

## **Attachment A - Grow Social Housing**

Increasing the availability of safe, secure, and affordable housing is critical to solving homelessness, and social housing is a key component. There is an urgent need to substantially increase the NSW investment in social and affordable housing to ensure homes for all people. Never has this been more important than now, as the COVID-19 pandemic coupled with a lack of safe, secure, and affordable housing has left far too many exposed.

Homelessness can require an urgent need for accommodation. While there will always be a place for crisis and short-term accommodation, there needs to be housing pathways out of such accommodation to end homelessness. Right now, even if a person is able to gain access and support from a homelessness service, the majority (59%)<sup>1</sup> will be unable to find long term accommodation or housing by the end of their support period. This holds true even as the social housing that is available is tightly targeted and rationed to 'priority groups' with complex needs.<sup>2</sup>

The ongoing state of homelessness for many is clearly not an issue in the quality of crisis support provided. When housing is available to those at-risk of homelessness the most recent release of data found that 90% were able to maintain housing with support from a SHS.<sup>3</sup>

It is, however, by and large because there are no exit options – there is no housing that is affordable and suitable for everyone in NSW. This is a policy choice the NSW Government has made in how it invests in (or fails to invest in) critical social housing infrastructure. This in turn perpetuates crises. While little is formally known about those who are waiting to access social housing, it is thought that they are most likely to be unable to sustain a private rental and in insecure situations including couch-surfing, living in improvised, temporary, or below-standard accommodation or sleeping rough. What's more is that we know that violence against women is perpetuated by the lack of investment in social housing because women will return to a violent partner when there are no other housing alternatives.<sup>4</sup> In NSW it is estimated that there are over 2,400 women currently living with a violent partner who had returned after escaping because they could not find nor afford alternative accommodation; and a further 2,410 who are homeless because they too could not find secure and permanent housing after leaving a violent partner.<sup>5</sup>

The *Housing 2041 - NSW Housing Strategy* states a strong policy commitment: '...housing that supports security, comfort, independence and choice for all people at all stages of their lives', and further: 'Today, in the current social and economic climate, the NSW Government has an important role to play in the provision of social and affordable housing solutions'. Indeed, one of the three strategic priorities for NSW's 10-year strategy *Future Directions for Social Housing in NSW* is 'more social housing', signalling the government commitment to expand and diversify options for those who need housing assistance.

It's Homelessness NSW's assessment that implementation has fallen far short of overarching policy statements.

### **The gap**

There is an immediate shortfall of 70,000 housing units in NSW, by OECD average, and yet others would say the real shortage is 135,000. If only to account for population growth,

recent analysis shows that 300,000 properties will need to be delivered by 2050, and this gap can be bridged by building an additional 5000 properties per year. <sup>6</sup>

Yet over the last 5 years the NSW Government has committed to just 9386 new social housing properties when the real need was closer to 25,000 at least. What's more is that in just one year (2019-2020) there was a decline of 700 dwellings.<sup>7</sup>

It should be noted that these estimates are based solely on population growth and do not include contemporary events in NSW including the impact of drought, bushfires, and COVID-19 on the community, and now floods.

Modelling to investigate the impact of COVID-19 on housing and homelessness has estimated some steep increases, including housing stress.<sup>8</sup> Such surging demand has been corroborated through numerous media reports and through anecdotal evidence from Homelessness NSW members, many whom are first time service users.

This surge is also evidence in the social housing waitlist figures which, in the last two years, have seen the single largest jump in demand in at least 7 years, if not more – for both the tightly targeted priority list and the general waitlist. <sup>9</sup> In June 2019 the priority waitlist was 4,484, in June 2020 it was 5,308 and in June 2021, it was 5801. The general waitlist for social housing also jumped from 46, 982<sup>10</sup> households in June 2020 to 49,982 households in June 2021.<sup>11</sup>

There are also regional disparities in the delivery of social housing when compared to need. Analysis by St Vincent De Paul in NSW notes that the largest social housing commitment – Communities Plus – will only deliver 4.3% or 319 new social housing properties in regional NSW, despite 40% of social housing applicants, or more than 44,000 people, being located in regional NSW.<sup>12</sup> Once again, after the diaspora from city centres to regional NSW resulting in the total decimation of rental vacancies and rapidly rising rents would again have changed the profile of housing need in the typically more affordable regions.

