 year	7 year	10 year		
28 Jul 2021		prev week	month % change	quarter % change	%(pa) change	%(pa) change	%(pa) change		
Central Coast	All Houses	569.5	8.5 ▲	4.9% ▲	10.2% ▲	24.5% ▲	6.8% ▲	4.2% ▲	3.3% ▲
	3 br Houses	545.9	5.1 ▲	1.9% ▲	7.6% ▲	18.0% ▲	6.1% ▲	4.0% ▲	3.0% ▲
	All Units	440.7	4.3 ▲	-3.5% ▼	-0.1% ▼	10.1% ▲	4.7% ▲	2.8% ▲	3.6% ▲
	2 br Units	418.9	-1.9 ▼	-5.2% ▼	-1.5% ▼	11.1% ▲	5.7% ▲	3.2% ▲	3.8% ▲

Source: SQM Research, 'Weekly rents region: Central Coast, no date, <https://sqmresearch.com.au/weekly-rents.php?sfx=®ion=nsw%3A%3ACentral+Coast&t=1>

Analysis of SQM data revealed ongoing issues causing increasing rents in Central Coast. “All of these locations have had undersupplied rental markets for some time, with vacancy rates currently sitting at just one per cent or below,” Plohl said. “Also, with areas like these seeing the lion’s share of internal migration from Sydney, this situation is not likely to change anytime soon.”¹⁹

The Central Coast was listed as one of the top five regional areas for rent increases, with average weekly rents now around \$564, pushing thousands of Australians to the brink of homelessness and housing stress.²⁰

North coast

¹⁹ Collins, Terry, 'Central Coast rents up 23 per cent over past year', Central Coast News, 23 July, 2021, <https://coastcommunitynews.com.au/central-coast/news/2021/07/central-coast-rents-up-23-per-cent-over-past-year/>

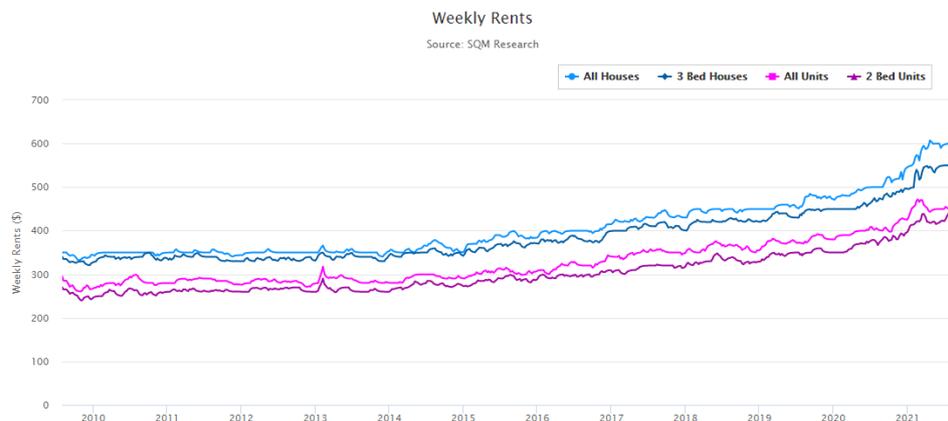
²⁰ Ibid.

Figure 8 indicates that weekly rents in the North Coast of NSW have increased from \$350 for all houses in August 2009, to \$612 in August 2021.

Figure 8

WEEKLY RENTS

REGION: NORTH COAST NSW



SQM Research Weekly Rents Index								
Week ending		Change	Rolling	Rolling	12 month	3 year	7 year	10 year
4 Aug 2021		on	month	quarter	% change	%(pa)	%(pa)	%(pa)
		prev week	% change	% change	% change	change	change	change
North Coast NSW	All Houses	612.3	12.7 ▲	2.5% ▲	1.4% ▲	22.5% ▲	10.8% ▲	5.8% ▲
	3 br Houses	560.0	10.0 ▲	1.9% ▲	3.0% ▲	19.8% ▲	6.6% ▲	5.1% ▲
	All Units	455.6	4.4 ▲	1.3% ▲	2.0% ▲	12.2% ▲	6.2% ▲	4.6% ▲
	2 br Units	444.5	5.5 ▲	5.4% ▲	6.1% ▲	18.8% ▲	6.7% ▲	5.5% ▲

Source: SQM Research, 'Weekly rents region: North Coast NSW, no date, <https://sqmresearch.com.au/weekly-rents.php?sfx=®ion=nsw%3A%3ANorth+Coast+NSW&t=1>

Rental prices on the North Coast have climbed over 22 per cent in the past 12 months, surpassing those in all of Australia's capital cities.

Figures from CoreLogic's latest quarterly review show the median rent for houses in the Richmond/Tweed region is now \$699 per week. In comparison, Sydney houses are \$646pw, and the national median for house rentals is just under \$500pw.²¹

Data from the Department of Communities and Justice shows the median rent for the Port Macquarie-Hastings area increased about 15 per cent in the 12 months to March 2021, from \$395 to \$450. A real estate agency reported that the number of available properties in Port Macquarie decreased drastically in the last 18 months.

²¹ White, Leah, 'NSW North Coast rent prices "off the charts" as they surpass capital cities', ABC News, 20 July 2021, <https://www.abc.net.au/news/2021-07-20/north-coast-rent-prices-off-the-charts/100303728>

Roughly 350 rental properties used to be available before the pandemic, Ms Higgins said." Statistically October last year was the worst time. "We had a low of 41 properties available across Port Macquarie in total, across all the real estate agents. "One of my worst [the most in-demand] ones had about 120 people enquire on the one property."²²

The head of Northern Rivers advocacy group and homelessness organisation Social Futures, Tony Davies, told the ABC that skyrocketing rents were damaging the "social fabric" of the region by pricing out long-term locals and modestly-paid workers in industries like retail, hospitality, social services, and the creative arts. "It will absolutely disrupt the fabric of our community if we lose all of these vital parts of our community," he said. "That's why we have hundreds of women now sleeping in cars to keep their children in schools."²³

²² Sati, Wiriya, 'Paying \$500 rent for a "glorified tent" as regional NSW housing shortage prices people out', ABC News, 8 July 2021, <https://www.abc.net.au/news/2021-07-08/housing-shortage-regional-nsw-port-macquarie-rental-market/100245346>

²³ Ibid.

