



NSW State Election March 2023

Shelter NSW Platform

A secure home for all

6 December, 2022



Introduction

A state election will take place in NSW in late March 2023. It seems there will be a very real contest between parties and agendas. The 'housing crisis' dominates the national, state and local conversation and a new Federal Government and Minister are bringing much needed oxygen, leadership and funding to the debate.

NSW continues to grow, with forecasts that the state needs an average of 42,000 additional homes every year over the next 40 years¹. At Shelter NSW we believe that growth should be fair and inclusive – improving the life of all people; built on the foundation of a secure home for all.

Shelter NSW and its members are filled with hope; that the community's appreciation of the housing crisis can be converted into action to make significant and lasting change.

The people we represent

- Lower income people but especially renters (43% of all renters, over 335,000 households in NSW) continuing to struggle with 'rental stress'.
- Core groups that are particularly vulnerable: the very young and older people (especially women); women and children fleeing domestic family violence; disadvantaged groups amongst First Nations communities
- Low paid essential workers who otherwise don't qualify for social housing
- Low-income people in regional NSW

Our key campaign alliances



¹ NSW Department of Treasury (2021), *Toward 2061 – planning for the future* at p57: <https://www.treasury.nsw.gov.au/nsw-economy/2021-22-nsw-intergenerational-report>

Key Asks for NSW - summary

1. Restore the social housing safety net to 5% of total housing stock by 2027, 10% by 2040. Increase the supply of social housing to prevent homelessness and to support women and children escaping domestic violence; and older people in precarious housing. This ask includes:

- 5,000 additional social housing dwellings built or acquired each year for the next 10 years
- \$500 million invested in an expanded repairs and maintenance program for existing social housing stock. Include upgrades to inefficient fixtures (water, heating and cooling) to improve the thermal performance of existing social housing stock.
- 3 new *Youth Foyers* in NSW (two regional, one Western Sydney) providing integrated housing, education and employment support to vulnerable young people otherwise at risk of homelessness

2. 20% increased funding to Specialist Homelessness Services (SHS) to enable it to move beyond a crisis response and deal with the steadily increasing demand on its services (compounded by rolling climate-related disasters).

3. Make the planning system systemically deliver more Affordable Rental Housing for lower income essential and key workers. 10-15% affordable housing target for all rezonings where there will be a housing uplift; minimum 30% social and affordable housing in residential developments on government land

4. Ensure housing meets the needs of a diverse population in a changing climate.

Support lower income households to cope with rising energy costs and adapt to climate change. Support people with physical accessibility needs.

- establish enforceable minimum energy dwelling standards for rental homes
- NSW to join other states in adopting disability access standards for all new dwellings, the *Silver Level Liveable Housing Design Standards* (aligned with National Construction Code)
- fund the expansion of the successful energy literacy program for CALD communities in Greater Sydney (*Voice for Power Energy Train-the-trainer* run by the Sydney Alliance & Sydney Community)

5. Greater support of renters and renting, including:

- greater protection of renters: replacement of *No Grounds Evictions* provisions with *Reasonable Grounds*
- fund a specialist older person's housing information and support service that comprises an early intervention and crisis response (similar to the Victorian *Home at Last* model).
- create a standing hardship fund and policy framework to support tenants and landlords in future disasters and crisis (fire, flood, pandemic)
- support councils striving to strike a better balance between short term rental housing for tourists and local renters

Key Ask 1 – return the social housing safety net to 5% by 2027, 10% by 2040. Build/acquire 5,000 dwellings per year for the next 10 years

Increase the supply of social housing to prevent homelessness, support women and children escaping domestic violence; and older people in precarious housing.