For Aboriginal and Torres Strait Islander peoples in NSW, the needs are estimated to be 10,855 social housing properties and 13,506 affordable homes currently. This shortfall is projected to grow by 62% by 2031, the gap estimated to be 30,124 social and 34,924 affordable housing properties.<sup>13</sup>

Even the most recent social housing commitment from the NSW Government, made in the context of widespread lockdowns, job loss and income insecurity, does little to relief the pressure in the community. The investment committed to roughly 600 new social housing builds 'to provide approximately 200, sustainable, social and affordable housing dwellings for women experiencing DFV' alongside 360 new social housing builds, 45 new community homes for Aboriginal families, and investment to 'fastrack' the 1,000 social homes, with the latter likely not new builds, but increasing the pace of delivery on current commitments.

The NSW Government is spending much less now than 5 years ago, despite the continued and increasing need. Spending has decreased per capita, from \$180 per person in 2017-18; \$167 in 2018/19; and \$161 in 2019/2020. This is whittling away the safety net for us all.

### **The change required**

We need enough housing available that people can truly afford, including those who are homeless. We need a system that can cope when disaster strikes. This means building social and affordable housing and building **enough** of it.

Social and affordable housing is a good investment. Building social and affordable housing costs money, but it also saves money. People do far better with stable housing than without it – it is the foundation to overcome all kinds of serious challenges, and rebuild lives. They

are also less likely to become homeless because of the stability, affordability, and support systems of social housing.<sup>14</sup> There is a wealth of research to back this up<sup>15</sup>, including a recent report on the gendered impacts of COVID-19, commissioned by Homelessness NSW and other state peaks, demonstrates that building an additional 5,000 social housing units would:

- Deliver immediate economic benefits of \$4.5 billion and create 14,000 jobs across the NSW economy.
- Cost up to \$2.6 billion, with costs lower through the use of community housing providers and other innovative financing models;
- Avoid \$38.5 million a year in costs from women returning to a violent partner; and
- Avoid \$68 million a year in costs due to women experiencing homelessness after leaving their homes due to family and domestic violence.

Aside from the direct benefits to government coffers, and personal dividends to those who are able to rebuild their life, there are significant and obvious benefits to the broader economy. It has been done before when the economy needed to be revived, and it can be done again. KPMG reported that an equivalent stimulus program after GFC delivered an increase of 14,000 FTE jobs, with a \$1.30 generated in the economy for every \$1 of construction activity. Given the dearth of social housing in regional NSW compared with need, a social housing stimulus 'shovel ready' projects can be spread, generating employment in regional economies.

**Invest 2.6 billion<sup>16</sup> per year for the next 10 years to grow social housing by 5,000 properties per year, including acquiring existing stock to fast-track housing of priority cohorts**

**Commit an additional \$500 million to repair existing social housing stock**

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<sup>1</sup> Homelessness NSW, 'COVID Has Shown Us We Know How to End Homelessness – but Latest Homelessness Stats Show That We Are Failing to Do This', Media Release, 7 December 2021, <https://homelessnessnsw.org.au/covid-has-shown-us-we-know-how-to-end-homelessness-but-latest-homelessness-stats-show-that-we-are-failing-to-do-this/>.

<sup>2</sup> NSW Department of Communities and Justice, 'Social Housing Eligibility and Allocations Policy Supplement', accessed 19 January 2022, NSW Department of Communities and Justice.

<sup>3</sup> NSW Department of Communities and Justice, 'Specialist Homelessness Services 2020 -21: Overview of the NSW Data in Report by Australian Institute Health & Welfare'. Presentation, not published.

