



Housing Strategy Implementation Unit
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Via Portal: www.planningportal.nsw.gov.au/draftplans/exhibition/housing-strategy-nsw

Discussion Paper – A Housing Strategy for NSW

Dear Housing Strategy Implementation Unit

The Salvation Army Australia is pleased to make a brief submission to the *Discussion Paper – A Housing Strategy for NSW* (the Discussion Paper) as part of the public consultation process being conducted by the Department of Planning, Industry and Environment.

The Salvation Army is an international Christian movement with a strong presence in New South Wales and throughout Australia. In addition to 120 years of experience providing housing and homelessness services, we also provide alcohol and other drug services, youth services, emergency relief, emergency management support and services to support individuals and families impacted by family and domestic violence. We also deliver networks of social support through hundreds of our corps (churches) across the country. Our vision is to confront hardship and injustice by living, loving and fighting alongside others to transform Australia one life at a time, with the love of Jesus.

The Value of Strategy

We welcome the vision set out by the NSW Government in the Discussion Paper, for 'housing that supports security, comfort and choice for all people at all stages of their lives'. Our service delivery experience shows that coordinated and sustained efforts are needed to address the critical issues associated with declining housing affordability and homelessness. This housing strategy represents a significant opportunity to improve the current housing of many NSW residents, from the supply driven issues of location, diversity and quantum, to those of demand, where affordability, amenity and meeting support needs of individuals are crucial.

Our experience is that many of the issues associated with housing affordability and homelessness are structural and systemic. Many policy levers rest with the Commonwealth Government and we recognise that a nationally coordinated approach will have the best chance of improving housing outcomes for NSW residents.

This is why The Salvation Army, along with many other key stakeholders, has called for national leadership in the first instance, in addressing the systemic and structural drivers of precarious housing and homelessness across Australia. With nearly a third of all Australians living in NSW, the NSW Government has a vital role in each of the identified measures.

Specifically, we have advocated for the development of a National Homelessness and Housing Strategy that comprises:

- A commitment to the eradication of homelessness, and clear targets to achieve that goal.
- Bi-partisan and intergovernmental support.
- Consideration of how policies can best serve different cohorts of people most at risk of homelessness.
- Consideration of the systemic causes of homelessness, including the adequacy of income support and Commonwealth Rent Assistance (CRA), early intervention for people at risk of homelessness, and housing availability and affordability.

Similarly, as the availability of sufficient social housing would comprise a critical part of any comprehensive plan to end homelessness, there is a need to establish clear growth targets that are ambitious and proportionate to identified need. These targets would be set within an environment of shared funding, co-investment and incentives between government, business and the not-for-profit sector.

The Salvation Army is very happy to see each of the four themes outlined in the Discussion Paper and we provide some brief comments, including supplementary information arising from our experience of COVID-19 and the recent bushfires. In a range of ways, COVID-19 has thrown into sharp relief that safe and secure housing is not available to all Australians and further highlighted the links between precarious employment, economic conditions and housing affordability.

About Supply

Addressing the shortfall of affordable housing and social housing remains the single greatest challenge for housing across Australia and in NSW. Social housing is the most effective exit point for many people experiencing homelessness. Through our experience as a community housing provider, The Salvation Army has identified the following pathways for the NSW Government to alleviate supply driven issues:

- Replace the current ad-hoc process with a rolling funding program for community housing so providers can have 'shovel-ready' projects to apply for available funds.
- Simplify the application process and extend timelines where the capacity for responding to new funding opportunities may be limited.
- Introduce mandatory inclusionary zoning, which would see developers compelled to include social and/or affordable housing in their projects.
- Provide discounted rates to incentivise not-for-profit organisations to invest in housing, where low rental returns, maintenance costs, rates and taxes can be prohibitive.

- Provide better access to information about the availability of land and whether infrastructure developments are already in place or proposed for the future.
- Provide adequate funding for community housing providers to develop housing in regional communities where they do not have a current presence and the costs incurred for travel can be prohibitive.

About Diversity

Issues of diversity are not restricted to providing a range of housing types, tenure options or locations, but the critical consideration of different cohorts impacted by housing affordability and homelessness and their varying support needs. In summary, these groups include women and children escaping family violence, single older women, veterans, young people exiting out-of-home care, people exiting institutions (prisons and hospitals), survivors of modern slavery, people with disability and people with mental health issues (including substance use disorders). For each of these cohorts, not only is appropriate, affordable housing required, but also support that is tailored and flexible to meet the needs of the individual.