This ask includes:

- 5,000 additional social housing dwellings built or acquired each year for the next 10 years jointly funded by NSW and the Commonwealth estimated to cost \$2billion per year. Allocation should take account of areas targeted for population growth, need and exposure to climate-change.
- \$500 million invested in an expanded repairs and maintenance program for existing social housing stock. Includes upgrades to inefficient fixtures (water, heating, and cooling) and improving the thermal performance of existing social housing stock.
- 3 new *Youth Foyers* in NSW (two regional, one Western Sydney) providing integrated housing, education and employment support to vulnerable young people otherwise at risk of homelessness

A short to mid-term investment in 5,000 additional social housing dwellings for the next 10 years is estimated to have the following impacts:

- transition 1,619 people experiencing homelessness to social housing per year
- decrease the NSW Housing Register by 3,392 applicants per year
- transition 3,381 households experiencing private market housing stress to social housing per year²

Shelter NSW recommends that the future NSW Government immediately:

- **Abandon the failed one-size-fits-all *Communities Plus*³ strategy**, where public housing land is sold to the private sector in exchange for just 30% social housing (and occasionally affordable). Explore alternative commercial models that can produce a much better social and affordable housing outcomes. These may include assigning not-for-profit Tier 1 Community Housing as lead development agents on large estate renewals.
- **Seek out the opportunity of joint Commonwealth investment (including its ability to co-ordinate superannuation sector investment) into large public housing estate renewal projects already underway** so that those projects can deliver a much greater social and affordable housing dividend within the next 5 years

² Centre for Social Impact (Feb 2022) , report commissioned by Vinnies - [Social-Housing-in-New-South-Wales-Report-2-Future-Impact](#) at p 20

³ The NSW Government has ceased this overt branding of its public housing estate renewal but the 70:30 model persists – recently exhibited in large estates in Waterloo, Riverwood and Coffs Harbour.

- **Make better use of Government land for social housing.** Assess which State-owned land (held by entities such as LAHC, Transport Asset Holding Entity, Landcom, TAFE, School Infrastructure NSW, Crown Lands) can be repurposed or activated for social housing delivery. In residential components on government land that has not historically been used for public housing, deliver at least 30% social housing with a further 15% tested: Affordable Housing (rental or shared equity home ownership), and public service key worker housing)
- **Leverage the focus and investment of reconstruction/flood response programs already underway to ensure appropriate stocks of well-located, energy-efficient and accessible social housing are provided** in the short-medium term in the towns and communities that desperately need them (this includes communities still recovering from the Black Summer fires of 2019-20).⁴ Make this an immediate priority of the future NSW Reconstruction Authority.⁵

Further background – how did we get here?

The stock of social housing is not keeping up with population growth or demand in NSW. The state has seen a gradual but persistent decline in social housing stock – falling to just 4.7% of total housing in NSW, down from 5% in 2014.⁶



Source: Housing assistance in Australia (<https://www.aihw.gov.au/haa>)
Published 29 June 2022

⁴ UNSW City Futures Research Centre (soon to be released), van den Nouwelant & Cibun, A, *The impact of housing vulnerability on climate disaster recovery: The 2022 Northern Rivers Floods*

⁵ NSW Government media release (November 2022) – the new [NSW reconstruction-authority-to-be-established](#) has attracted bi-partisan commitment

⁶ Australian Government (June 2022) – Australian Institute of Health & Welfare – sourced from [Housing-assistance-in-Australia-summary-NSW.pdf.aspx](#)

Are new social dwellings being built (and occasionally bought) in NSW?

Yes, but many are replacement dwellings and in aggregate, not keeping up with what is required.

Close to 50,000 households wait for as long as 10 years for what has become a 'rationed' housing product. In the six years to 2020-21 the proportion of total new tenancy allocations to high priority applicants increased from 41% to 60%; substantially lengthening wait times for eligible, but non-priority, waiting list applicants⁷

NSW – social housing & population

The 15 year growth mis-match

2006 – 2021

140,109 to 154,492 dwellings,
+ 14,383 dwellings
(increase of 10%)

v

6.82 to 8.1 million state population
+ 1.28 million people
(increase of 19%,)⁸

So how much more social housing is needed? Research in 2018 forecasted that NSW would need an additional 141,000 social housing dwellings by 2036⁹. Recent research, using 2021 census data,¹⁰ reveals 640,000 Australian low-income households are currently in housing stress, with the figure projected to rise to 940,000 by 2041. Of the 940,00 households, NSW represents 320,000 (225,300 Greater Sydney, 95,300 Regional NSW). Households with unmet need are either experiencing homelessness, in overcrowded homes or spending over 30% of their income on rent.