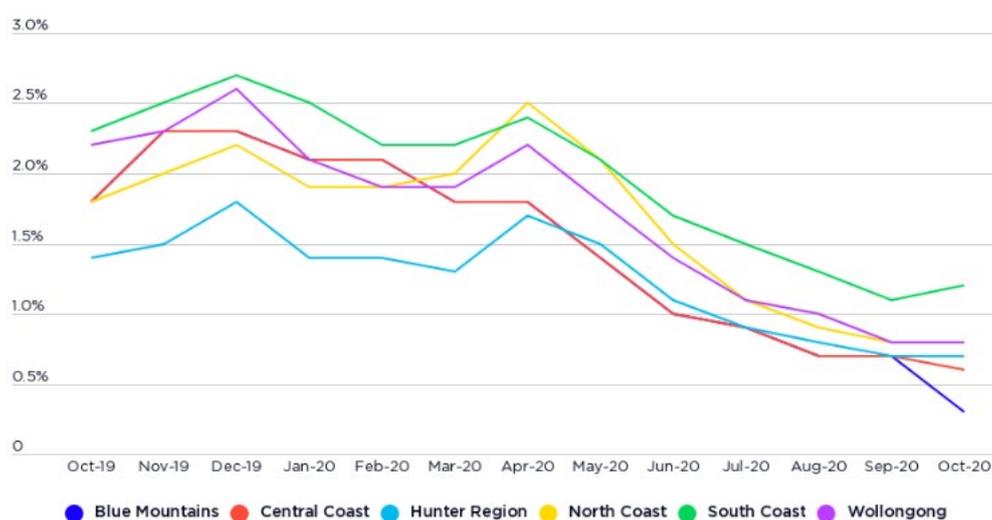
Residential vacancy rates

Residential vacancy rates are an important indicator of the supply of rental housing stock and competition for housing that disproportionately affects people on lower incomes.

Residential vacancy rates have plummeted in regional NSW and there is simply not enough housing, nor enough alternatives, for people to live in. This is not only a problem for those trying to escape homelessness or for those on the lowest incomes, but some evidence shows it is also pricing out modestly paid workers, such as those in retail, hospitality, and social service.²⁴

Figure 9

Figure 4.24: Residential vacancy rates, select regions NSW, Oct 2019-Oct 2020



Source: SQM Research

Source: SQM Research, 2020, in Pawson, H., Martin, C., Sisson, A., Thompson, S., Fitzpatrick, S. and Marsh, A., 2021, 'COVID-19: Rental housing and homelessness impacts – an initial analysis'; ACOSS/UNSW Poverty and Inequality Partnership Report No. 7, Sydney http://povertyandinequality.acoss.org.au/wp-content/uploads/2021/02/COVID19_Rental-housing-and-homelessness-impacts_report-1.pdf

The initial shock to the rental market, resulting in higher vacancy rates and downward pressure on rents, is long gone as the ABS reports net migration to the regions is currently the highest on record.²⁵ As a result, alarmingly, vacancy rates in regional NSW are at an historical low while rents continue to rise.

It is well established that 3% vacancy rate provides a certain level of equilibrium between landlords and renters. A low vacancy rate below 2% demonstrates high rental demand, requiring new properties to meet tenancy requirements.²⁶ Currently, in 100% of the NSW regions – even in commuter cities such as Newcastle and Wollongong - the vacancy rate is

²⁴ Op cit. White, Leah, 'NSW prices'

²⁵ ABS, 2021, 'Net migration to regions highest on record', <https://www.abs.gov.au/media-centre/media-releases/net-migration-regions-highest-record>

²⁶ Brewsters Property Group, 'The value of vacancy rates', <https://brewsters.com.au/vacancy-rates/>

2 per cent or lower, and on average, is 1 per cent or lower in 66% percent of the NSW regions.²⁷ This is near enough to be non-existent. And with so much demand and so little supply, where is upward pressure on prices.²⁸

Figure 10

Residential vacancy rate %

	June 2021	May 2021	Apr 2021	Mar 2021	Feb 2021	Jan 2021	Dec 2020	Nov 2020	Oct 2020	Sep 2020	Aug 2020	July2020
Albury	0.7	1.1	0.4	0.7	0.7	0.8	0.5	0.3	0.9	0.8	0.4	1.1
Central Coast	0.9	1.3	0.7	0.9	0.6	0.6	0.5	0.8	0.8	0.7	2.0	1.5
Central West	0.5	0.5	0.8	0.6	0.8	0.9	0.6	0.3	0.3	0.4	0.6	1.1
Coffs Harbour	1.4	0.9	0.9	1.3	0.5	0.5	0.5	0.5	0.7	0.9	0.8	2.1
Far West	-	1.1	-	-	-	-	-	-	-	-	-	-
Mid-North Coast	0.6	0.6	1.0	0.6	0.9	0.8	0.4	0.5	0.5	0.8	1.1	1.2
Murrumbidgee	1.4	1.8	0.9	0.9	0.9	1.5	1.1	1.0	1.0	0.6	0.7	0.9
New England	2.0	1.4	1.3	2.3	2.0	2.7	2.3	1.8	2.3	1.3	1.6	2.8
Northern Rivers	1.0	0.3	0.5	0.3	0.6	1.4	1.5	0.6	1.7	0.9	1.5	1.1
Orana	1.4	3.0	1.3	0.8	1.4	1.2	1.1	1.0	0.7	0.6	1.5	1.0
Riverina	0.7	0.6	0.9	0.7	1.0	1.0	0.8	0.6	0.6	0.8	0.9	0.6
South Coast	0.4	0.6	0.7	0.8	0.5	0.3	0.3	0.4	0.3	0.7	0.9	1.4
South Eastern *	0.5	0.6	1.7	0.6	1.5	2.0	0.4	0.4	0.9	0.8	0.8	-

Source: REINSW, 2021, 'Vacancy Rate Survey', https://www.reinsw.com.au/REINSW_Docs/Vacancy%20Rates/2021/REINSW-Vacancy-Rate-Result-June-2021.pdf)

At the same time, vacancy trends in Sydney seem to be returning to pre-pandemic levels and rents are now lifting once again, by as much as 2.2 per cent.²⁹ This is bad news for affordability across the state.

Looking to the regions, and taking North Coast NSW as an example, Figure 8 shows vacancy rates are at an all-time low, while rents continue to rise, by up as much as 20% in the last 12 months alone.³⁰

²⁷ REIW, 'Vacancy rate survey results', June 2021, https://www.reinsw.com.au/REINSW_Docs/Vacancy%20Rates/2021/REINSW-Vacancy-Rate-Result-June-2021.pdf

²⁸ Mackenzie, Bruce and Shoebridge, Joanne, 'Residential vacancy rates crash in regional New South Wales', ABC News, 17 March 2021, <https://www.abc.net.au/news/2021-03-17/residential-vacancy-rates-crash-in-regional-nsw/13255614>