Other considerations include:

- Housing needs to be innovative and flexible in its design. It needs to allow for changes to adapt to ageing, disability or family growth by being able to create more space through extensions or use of land area. This may also include consideration of provisions such that an ageing parent may be accommodated with the addition of a room or by using available backyard space.
- Properties need design features that are universally accessible and where aids for persons with physical disability can be added easily. These may include ramps, flat spaces in bathrooms and the absence of steps.
- More single dwellings for street-to-home programs. Funding for these properties need to ensure the large numbers of single people can move directly into permanent housing and that the necessary support is also funded. Without appropriate and adequate support, some in this cohort find being housed difficult and can fall back into homelessness. At the moment, many such support services are funded with internal funding.

As an example of an innovative partnership that is designed to specifically meet the needs of a particular cohort, The Salvation Army has joined with the Sisters of Charity Foundation to operate a housing program for survivors of modern-day slavery in Australia that is aimed at transitioning people to independent living.

Salvos Housing works with people impacted by modern-day slavery to find suitable accommodation that is affordable as well as accessible for work and transport through a head-leasing arrangement with private landlords, and The Salvation Army provides ongoing case management and support.

Eventually, the lease will be transitioned to the resident, so that they can live independently. This eliminates the need for the resident to move again when they exit the program. For 12 months, Salvos Housing, with funding from the Sisters of Charity Foundation, covers the rent owed to the landlord. The rent collected from program participants is used to fund the program, including brokerage, bonds and rental deposits for new participants. This income is enough to support one to two additional participants each year.

About Affordability

There is no single solution to addressing housing affordability. Interventions across the housing continuum are required to provide relief to various cohorts in different parts of the market. The Salvation Army believes the most pressing need is for solutions that focus on people experiencing the most disadvantage. These need to be tailored for people who are not likely to ever consider home ownership and for whom even private rental remains elusive for a variety of reasons, including affordability and the support needs required to maintain a tenancy. It is within this context that social housing (both public housing and community housing) remains a critical requirement and an essential housing option when developing the NSW Housing Strategy.

For those with greater independence, or those just needing a hand up at certain times in their lives, improved and flexible rental choices would go some way to meeting both housing and affordability needs. These options may include growing private rental support programs or investigating new rent-to-buy schemes, where these do not risk further reducing the availability of social housing stock.

It is important to ensure that affordable housing is also environmentally sustainable and energy efficient. In 2017-18, a five-year analysis of more than 12,000 people who accessed The Salvation Army's Moneycare financial counselling services showed that one in six people experienced energy stress. An energy efficient home not only reduces the cost of heating and cooling, but can also have significant benefits for physical and mental health..

Affordability also has implications for community housing providers such as The Salvation Army, where financial viability remains a consideration within the context of marginal returns on tenancies (sometimes around 2 per cent). This is the result of available capital funding for new stock being provided at around 50 per cent (excluding land).

About Resilience

Urban resilience is the ability to efficiently adapt and change a city over time, as circumstances dictate, and includes economic, physical, social, and ecological resilience. The concept of urban resilience is similar to the concept of urban sustainability but less static. A perfectly sustainable city is one where the three pillars of sustainability — equity, ecology, and economy — are in perfect balance, presumably forever. A resilient city, on the other hand, is one where the three pillars are largely in balance but continue to change in sometimes unexpected ways.

The Salvation Army has identified the following issues and initiatives for consideration, which have been informed by our learnings from the ongoing COVID-19 pandemic and extensive experience in responding to natural disasters.

COVID-19

Physical distancing has been one of the most important factors in reducing the spread of COVID-19. Implementation of physical distancing has demonstrated that many crisis accommodation facilities, including those offered by The Salvation Army, are not fit-for-purpose in the context of a pandemic, nor in keeping with best practice to provide residents with dignity. The pandemic has also meant that our services are now stretched to capacity. Additional resources will be required to affect the necessary capital upgrades of facilities and future facility design will need to consider physical distancing requirements through the provision of apartment style builds that include private bathrooms and kitchen facilities.

The human cost to women and young people during the pandemic has also been significant. Family violence has been exacerbated by job losses, financial insecurity and increased trauma particularly within vulnerable populations. We expect that this will only increase with the easing of restrictions, leading to further increases in demand for family violence services and specific trauma-informed support for children staying in temporary accommodation with their parent. Key domestic violence experts have warned that the impacts of COVID-19 on women's safety are only just beginning to be felt and will compound the risks women face from abusive partners or family members for months and potentially years after isolation measures are lifted.