The NSW Government's own intergenerational report has highlighted that if the current (declining) trends in home ownership continue, an additional 68,000 social housing properties will be required by 2061 just for older renters (costing an additional \$12.1 Billion in 2019 dollars between 2020-21 and 2060-61).¹¹

⁷ Pawson, H. and Lilley, D. (2022) *Managing Access to Social Housing in Australia: Unpacking policy frameworks and service provision outcomes*; CFRC Working Paper; Sydney: UNSW City Futures Research Centre (executive summary)

⁸ Productivity Commission, *Report on Government Services* (2021)

⁹ Lawson, J., Pawson, H., Troy, L., van den Nouwelant, R. and Hamilton, C. (2018) *Social housing as infrastructure: an investment pathway*, AHURI Final Report 306, Australian Housing and Urban Research Institute Limited, Melbourne, [AHURI website](#) at p4 executive summary

¹⁰ UNSW City Futures, van den Nouweld, R. Troy, L. & Soundararaj, S (November 2022) *Quantifying Australia's Unmet housing need*, prepared for CHIA NSW accessed from [CHIA website](#)

¹¹ NSW Department of Treasury (2021), *Toward 2061 – planning for the future*:

<https://www.treasury.nsw.gov.au/nsw-economy/2021-22-nsw-intergenerational-report>

NSW continues to grow. The Greater Cities Commission,¹² envisions a large-scale program of building social and affordable housing, including key worker housing, on government land (ensuring) that people on low to moderate incomes can also meet other basic living costs such as food, clothing, transport, medical care, and education.

At Shelter NSW we believe that growth should be fair and inclusive – improving the life of all people; built on the foundation of a secure home for all. NSW Treasury forecasts that NSW needs an average of 42,000 additional homes every year over the next 40 years¹³. Ensuring that at least 5,000 of those are social housing dwellings over the next decade will allow NSW to restore the social housing safety net of 5% of all housing stock and work towards 10% of all stock by 2040 (2050 at the latest). This seems a reasonable and necessary ask and wise investment by government in essential infrastructure.

Key Ask 2 – Specialist Homelessness Services (SHS) funding – increase by 20%

20% increased funding to Specialist Homelessness Services (SHS) to enable it to move beyond a crisis response and deal with the steadily increasing demand on its services (a demand compounded by climate disasters). This would require an additional \$152 million per annum bringing the total investment to \$410 million per annum¹⁴

Further background:

- **People seeking homelessness services being turned away every day.** As detailed in our Shelter NSW Pre Budget Submission¹⁵, close to 50% of the over 47,000 people seeking accommodation assistance from the Specialist Homelessness Sector (SHS) in NSW during 2020-21 were turned away¹⁶. This has steadily worsened since 2015-16 where 15,471 or 34.2% had the same experience. In another review, the NSW Auditor-General also found¹⁷ that the reach of SHS into regional areas was limited, with just 34 of 128 local government areas receiving direct support. Of course, this review was conducted before the impacts of rolling fire and flood emergencies displaced thousands of people.
- **Aboriginal & Torres Strait Islander people are consistently overrepresented in the demand for SHS** (at nearly a third of all SHS clients) and consistently exceed the capacity of culturally competent and experienced organisations. According to Homelessness NSW, just 4 of the 353 funded SHS organisations in NSW are Aboriginal-led and controlled; diminishing

¹² [Housing | Greater Cities Commission](#)

¹³ NSW Treasury (2021), op. cit at p57

¹⁴ Homelessness NSW (November 2022), *Ending Homelessness Together*, election platform

¹⁵ Shelter NSW (2022) *Prebudget Submission to NSW Department of Treasury* available at www.shelternsw.org.au

¹⁶ Productivity Commission (2021) *Annual Report on Housing and Homelessness*

¹⁷ NSW Office of the Auditor-General (4 June 2021, p. 15). Performance Audit: Responses to homelessness. Retrieved from <https://www.audit.nsw.gov.au/our-work/reports/responses-to-homelessness>

the sector's overall ability to provide culturally-appropriate responses.