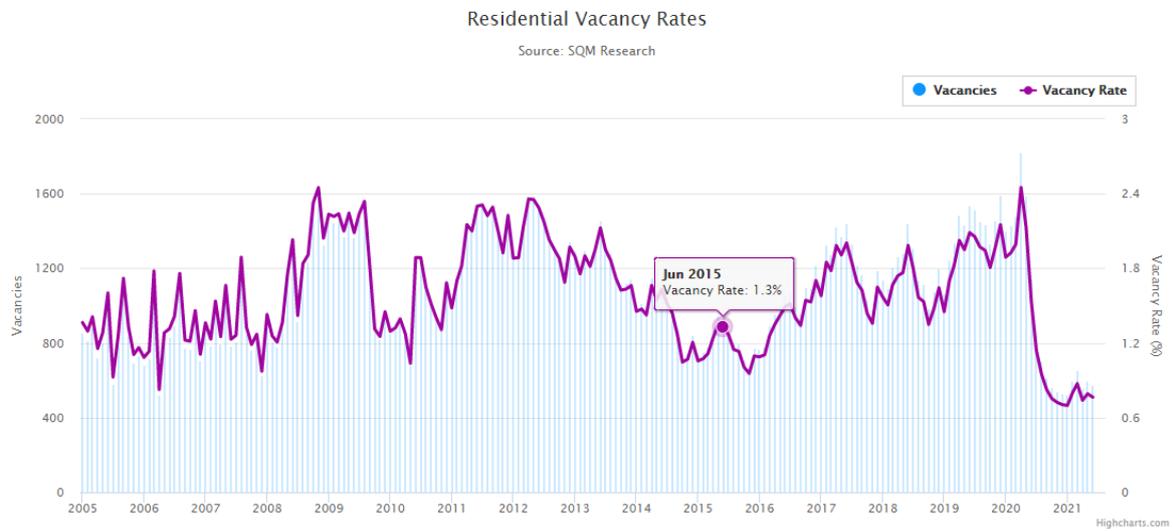
²⁹ Sweeney, Nila, 'Regional rental markets about to peak: SQM', Australian Financial Review, 13 July 2021, <https://www.afr.com/property/residential/regional-rental-markets-about-to-peak-sqm-20210713-p5895t>

³⁰ https://sqmresearch.com.au/graph_vacancy.php?sfx=®ion=nsw%3A%3ANorth+Coast+NSW&t=1

Figure 11

RESIDENTIAL VACANCY RATES

REGION: NORTH COAST NSW



Source: SQM Research, 'Residential vacancy rates region: North Coast NSW, no date,
https://sqmresearch.com.au/graph_vacancy.php?region=nsw-North%20Coast%20NSW&type=r&t=1

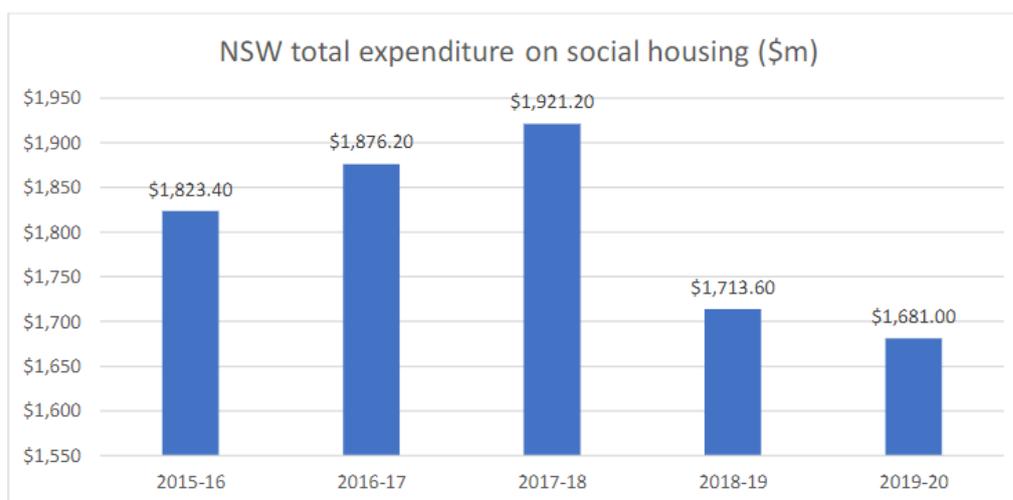
Social housing

In the situation where rental prices are unaffordable for those on lower, or even middle incomes, the only long-term housing solution for an increasing number of people is social housing.

However, according to the Centre for Social Impact, the total spending in NSW in 2019-20 was at its lowest in five years, down from \$1.71 billion in 2018-19 and further down from \$1.92 billion in 2017-2018.³¹

Figure 12

Figure 2. NSW social housing net recurrent expenditure 2015/16- 2019/20



Source: Productivity Commission, 2021, in Centre for Social Impact, 2021' in Barnes, Emma, Writer, Thomas Hartley, Chris, 2021, 'Social Housing in New South Wales: Report 1 Contemporary analysis', Centre for Social Impact, https://www.csi.edu.au/media/uploads/social_housing_in_nsw_contemporary_analysis.pdf, p. 23

The total expenditure on social housing per person in 2019-20 was the lowest in five years at \$205.84, down from \$211.14 in 2018-19 and from a high of \$239.74 in 2017-18.³²

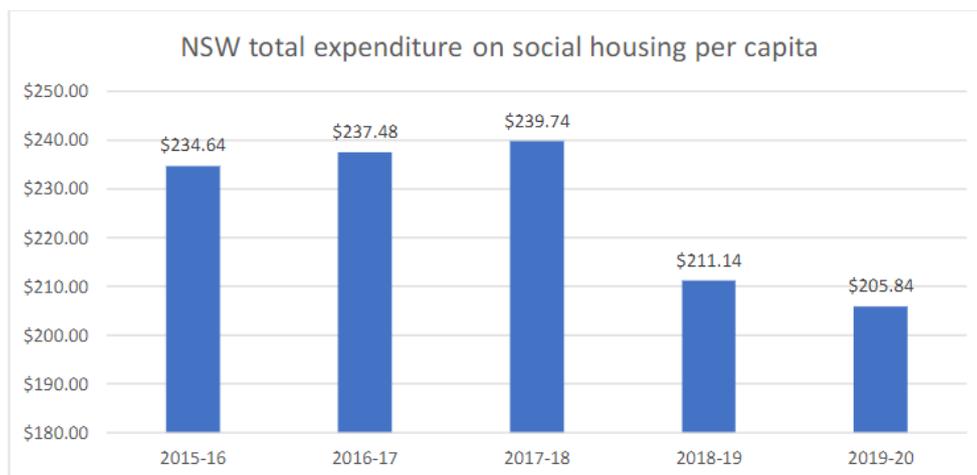
³¹ Barnes, Emma, Writer, Thomas., Hartley, Chris, 2021, 'Social Housing in New South Wales: Report 1 Contemporary analysis', Centre for Social Impact, p.22

www.csi.edu.au/media/uploads/social_housing_in_nsw_contemporary_analysis.pdf

³² Ibid, p.23

Figure 13

Figure 3. NSW social housing net recurrent expenditure per capita



Source- Productivity Commission, Report on Government Services Table 18A.1 State and Territory Government expenditure on social housing 2020-21

Source: Productivity Commission, 2021, in Centre for Social Impact, 2021' in Barnes, Emma, Writer, Thomas Hartley, Chris, 2021, 'Social Housing in New South Wales: Report 1 Contemporary analysis', Centre for Social Impact, https://www.csi.edu.au/media/uploads/social_housing_in_nsw_contemporary_analysis.pdf, p. 23

At the same time as the rental market has become increasingly unaffordable, social housing investment has dramatically decreased, creating a perfect storm for an increase in homelessness. An example of this is the waitlist time for social housing in contrast to available and planned social housing.