<sup>4</sup> Equity Economics, 'Rebuilding for Women's Economic Security: Investing in Social Housing in New South Wales' (Sydney: New South Wales Council of Social Service (NCOSS), with support from Community Housing Industry Association NSW; Domestic Violence NSW; and Homelessness NSW, October 2021), p.18

<sup>5</sup> Equity Economics, p.19

<sup>6</sup> Equity Economics, 'A Wave of Disadvantage Across NSW: Impact of the Covid-19 Recession' (Sydney: A report prepared for New South Wales Council of Social Service (NCOSS) , with support from Community Housing Industry Association NSW; Domestic Violence NSW; Fams; Youth Action; Homelessness NSW; and Shelter NSW., 2020). p.9

<sup>7</sup> Steering Committee for the Review of Government Service Provision, '18 Housing, 18 Housing Data Tables, Table 18A.1', in *Report on Government Services 2021* (Canberra: Productivity Commission, 2021), <https://www.pc.gov.au/research/ongoing/report-ongovernment-services/2021/housing-and-homelessness/housing>.

<sup>8</sup> Equity Economics, 'A Wave of Disadvantage Across NSW: Impact of the Covid-19 Recession'.

<sup>9</sup> Australian Institute of Health and Welfare 2021. Housing assistance in Australia. Cat. no. HOU 325. Canberra: AIHW. Viewed 09 October 2021, <https://www.aihw.gov.au/reports/housing-assistance/housing-assistance-in-australia>

<sup>10</sup> Australian Institute of Health and Welfare 2021. Housing assistance in Australia. Cat. no. HOU 325. Canberra: AIHW. Viewed 09 October 2021, <https://www.aihw.gov.au/reports/housing-assistance/housing-assistance-in-australia>

<sup>11</sup> Portfolio Committee No. 5 - Legal Affairs, 'Answers to Questions Taken on Notice', *NSW Budget Estimates, 2021*, <https://www.parliament.nsw.gov.au/lcdocs/other/16385/Answers%20to%20QON%20-%20The%20Hon.%20Alister%20Henskens%20MP%20-%20Received%2025%20Nov%202021.pdf>.

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<sup>12</sup> St Vincent de Paul Society NSW, 'Submission to the NSW Regional Housing Taskforce' (St Vincent de Paul Society NSW, August 2021), [https://www.vinnies.org.au/content/Document/NSW/Social%20Justice/Submission\\_Regional\\_Housing\\_Taskforce.pdf](https://www.vinnies.org.au/content/Document/NSW/Social%20Justice/Submission_Regional_Housing_Taskforce.pdf).

<sup>13</sup> Nicola Brackertz, Jim Davison, and Alex Wilkinson, 'How Can Aboriginal Housing in NSW and the Aboriginal Housing Office Provide the Best Opportunity for Aboriginal People?', Report prepared by AHURI Professional Services for the Aboriginal Housing Office, NSW, (Melbourne: AHURI, 1 October 2017), <https://www.ahuri.edu.au/research/research-papers/how-can-aboriginal-housing-in-nsw-and-the-aboriginal-housing-office-provide-the-best-opportunity-for-aboriginal-people>.

<sup>14</sup> Guy Johnson et al., 'How Do Housing and Labour Markets Affect Individual Homelessness?', *Housing Studies* 34, no. 7 (9 August 2019): 1089–1116, <https://doi.org/10.1080/02673037.2018.1520819>.

<sup>15</sup> See, for example: <https://www.linkedin.com/pulse/rethinking-costs-homelessness-jeremy-thorpe/>; Zaretsky, K., et al. (2013) The cost of homelessness and the net benefit of homelessness programs: a national study, AHURI Final Report No.205. Melbourne: Australian Housing and Urban Research Institute; Equity Economics, 'Nowhere To Go: The benefits of providing long-term social housing to women that have experienced domestic and family violence', July 2021, Melbourne: Everybody's Home; Pascual Juanola, Marta, 'The cost of homelessness in WA's public hospitals and how the state could save millions', July 8 2021, Sydney Morning Herald, online via [smh.com.au/national/western-australia/the-cost-of-homelessness-in-wa-s-public-hospitals-and-how-the-state-could-save-millions-20210703-p586k7.html](http://smh.com.au/national/western-australia/the-cost-of-homelessness-in-wa-s-public-hospitals-and-how-the-state-could-save-millions-20210703-p586k7.html)

<sup>16</sup> Equity Economics, 'A Wave of Disadvantage Across NSW: Impact of the Covid-19 Recession'. p.4