In a similar sense, **advocates for action to end gendered violence have also highlighted the need for increased housing funding to support women and children escaping domestic violence.** Like many in the crisis response frontline, they have identified the need for *safe and appropriate housing for everybody experiencing and recovering from sexual, domestic, and family violence* as a necessary part of the state's response. This extends to longer-term secure and safe social housing.¹⁸

Key Ask 3 – make the planning system deliver more affordable rental housing

An improved planning system that can systemically deliver a dramatically increased number of Affordable Rental Dwellings for lower income people including essential and key workers. 10-15% affordable housing target for all rezonings where there will be a housing uplift; 30 – 45 % social and affordable housing in residential developments on government land (refer Key Ask 1). The designated social and/or affordable should be in perpetuity, under CHP management.

Further background:

There is a growing acceptance that housing stress is impacting more and more people in NSW. Research¹⁹ has highlighted the extent to which key and essential workers in Sydney are struggling to find appropriate and affordable housing. These include community support workers; retail and hospitality workers; delivery personnel and cleaners. These are the very types of workers needed to support the large and growing residential populations and commercial operations that exist across NSW.

The planning system has failed to deliver any significant Affordable Rental Housing.

There are just a few Councils with the plans and mechanism in place to demand them, and an even smaller sub-group that have produced any type of scale. Many councils speak of the difficulty in developing schemes and the frustration of lengthy and complex approvals associated with viability testing.

Shelter NSW contends that the newly formed Greater Cities Commission should exercise its leadership role to practically aid all Councils in the new six city Metropolis in developing Affordable Housing Contributions Schemes. Rather than delaying this process through back-and-forth viability testing at various rates, the GCC and the Department of Planning &

¹⁸ NSW Women's Alliance 2023 State Election Platform: [Action-to-End-Gendered-Violence-Media-Release - DVNSW](#)

¹⁹ Gilbert, C., Nasreen, Z. and Gurrán, N. (2021) *Housing key workers: scoping challenges, aspirations, and policy responses for Australian cities*, AHURI Final Report No. 355, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/final-reports/355>, doi:10.18408/ahuri7323901.

Environment should set the minimum contributions rate for local Councils to work toward (say 10-15 %) and waive requirements for local Councils to justify contribution rates that sit within this range. Given the level of speculation that is already likely taking place across the six cities this action is urgent.

Key Ask 4 – ensure housing is more accessible for a diverse population in a changing climate

Support lower income households to cope with rising energy costs and adapt to climate change. Support people with accessibility needs.

- establish enforceable minimum energy dwelling standards for rental homes
- NSW to join other states in adopting disability access standards for all new dwellings (*Silver Level Liveable Housing Design Standards* – aligned with the National Construction Code)
- fund the expansion of the successful energy literacy program for CALD communities in Greater Sydney (*Voice for Power Energy Train-the-trainer* run by the Sydney Alliance & Sydney Community)

Further background:

People are getting sick because of their rental homes. This is the grim summation of the *Healthy Home for Renters Campaign*²⁰ - a national campaign that Shelter NSW is proud to support. According to this campaign Australian homes, on average, have low energy performance with rental homes especially affected²¹. This means that lower-income people and especially renters are more exposed to extremes in temperatures. People are forced to choose between large and rising energy costs and other life essentials. Households with children, older people and members with pre-existing health conditions are put at risk.

Renters in NSW have few choices to improve the energy-efficiency of their homes and landlords are reluctant to invest in energy-efficiency retrofits. According to a recent article 30% of Australian households have solar power but only 5% of rental properties²² Shelter NSW joins other advocates in calling for NSW to implement mandatory minimum energy efficiency requirements for rental properties – in the social, community and private rental markets. The ACT has provided a recent and excellent example of the potential for reform²³ with the introduction of regulation requiring all residential rental properties in the ACT to meet a new minimum energy efficiency standard for ceiling insulation. This is a

²⁰ Healthy Home for Renters Campaign: [website accessed 24 November 2022](#)

²¹ Environment Victoria (2017), *Bringing rental homes up to scratch*

²² The Guardian, 8 Nov 2022, <https://www.theguardian.com/commentisfree/2022/nov/08/australias-rental-housing-is-a-national-disgrace-and-improving-it-will-combat-the-energy-crisis>

²³ ACT Government – Justice & Safet Directorate accessed 24 November 2022

<https://www.justice.act.gov.au/renting-and-occupancy-laws/energy-efficiency-standards-for-rental-homes>

particular effective approach as, according to the Government, *around half of the energy used in an average Canberra home is for heating and cooling. Up to 35 per cent of heat is lost through the ceiling over the colder months in an uninsulated Canberra house.*

Shelter NSW also supports proposals to establish incentives to drive all-electric refits and improve the energy efficiency of existing homes. This could be co-funded with the Federal Government. Priority should be given to upgrading low-performing social housing properties to improve outcomes for vulnerable households and build capacity within the retrofit industry.