For many regional areas in NSW, wait times also tend to be five years to ten years, and in some instances, are more than ten years.³³

According to the Centre for Social Impact:

The average number of people waiting for social housing on the NSW Housing Register over the past 15 years is 61,603. The number of applicants on the waiting list has decreased from the high of 83,052 applicants in 2010 to the 2020 figure of 52,752 applicants (Figure 1). A contributing factor towards the reduction in the reported waiting list figures was the change in counting rules in 2017, whereby suspended applicants were no longer counted in waiting list figures (Productivity Commission, 2021)³⁴.

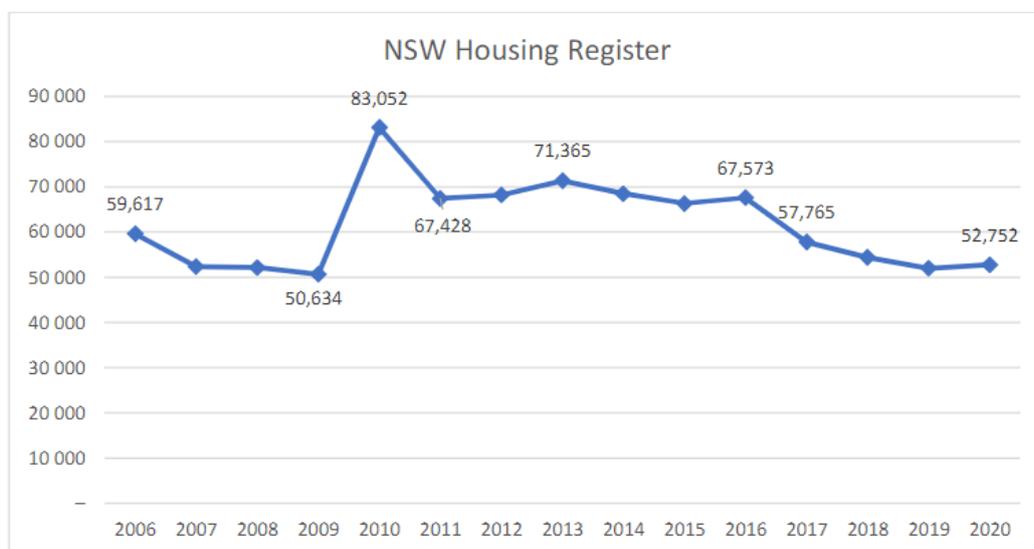
The NSW Government public commitments since 2016 is for 9,386 new additional social housing dwellings since 2016, with all properties to be built over a 10-year period. Assuming all dwellings will be completed within this period, this provides an average of 938 dwellings per year over the next 10 years. The number of additional social housing dwellings announced by the NSW Government since 2016 will not significantly reduce the number of people currently on the NSW Housing Register.³⁵

³³ NSW DCJ, 2020, in *ibid.* p.20

³⁴ *Ibid.* p.20

³⁵ *Ibid.* p.21

Figure 14



Source- Productivity Commission, Report on Government Services 2021 Table 18A.5 Public housing at 30 June 2020

Source: Productivity Commission, 2021, in Centre for Social Impact, 2021' in Barnes, Emma, Writer, Thomas Hartley, Chris, 2021, 'Social Housing in New South Wales: Report 1 Contemporary analysis', Centre for Social Impact, https://www.csi.edu.au/media/uploads/social_housing_in_nsw_contemporary_analysis.pdf, p. 21

As examples, the regions outlined by the Everybody's Home campaign analysis of unaffordability face the current wait times for social housing. The waitlist times for social housing on the DCJ website for areas in which social housing is available is given in examples below:

South coast

- Bega Valley: 2-5 years for 3+ bedroom properties, 5-10 years for studio-2 bedroom properties
- Huskisson: 10+ years
- Sussex Inlet: 5-10 years

North coast

- Lismore: 5-10 years
- Tweed Heads 10+ years
- Ballina 5-10 years for studio or 4+ bedroom, 10+ years for other properties

Hunter region

- Maitland: 5-10 years
- Muswellbrook: 2-5 years or 5-10 years for 4+ bedroom property
- Newcastle: 5-10 years

Central coast

A: 99 Forbes Street Woolloomooloo NSW 2011 | P: 02 8354 7605 | E: admin@homelessnessnsw.org.au

- Gosford: 5-10years for 2-bedroom properties, other properties 10+ years
- Wyong: 10+ years³⁶

Urgent action to address homelessness

In this context, repurposing existing housing stock could be a lifeline for people experiencing the humanitarian crisis in regional areas.

The Federal and NSW Government could purchase any existing housing stock as social housing and provide long-term solutions for people facing homelessness.

Whilst there is lack of information on empty housing stock, as an example, using Victorian water records, Prosper Australia estimates about half of Melbourne's census-recorded vacant properties are long-term "speculative vacancies". That's 82,000 homes.³⁷

Applying a similar "conversion factor" to Sydney's census numbers would indicate around 68,000 speculative vacancies in Sydney in 2017.³⁸

Whilst this research was not compared to Sydney, in 2019, Prosper's tenth analysis of vacant land and housing finds that 69,004 properties were likely vacant in 2019. This represents a 4.1% speculative vacancy rate. This number of empty or underutilised properties could house over 185,000 people, making shortchange of Victoria's 80,000 person public housing waiting list.³⁹

Any empty dwellings in regional areas could be immediately purchased and repurposed in emergency housing or long-term social housing, as one short-term measure in a regional housing strategy to address the homelessness crisis.

³⁶ NSW DCJ, 'Guide to waiting times for social housing at 30 June 2020',

<https://www.facs.nsw.gov.au/housing/help/applying-assistance/expected-waiting-times>

³⁷ Prosper Australia, 'Speculative Vacancies 10 Report – A persistent puzzle', no date, p. 4

https://www.prosper.org.au/wp-content/uploads/2021/01/Prosper_SpeculativeVacancies_FINAL_web23.pdf

³⁸ Pawson, Hal, 'One in 10 Australian dwellings are empty – and a vacancy tax won't solved the problem', The Conversations, 17 July 2017, <https://www.abc.net.au/news/2017-07-17/vacancy-tax-wont-solve-australias-empty-housing-problem/8709184>

³⁹ Op. city., Prosper Australia, p. 4

Chapter recommendations

There is a humanitarian crisis in regional areas as the increasing cost of rental properties push increasing numbers of people on low and even moderate incomes to homelessness.

In the private rental market, that has been evidenced in the cost of rental properties in relation to averages wages, close to zero vacancy rates and lack of housing supply.

In the absence of largescale reform or in response to the changed landscape in regional NSW we must have improved access to social housing. However, this is also not accessible, as there is a lack supply in social housing due to reduction in funding for social housing in NSW over the last decade.