To meet immediate needs, increased funding, access and flexibility to use funding for brokerage and adequate income support rates and crisis payments will avoid trapping women and children escaping family violence in a cycle of poverty and homelessness. Domestic and family violence was a leading cause of homelessness before COVID-19. The economic downturn has only increased the risk of victims-survivors facing financial insecurity and homelessness.

In the medium and long term, a significant increase in funding for crisis, temporary and long-term accommodation that addresses demand will assist. Greater availability of exit housing will substantially reduce the costs associated with, and therefore barriers to, leaving the family home due to violence. This housing can be provided through social housing or increased access to private rental assistance initiatives.

Responding to natural disasters

The Salvation Army has witnessed the need for emergency and short-term housing options following natural disasters. Most recently, the demand on already short supplies of affordable housing has been significant following the 2019-20 bushfire season, which saw large-scale losses of land and property. Many residents, even those able to afford full reconstruction of their properties, are still experiencing homelessness and require housing during their reconstruction.

The Salvation Army responded to this need in partnership with the NSW Government and the Minderoo Foundation, providing temporary accommodation 'pods' with built-in electricity, water and sewer systems, to be set up on people's properties for a period of up to two years. The pods are different sizes, allowing for differing needs and family sizes. At the end of June 2020, more than 100 pods have already been allocated to families across NSW, with a further 60 to 70 in the process of being constructed.

The Salvation Army outreach workers provide ongoing support to individuals and families, providing wrap-around services through its Doorways and Moneycare counselling and emergency relief services and referrals to other agencies for mental health and other support.

Other Considerations

Existing properties that offer space in the surrounding land and new builds should also be considered for the concept of 'barnacle-ing', which is a building designed with the ability to attach pieces to the existing structure as families expand. Vancouver has had success with this concept, which allows for additional density in exchange for retaining the existing structure. The habitable square footage can sometimes be increased by a considerable percentage.

While these examples demonstrate that short to medium-term accommodation options do exist, including modular 'prefab' homes and other temporary housing designs, the key issue is a shortage of known land where such housing can be placed.

The Salvation Army is aware that the NSW Government can supply land on a temporary basis for emergency accommodation, including on transport corridors which are not slated for development for several years. Greater access to information about available land and planning timeframes would assist organisations that do have the means to provide temporary housing structures to set up emergency accommodation and allow for people to remain in their communities while they reconstruct.

A searchable register of local and state government land suitable for short to medium-term housing would allow for a swifter and more efficient establishment of temporary housing in communities and ensure that recovery is less disruptive for families and the community.

More generally, The Salvation Army has identified the following suggestions to improve resilience:

- Ongoing investment in renewal, refurbishment and significant upgrades of existing public and social housing stock to extend the useful life of the housing assets
- Energy efficiency upgrades and solar photovoltaic installations for social housing dwellings. Implemented as part of a stimulus plan, this initiative could produce multiple benefits to housing providers, tenants, employment, the economy and the environment. Eligibility for energy efficiency programs could also be extended to low income households.
- Ageing-in-place initiatives, where the dwelling is modified to be able to accommodate the changing requirements of the occupants as they get older.

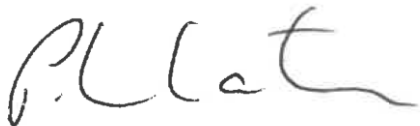
Further Engagement

The Salvation Army thanks the NSW Government for the opportunity to inform the development of a new Housing Strategy. We would welcome ongoing opportunities to bring our evidence and experience in the homelessness and housing sectors to help develop and implement innovative solutions, in collaboration with other service delivery organisations, by:

- Presenting the voice of people who have experienced homelessness.
- Representing the breadth of experience of homelessness cohorts.
- Testing ideas and identifying potential unforeseen consequences of policy settings.
- Providing examples of best practice or innovative solutions that can be scaled.

Thank you again for the opportunity to comment. Please contact me at on 0413 830 or at paul.hateley@salvationarmy.org.au if you require additional information or would like to discuss this submission further.

Yours sincerely

A handwritten signature in black ink, appearing to read 'P. Hateley', written in a cursive style.

Major Paul Hateley
Head of Government Relations
The Salvation Army Australia

23 July 2020