People need access to homes that are safe and accessible to live in across all stages of life.

The minimum accessibility guidelines to *Silver Level Liveable Housing Design* (with additional prescription to build to Gold Level) were incorporated into the National Construction Code (NCC) by a majority decision taken by the Building Ministers Meeting (BMM) in early 2021. While the majority of Australian jurisdictions will implement the guidelines in line with the NCC changes (from 1 September 2022), NSW exercised its discretion to 'opt out'. We assert that NSW must follow other states and territories to adopt these provisions and enable better homes for people with disability²⁴. Adopting this standard would, over time, create housing across Australia that is built for the long-term, able to comfortably and reasonably house people all of abilities and at various stages of life.

The Voices for Power Energy Train-the-Trainer Program is an energy literacy program targeted at energy consumers in Greater Western Sydney. It was created by the Sydney Community Forum, a partner of the Sydney Alliance. The program is the result of collaboration and some initial funding from industry partners like AGL, Ausgrid, Endeavour Energy, Jemena and Origin Energy. The Program prioritised deeply engaging with community leaders, who are the cultural experts of their communities. Community leaders took part in the co-design, pilot, and implementation of the Training Program. The program is due to run out of funding soon. Shelter NSW is advocating for ongoing funding by Government to allow this valuable community consumer education program to continue.

²⁴ Sample media article: [NSW's rejection of basic accessible home standards 'salt in the wound' for disabled people | New South Wales | The Guardian](#)

Key Ask 5 – support Renters and Renting

Greater support of renters and renting, including:

- greater protection of renters: replacement of *No Grounds Evictions* provisions with *Reasonable Grounds*
- fund a specialist older person's housing information and support service that comprises an early intervention and crisis response (similar to the Victorian *Home at Last* model).
- create a standing hardship fund and protocol to support tenants and landlords in future disasters and crisis (fire, flood, pandemic)
- support local councils striving to strike a better balance between short term rental housing for tourists and local renters

Further background:

People who rent deserve stable and secure long-term housing; protection from unjust evictions and support in times of crisis and hardship. There are a number of initiatives the NSW Government can and should make, to support renting as a viable, long-term option. The most significant reform is the call to remove No Grounds Evictions, to be replaced with a set of Reasonable Grounds. The power and ability of landlords to evict tenants for 'no reason' lacks transparency and, even if not exercised, undermines the rights of renters to maintain a stable home.

The renting system needs to be more crisis-resilient – protecting and supporting renters during times of (inevitable) hardship. Rolling crises including fire, pandemic and floods have highlighted the precarious nature of housing for many people, but especially low-income renters. Shelter NSW recommends that the NSW Government, as part of its preparation for future disasters, identify a policy framework for supporting landlords and renters as well as a standing hardship fund that can be called on at short-notice as part of an emergency response.

Shelter NSW is pleased to see cross-party support for a new authority to be created in response to the devastating flood and fire events across NSW. The NSW Reconstruction Authority²⁵ will be dedicated to disaster preparedness, recovery and reconstruction from natural disasters. Our hope is that the authority's remit will take in the actions required to prepare and support communities (not just the physical construction/reconstruction activities). This might include the support of more social housing and crisis accommodation and the establishment of the hardship fund and protocol just discussed. The need for this type of planning has been explored in a piece of research into the Northern Rivers flood response – with evidence of the extent to which an already stretched and flawed housing market contributed to homelessness and displacement²⁶.