Social housing investment is the most effective way to reduce homelessness, due to its affordable rents, security of tenure, and other supports that are not available to people in the private rental market. Financially vulnerable people in social housing are less than half as likely to become homeless as a similar group renting privately. In Australia one third of new tenants in social housing are previously homeless.⁴⁰

Research commissioned by the Community Housing Industry NSW (CHIA NSW) indicates that NSW requires 5,000 social housing dwellings a year until 2026 for low-income households.⁴¹

Homelessness NSW recommends the State and Federal Governments fund this social housing investment in NSW, with 5,000 social housing dwellings each year for the next ten years, with a targeted rapid approach to constructing social housing in regional areas facing a homelessness crisis. Given the urgency of the situation the Government should also purchase properties to add to social housing stock in the short term.

⁴⁰ Gray, Rachel, 2020, 'We must act on homelessness before COVID-10 winter', UNSW, <https://newsroom.unsw.edu.au/news/social-affairs/we-must-act-homelessness-covid-19-winter>

⁴¹ CHIA NSW, 2016. 'Social and affordable housing projections 2016-2026', p.2 <http://communityhousing.org.au/wp-content/uploads/2018/06/1806-CHIA-Judy-Yates-research-report.pdf>

Delivery of houses on land already zoned for housing and the main barriers to delivering more diverse housing

There is an obvious urgent need to increase housing stock to immediately accommodate people experiencing homelessness in the context of the rental crisis in regional NSW. As the Terms of Reference for this Regional Housing Taskforce recognises, there are different and diverse needs for people seeking housing assistance.

Our member services highlighted in consultations that they have experienced barriers to advocating for any form of social housing, whether that is temporary or long-term housing, let alone diverse, suitable accommodation for the communities that they work with.

A service in Western NSW said that “There isn’t TA or housing stock in our regions. We looked for a headlease in Coonamble. It took us 18 months. Not one of the housing providers had a property available, so we had to find a privately owned house, so we had to get a Community House Provider to agree to take it on as a headlease property straight from the private rental market.”

There are endemic issues with housing stock and finding any available properties for short or long-term accommodation, when Specialist Homelessness Services need immediate supported accommodation to assist people experiencing homelessness in their communities. A service communicated “the Government has launched a head leased project for youth, with 1.5 million dollars for SHSs to access youth head leased properties. We got brokerage but I would give that money up if DCJ would look at putting that money into a supported accommodation youth refuge. In Dubbo we have one youth refuge that covers the whole of far-west NSW, but money is for head leasing properties. We have been given five properties but there is no clarity as to where these properties will be or how they will be found”.

Regional areas have been a more affordable option for people on lower incomes, and with increasing rental unaffordability, the only feasible option is investment in long-term social housing.

Trauma informed planning for housing

When providing housing for people experiencing the trauma of homelessness, it is critical that accommodation is fit for purpose, suitable and safe, otherwise many people will simply leave the accommodation.

Recent social housing developments have planned and built large apartment block developments in Sydney. However, it is often not appropriate to place people who have experienced trauma into the same location and therefore critical to consider the cohort of people being offered housing and the appropriateness of housing developments.

For example, the main cohort of people experiencing homelessness is women who are leaving domestic and family violence. It is more appropriate for women to be placed in individual accommodation with support available nearby. Member services and research informs us that women are often placed in temporary accommodation with offenders or

those with complex mental health challenges. Inappropriate housing placement can further retraumatise victim/survivors and other vulnerable people.

One service representative communicated “Are we just creating ghettos in tall, big buildings or are we talking about smaller properties where you’re not going to have offenders with women or LGBTQIA+ people? Are they ghettos in tall buildings, or spread out in communities with support”?

Planning for housing should avoid taking a one size fits all approach across all regional areas but address immediate needs of cohorts experiencing homelessness through an individual needs base approach.

The fastest growing cohort of homelessness - older women, often simply just need affordable housing, which in the current market is long-term social housing. On census night in 2016, there were an estimated 6,866 women over 50 who were homeless — the figure representing a 31 per cent increase since 2011.⁴²

In this situation, where the immediate need is mostly housing, not intensive support, it may be appropriate to consider housing placed in close proximity to encourage connection and community. However, it is not appropriate to place older women into congregate living or old nursing homes as long-term housing solutions. This has occurred as a medium-term housing option for older women in ‘meanwhile use’ projects where unused nursing homes and old hospitals have been used as medium-term accommodation.

YWCA Australia have provided feedback to Homelessness NSW on the needs of diverse communities facing homelessness:

Communities and housing solutions are complex and our systems must recognise the intersections of discrimination and be as responsive as they can be, whilst increasing the capacity of the workforce. Intentional improvements to not only our support services but the infrastructure we design and build, are key to strengthening housing communities that we will all benefit from. These include:

- Intersectional and gender responsive needs analysis
- Involving and amplifying young women and people of marginalised gender voices in codesign processes
- Utilising Gender-Inclusive Urban Planning and Design
- Community building - creating opportunities for community engagement, interaction, relationships and connection
- Integration with appropriate supports – including social supports, specialist services, access to education, employment, health and volunteering
- Housing typologies that cater for a mix of requirements, including culturally informed design and community building

⁴² ABS, 2016, in Tatham, Harriet, ‘Meanwhile use properties offer potential as a short-term solution to social housing needs’, ABS News, 1 November 2019, <https://www.abc.net.au/news/2019-11-01/could-empty-properties-solve-australias-need-for-social-housing/11655386>

Meanwhile use

'Meanwhile use', where unused housing or land is temporary repurposed into supportive housing, has increasingly been put forward as a housing option in the homelessness crisis.

Even with small-scale meanwhile use projects, there have been significant barriers identified.

The properties offered up for meanwhile use need to be made to be fit-for-purpose which has often relied on private sector in-kind funding, such as the corporation PAYCE which the Pathways Home program relied on for properties in Sydney. Donations from the private sector are not the best option for planning ongoing supported accommodation and large-scale coordinated housing models.

The costs of fitting out existing buildings into suitable accommodation to be then handed back to existing owners and developers provides an unfeasible economic plan to addressing the long-term social housing shortage.

Meanwhile use won't work where properties such as old hospitals are provided without appropriate consideration of access/proximity to transport, services, shops etc, and won't work where there isn't privacy and a good quality of level of accommodation.

Services have communicated a burden from sourcing meanwhile use accommodation and the cost and staff time spent fitting out accommodation, in an over-worked and fatigued workforce.

One service communicated, "Meanwhile use the onus is on providers in the sector to locate this from government databases. If the government is serious, it should be callout to all state and government jurisdictions, as for us to carry the workload is unacceptable."

Timeframes

It is widely acknowledged that long-term supportive housing provides the best outcomes for people at risk of our experiencing homelessness.⁴³ There needs to long-term housing supply and support plans for what happens post-meanwhile use as otherwise this will only ever be a transitional or temporary fix, and people will return to homelessness.

Dr Heather Holst who has overseen the approval of housing on VicRoads land acknowledges that "It's much better for people moving in to know that they've got a much more long-term place to stay," Holst says. "And we're quite a big organisation, this is just one project, so we'll rehouse people. We won't just give them eviction notices." With any sort of housing, the evidence shows if people move into a home where know they can stay and build connections, there's a more positive result."⁴⁴

Women's Community Shelters accept 12-month access to dwellings for meanwhile use accommodation as the absolute minimum period and intake people who they know will likely be able to exit into long-term accommodation such as social housing.

Short-term or even medium-term accommodation is simply not suited to the long-term timeframes of many people experiencing homelessness. Long-term or chronic

⁴³ The Lancet, 2020, 'Effectiveness of permanent supportive housing and income assistance interventions for homeless individuals in high-income countries: a systematic review', <https://www.thelancet.com/journals/lanpub/article/PIIS2468-2667%2820%2930055-4/fulltext>

⁴⁴ Edmunds, Sandra, 'Housing crisis: property industry finds some solutions but how well do they work', The Fifth Estate, 2 April 2017, <https://thefifthestate.com.au/housing-2/housing-crisis-property-industry-finds-some-solutions-but-how-well-do-they-work/>

homelessness is best addressed with long-term housing options through increasing the levels of social housing to meet current demand.

People with multiple, complex, and chronic needs should be referred for programs such as Together Home, which provides wrap-a-round support services and accommodation. However, even Together Home is not a long-term accommodation service, as funding is based on two-year contracts.

Recommended trauma-informed checklist for housing

Homelessness NSW recommends a checklist for ensuring that accommodation is suitable for people accessing the accommodation

- ✓ Is the accommodation suitable and safe for the individual needs of the person e.g. Domestic and Family Violence victim/survivors with children need to be in safe locations away from perpetrators and suitable for children
- ✓ Can the length of time people staying in the accommodation be flexible e.g. it is not appropriate to move people experiencing trauma without notice between accommodation due to changes in planning regulations
- ✓ Is the location of the accommodation suitable for the person's needs to recover from trauma e.g. location of mental health supports/community, location of alcohol and drug or other health supports?
- ✓ Is the accommodation catered to the cohort to assist in their recovery from trauma if requested e.g. Aboriginal specific housing that is culturally safe and long-term youth specific housing that enables young people to share and grow?

Chapter Recommendation: The NSW Government should work with regional communities to deliver trauma informed long-term housing for the diverse cohorts of people experiencing homelessness. This housing needs to be fit for purpose long-term housing with appropriate support services.

Temporary Accommodation crisis in regional areas

Temporary Accommodation provides a lifeline for many vulnerable people facing homelessness, particularly in the context of declining funding for public housing and the increasingly unaffordable private rental market. Almost 40 per cent of people assisted by Specialist Homelessness Services in 2019-20 received assistance with short-term or emergency accommodation, as opposed to medium or long-term accommodation.⁴⁵

The TA model of two nights of accommodation in a motel, hotel or caravan park presents challenges both for people experiencing homelessness and for the crisis homelessness service system. Due to the limited long term accommodation options, there is nowhere for those people to 'exit' when they leave Temporary Accommodation. Short term or crisis accommodation does not meet the gap due to the barriers in accessing long term accommodation.

The TA model is also inappropriate for many clients such as women and children escaping domestic and family violence and people with complex needs because of a lack of available support.

In March 2021, Homelessness NSW held an online forum to discuss the current housing situation in regional and rural areas with over 50 services from across the state.⁴⁶ We also conducted a sector consultation in July 2021 for the submission.

Participating services reported a general trend of lack of housing supply, limited access to temporary accommodation and high stress levels for staff. Services reported non-existent rental vacancy rates, rental auctions, increased numbers of people fronting homelessness services, and services losing valued staff who were exhausted from the last 12 months.⁴⁷

Short term

Services agreed that people they worked with required far greater flexibility when accessing temporary accommodation, including abolition of the requirement of completing rental diaries.

Medium term

Services proposed an increase in inclusionary zoning to provide some relief for affordable housing. Services are also lobbying local developer and councils to try and increase the number of properties used for housing while planning process such as a Development Application occur.

Issues with access to TA in consultation

Further examples were provided at the Homelessness NSW consultation with Specialist Homelessness Sector for this submission.

Services communicated across different areas that there was simply no supply for temporary accommodation available or that the TA available was dangerous. For example, TA in regional towns often housed both the perpetrator and victim/survivor in domestic violence

⁴⁵ AIHW, 'Specialist homelessness services 2019-20: NSW', p. 2, <https://www.aihw.gov.au/getmedia/c1ce917d-9812-459d-967d-0d2a027f70c0/aihw-hou-322-nsw-factsheet.pdf.aspx>

⁴⁶ Homelessness NSW, 'Regional and rural homelessness forum: findings', 3 March 2021, <https://homelessnessnsw.org.au/regional-and-rural-homelessness-forum-findings/>

⁴⁷ Ibid.

situations. The victim/survivor could also be banned from TA if perpetrators show up and create conflict, with one service recalling a victim/survivor being banned from the only TA available for one month.

Services in regional towns also communicated the need to travel one, two or up to 9 hours to access TA due to the lack of accommodation available.

There is also inadequate or no TA appropriate for people with children, which requires a kitchen and space for children, so they are not further retraumatised.

One regional service told Homelessness NSW, “In temporary accommodation access to food and emergency needs is difficult. We are often required to throw our own brokerage into this, for example in overcrowded housing for high electricity bills. We recently had an elderly lady in TA for seven days but because there was no kitchen, she had been only eating cup noodles, so we needed to deliver her food. Even if they at least had microwaves in the rooms this would make a difference”.

Existing temporary accommodation is known by services and lived experts to be unsuitable or at worst dangerous. Women are known to be placed in TA with perpetrators, or young people known to be placed in difference locations and facing danger. Whilst most service users do feel safe in refuges, some found the environment unsafe, particularly in older style motels.⁴⁸ Further trauma needs to be avoided as a priority for accommodation and service providers.

Temporary accommodation is also very limited for people with pets, and women are known to stay with perpetrators rather than leave pets behind. Research in Australia, the United States and New Zealand shows that victim-survivors may delay leaving a violent perpetrator for fear of leaving animals with the perpetrator.⁴⁹ “A YWCA staff member shared that It’s almost impossible to support a client needing a safe home who has a pet, often their pet has been their rock through domestic violence and trauma. How can we separate them from their support and feeling of home under the pressure of getting safe housing?”

Services communicated importance of person-centred support – not just housing.

One service representative said “It speaks to [need for] the participant driven nature of response in TA – do we as a TA network have an understanding at commencement of potential in the homelessness to housing continuum at step 1 to avoid people leaving accommodation because it’s high risk – certainly from conversations that we have with people we support – sometimes it is literally better to sleep on the street”.

Services also emphasised the importance of long-term solutions, due to the traumatising nature of current short-term temporary accommodation processes.