²⁵ NSW Government Media Release (9 November 2022): [nsw-reconstruction-authority-to-be-established](#)

²⁶ van den Nouwelant, R. & Cibi, A. (2022) "The impact of housing vulnerability on climate disaster recovery: The 2022 Northern Rivers Floods" (Sydney: City Futures Research Centre) commissioned by Mission Australia, the St Vincent de Paul Society NSW, Social Futures, The Salvation Army Australia, the Australian Red Cross, and the Tenants' Union of NSW. Shelter NSW acted provided advice to the team.

Older people are at increased risk of homelessness and need specialised services to support them find and sustain housing.

Shelter NSW is an active member of the *Ageing on the Edge NSW Forum*²⁷, a network focused on improving housing security for older people at risk of homelessness. The forum has recently announced its election platform²⁸. Besides the very similar recommendations that Shelter NSW has provided in this paper, the forum has called for the funding of a specialist older person's housing information and support service that comprises a prevention, early intervention, and crisis response, similar to the Home at Last model in Victoria.²⁹ This recommendation was recently put to, and ultimately endorsed by NSW Social Issues Parliamentary Committee.

Striking the balance between short term rental housing for tourists and local renters.

The ability for homeowners to rent out a room or their holiday house has moved a long way from the philosophy of the 'sharing economy'. The lure of higher-profits per week and easy-to-use online platforms such as Airbnb have encouraged many landlords to convert regular housing stock into non-hosted *Short Term Rental Accommodation (STRA)*. This has led to a depletion of housing for owner-occupiers and renters alike. The regions have borne the brunt of this during the COVID-19 domestic tourism and tree/sea change boom.

In the popular holiday destination of Shoalhaven, for example 23% of private dwellings are 'unoccupied'³⁰. More than 3000 whole-home property investor Airbnbs sit idle in the Illawarra-Shoalhaven region, whilst some locals sleep in tents in caravan parks or State and National Parks³¹. More than 2000 non-hosted STRA exist out-of-reach to local renters in the chronically housing-stressed and flood-ravaged Northern Rivers region³²

This is a significant waste of built-form resources as homes are only being used intermittently and not for residential purposes. Some local Councils have attempted to curb short term holiday letting in order to re-establish a balance in their local communities. Anecdotally Shelter NSW understands that many experience regulatory and procedural pushback from the Department of Planning & Environment.

Regional councils, unlike Greater Sydney councils, must go through the process of opting-in to the fairly generous (to investors) 180-day annual cap for regulating whole-home STRAs through a Planning Proposal. It is unclear to what extent this is being complied with.

²⁷ Ageing on the Edge NSW Forum – website accessed [Ageing on the Edge New South Wales Forum Terms of Reference | Housing For The Aged Action Group \(oldertenants.org.au\)](#)

²⁸ Ageing on the Edge NSW Forum – election platform: [New Coalition calls for Housing Solutions for Everyone in NSW State Election | Housing For The Aged Action Group \(oldertenants.org.au\)](#)

²⁹ Victorian Government-endorsed service: <https://www.oldertenants.org.au/>

³⁰ ABS Census 2021: [2021 Shoalhaven, Census All persons QuickStats | Australian Bureau of Statistics \(abs.gov.au\)](#)

³¹ Canberra Times (30 March 2022) - [Homelessness in Ulladulla district continues to grow | The Canberra Times | Canberra, ACT](#)

³² NSW Parliament Budget Estimates Hearings (September 2022) – Minister for Planning: [link to Parliament site](#)

Shelter NSW recommends that the NSW Government (through its Department of Planning) be more supportive of Councils trying to achieve a better balance in their local areas; and more accommodating of Council requests for alternative regulatory approaches to STRA than those currently allowed.

Options exist, for example, for annual day-caps for STRA to be replaced with a permit system that seeks to limit the number of STRA per suburb or the like. Density caps that are tipped more favourably to STRA uses in certain neighbourhoods will also allow better infrastructure planning, more creative precinct planning, and more holistic leisure experiences in line with tourism goals of cities and regions.

Local studies could inform decisions about the total number of non-hosted STRAs permitted per LGA, taking account of the extent of adverse impacts in the long-term rental market in each location.

Shelter NSW calls on the NSW Government to work with Councils, provide data and resources, and foster a supportive environment for Councils to trial alternative STRA policies.