One service provided examples “For us they might get one day at a time, packing up every single day to reapply for TA at 10am to go back to the same TA. We had mother recently with three-month-old who said I can’t do it – I’m better off staying in house full of drugs. We helped her into a transitional accommodation, but you understand how people feel this way”.

⁴⁸ Cripps, Kylie and Habibis, Daphne, ‘Improving housing and service responses to domestic and family violence for Indigenous individuals and families’, AHURI Final Report 320, Australian Housing and Urban Research Institute Limited, Melbourne, p.29, <http://www.ahuri.edu.au/research/final-reports/320>

⁴⁹ Volant et al., 2018, in Domestic Violence NSW, ‘Animals and people experiencing domestic and family violence’, November 2020, p. 43, <https://www.dvnsw.org.au/wp-content/uploads/2020/11/Nov-DVNSW-Report-on-Animals-and-People-Experiencing-Domestic-and-Family-Violence.pdf>

Recommendations:

The current endemic barriers to accessing TA in regional areas requires an urgent strategy to address lack of supply, dangerous situations for victim/survivors of domestic violence, lack of accommodation for families and lack of accommodation for people with pets.

Measures in TA that increase barriers to access including rental diaries should be abolished and instead viewed through individual focused care.

Inclusionary zoning

In NSW, there is increasing community groundswell for mandatory inclusionary zoning. However, the NSW Government has left this to be implemented by Local Governments. This means it only occurs in an ad hoc manner with no coordinated plan to assist with alleviating the crisis in social and affordable housing.

Member services have communicated those applications for emergency housing are rejected without consideration of the needs of the homelessness community.

A service said from the experience sourcing crisis accommodation that, “the Department sells off land for quick buck, the meanwhile use we have identified has been resold or transformed to bedsit for \$200/week”.

Another organisation communicated ‘There is no government land - where are they? We have next to nothing. We can’t even get it past the local council. Getting past DAs (Development Applications) is a blank no.”

The State Government and Local Governments should immediately prioritise mandatory inclusive zoning practices for diverse affordable and social housing.

Inclusionary zoning is defined as, “a land use planning intervention by government that either mandates or creates incentives so that a proportion of a residential development includes a number of affordable housing dwellings.”⁵⁰

National Shelter outlines the current mechanisms for inclusionary zoning in NSW which is limited to Local Government levying for affordable housing contribution (funds) or dedications (dwellings) where the affect areas is identified in Statewide Environmental Planning Policy No 70 –Affordable Housing.⁵¹

To address housing stock and associated homelessness crisis on a widespread scale the Governments need to implement mandatory zoning laws to ensure that there is both affordable and social housing for the increasing proportion of people who are unable to afford private rental properties.

National Shelter recommends the mandating of 30% affordable properties in new dwellings. Currently, South Australia has mandated a 15% affordable housing target and in all significant development projects, 15% of new dwellings are to be affordable, including at least 5% for high-needs groups.⁵²

Mandatory zoning has also been implemented overseas. In 2004, London introduced a target for 50 per cent of new housing across the region to be affordable. The plan stipulates that affordable housing requirements be applied to sites with 15 or more residential units, although there are proposals to reduce the threshold in London to 10 units, reflecting the

⁵⁰ AHURI, 2017, in <http://shelter.org.au/site/wp-content/uploads/190325-Inclusionary-Zoning-Report-V6-Final.pdf>, p.4

⁵¹ Ibid. p.15

⁵² Ibid. p. 9

limited availability of larger sites. In 2016, inclusionary zoning was mandated in specific areas of New York.⁵³

Recommendation: The NSW Government should work with the Federal and Local Governments to implement mandatory inclusionary zoning including a 15% affordable housing and 15 social housing targets for new dwellings, redevelopments and implementing this into city and town planning.

⁵³ <https://www.ahuri.edu.au/research/ahuri-briefs/Understanding-inclusionary-zoning>

Specialist Homelessness Services in regional communities

SHSs are funded to support around 58,000 clients, yet in 2018/19 provided a service to 70,300 clients, supporting 25% more clients than they are funded for.⁵⁴

The NSW Government should consult with local homelessness services to deliver the appropriate needs for housing across diverse areas in NSW, but services also need to be funded to meet the current levels of demand.

In the client characteristics of people seeking assistance across NSW, inner regional clients represented the most significant cohort in regional areas seeking homelessness assistance, however this does not represent people who needed assistance, only those who sought it.

Figure 15

Client characteristics, 2019–20

		NSW	Australia
Sex (%)	Male	42	40
	Female	58	60
Indigenous (%)		30	27
Remoteness (%)	Major cities	58	61
	Inner regional	33	23
	Outer regional	8	11
	Remote and very remote	1	6

Source: AIHW Factsheet www.aihw.gov.au/getmedia/c1ce917d-9812-459d-967d-0d2a027f70c0/aihw-hou-322-nsw-factsheet.pdf.aspx p.1

Our member services have also communicated that additional time and resources also needs to be considered in the funding of regional organisations which includes travel time for staff and staff travelling to assist people, and the difficulty of sourcing basic goods when assisting people such as furniture and whitegoods.

People living in regional and rural areas may be vulnerable to homelessness due to limited housing options, education, employment opportunities and access to disability and health services. Between 2013–2017 there was a 75 per cent growth in regional clients accessing specialist homelessness services.⁵⁵

⁵⁴ Homelessness NSW, no date, 'Specialist Homelessness Service Data', <https://homelessnessnsw.org.au/resource/specialist-homelessness-service-data/>

⁵⁵ <https://www.audit.nsw.gov.au/sites/default/files/documents/FINAL%20REPORT%20-%20Responses%20to%20homelessness.pdf> p.9

The NSW Government should look to greatly increase services available in regional areas precisely due to remoteness issues and the lack of existing services outside of Greater Sydney. Equity Economics points to the need to urgently support community-controlled organisations for Aboriginal and Torres Strait Islander women and children given higher rates of family and community violence (around 22 per cent) and low levels of support services in many regional and remote locations. These leaves women likely to be stuck from entry and exits and unable to access support services, creating the worst-case scenarios for those experiencing violence.⁵⁶

Recommendation:

The NSW Government should fund Specialist Homelessness Services in regional areas to meet the current high level of demand for people accessing services and the additional challenges of assisting vulnerable cohorts in regional and remote areas with limited resources.

⁵⁶ Equity Economics, op cit. p. 26

Aboriginal housing and homelessness support services in regional areas

Aboriginal people are overrepresented in the homeless population. While Aboriginal and Torres Strait Islander people represent 2.9% of the NSW population, they represented 6% of the people who were homeless in NSW on Census night in 2016.⁵⁷

Overcrowding

The main form of this homelessness in the Aboriginal community is overcrowding. In 2016, New South Wales (7,800 households) had the highest number of Indigenous households living in overcrowded conditions.⁵⁸

Indigenous households are three times more likely to experience overcrowding compared to other households: 12.9 per cent of Indigenous households and 3.4 per cent of non-Indigenous households required one or more extra bedroom in 2011.⁵⁹

This itself may be an underreported number. The National Aboriginal Controlled Health Organisation described the difficulty of obtaining accurate numbers of Aboriginal people living in overcrowded dwellings:

The actual rate of homelessness may be higher than recorded levels due to overcrowding not being reported to landlords (due to the risk of eviction or rent being increased if there are excess people living in the house) and not everyone taking part in the census. Living temporarily in the home of a friend or family member for cultural, community or country responsibilities, temporary employment or to access services is commonly not perceived as comprising a period of homelessness. In addition, exact homelessness figures are difficult to measure because some Aboriginal and Torres Strait Islander people, regardless of how and where they are sleeping, do not perceive themselves as being homeless provided they are on Country.⁶⁰

The COVID-19 pandemic has brought issues of overcrowding, particularly in Aboriginal communities into sharp relief. The difficulty of isolation, the vulnerability of large households to spread of disease and multiple health conditions affecting much of this community demonstrates the urgent need to address overcrowding.

Overcrowding itself leads to a wide range of life and health outcomes which further increase the vulnerability of people to the impacts of COVID-19. Aboriginal and Torres Strait Islander people in overcrowded households at increased risk a range of health conditions and problems (including Rheumatic Heat Disease, scabies and a range of communicable diseases), psychological distress and other health and wellbeing issues.⁶¹

The following datasets indicate the issues of overcrowding in remote and very remote areas.

⁵⁷ Homelessness NSW, 'Aboriginal Homelessness in NSW', no date, www.homelessnessnsw.org.au/wpcontent/uploads/2021/03/Aboriginal-Homelessness-in-New-South-Wales.pdf

⁵⁸ <https://www.aihw.gov.au/getmedia/1654e011-dccb-49d4-bf5b-09c4607eccc8/aihw-hou-301.pdf.aspx>, p.21

⁵⁹ AIHW, 2014 in https://www.ahuri.edu.au/_data/assets/pdf_file/0024/67515/overcrowding-and-severe-overcrowding-report.pdf p.37

⁶⁰ <https://www.aph.gov.au/DocumentStore.ashx?id=40a7e9dd-fe85-49e6-b8a1-b29b83249c79&subId=685861> p.5

⁶¹ Op cit. NACCHO, p.7

Figure 16

Table 2.4: Overcrowding in Indigenous households, by remoteness area, 2001, 2006, 2011 and 2016

Remoteness area	% of Indigenous households				Percentage point change between 2001 and 2016
	2001	2006	2011	2016	
Major cities	11.0	9.4	9.7	8.1	-2.9
Inner regional	10.9	10.0	9.5	7.4	-3.5
Outer regional	14.7	13.4	12.2	9.4	-5.3
Remote	21.5	22.3	20.1	14.5	-7.0
Very remote	45.8	40.5	38.9	32.3	-13.5
<i>Remote and very remote</i>	35.5	32.3	30.9	24.6	-10.9
Total (%)	15.7	13.6	12.9	10.0	-5.7
Total Indigenous households (number)	144,493	166,659	209,049	263,036	..

.. not applicable

Note: Refer to Supplementary table S2.6 for explanatory notes.

Source AIHW www.aihw.gov.au/getmedia/1654e011-dccb-49d4-bf5b-09c4607eccc8/aihw-hou-301.pdf.aspx_p.20

Equity Economics have also highlighted the likely aftershocks of the COVID-19 pandemic on regional and remote NSW with high Aboriginal and Torres Strait Island populations at risk of growing disadvantage. Many of these communities suffer low and intermittent labour force, young population profiles and high levels of income support. They often operate with smaller economic base and rely on specific industries, government support and community services, and therefore more at risk from economic shocks.⁶²

Urban drift

There has been an ongoing pattern of urban drift of the Aboriginal population in regional or remote moving increasing urban areas. The pattern of overcrowding and seeking of housing assistance are likely contributing factors to increasing urban drift.

Researchers argue that the exclusion of Indigenous communities from the housing market is a primary cause of mobility.⁶³ Habibi argues:

For the overwhelming majority of the Indigenous population, low income makes social housing the only choice for most Indigenous individuals and families. As renters, Indigenous people must conform to the imposition of tenancy regulations that do not apply to home-owners with factors associated with Indigeneity, creating a much higher vulnerability to tenancy failure. The result is a high level of overcrowding and vulnerability to homelessness.

⁶² Op cit. Equity Economics, p. 12

⁶³ Habibi, Daphne et al., 2010, 'Improving housing responses to Indigenous patterns of mobility', AHURI Positioning Paper, No.124. Melbourne: Australian Housing and Urban Research Institute, www.ahuri.edu.au/_data/assets/pdf_file/0022/2884/AHURI_Positioning_Paper_No124_Improving-housing-responses-to-Indigenous-patterns-of-mobility.pdf p. 21

A contributing factor to regional drift is inadequate support for SHSs or people in temporary or transitional accommodation, and therefore the need to move into regional centres or urban areas to seek assistance or housing.

The lack of available services follows reduction in funding for Aboriginal hostels and Specialist Homelessness Services following the Going Home Staying Home Reforms. Aboriginal specific hostels were in operation across Australia which included a number in NSW and Sydney in 2013. There are three currently listed Aboriginal hostels in NSW, but these only cater for school age and tertiary students.

The closure of Aboriginal hostels and underfunding of Aboriginal controlled Specialist Homelessness Services worsens the complicated impact of urban drift into regional areas and Sydney. It exacerbates the main form of Aboriginal homelessness, overcrowding, as extended family members or kinship systems mean that Aboriginal communities are more likely to allow their houses to become overcrowded rather than leave family or extended family to sleep rough.

Regional communities and areas with high Aboriginal populations should be funded according to their needs and supported to re-develop Aboriginal controlled organisations and integrated Aboriginal support services. As the National Aboriginal Community Controlled Health Organisation recommends “ACCOs specialising in housing and homelessness prevention and responses should be funded to supply culturally appropriate social housing in Aboriginal and Torres Strait Islander communities”.⁶⁴

There is a need for culturally appropriate wrap-around services that can address the multiple barriers for Aboriginal people experiencing homelessness. Appropriate housing must be culturally safe and supportive for Aboriginal people, as many Aboriginal people are afraid to even seek assistance at mainstream housing or homelessness services due to the fear of child removal.

Recommendation: The NSW Government needs to immediately fund a regional strategy for Aboriginal homelessness that empowers local community-controlled organisations through refunding and resourcing to deliver culturally safe housing and integrated support services. In the interim, mainstream organisations should also be funded to deliver targeted support to the high numbers of Aboriginal people experiencing homelessness.

⁶⁴ National Aboriginal Community Controlled Health Organisation, ‘Reducing the incidence & impact of homelessness on Australian on Aboriginal and Torres Strait Islander People’, p. 4 <https://www.aph.gov.au/DocumentStore.ashx?id=40a7e9dd-fe85-49e6-b8a1-b29b83249c79&subId=685861>

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