



2016/17 State Budget Analysis: Housing

TasCOSS provided advice to the State Government to assist it to work towards the following outcome:

All Tasmanians have access to affordable, appropriate, secure housing.

Analysis

TasCOSS welcomes the Government's budget announcement of an additional \$60 million over three years to implement initiatives in the Affordable Housing Strategy and Action Plan. As the Government has acknowledged, secure, appropriate, affordable housing is vital to economic participation, social engagement and community wellbeing, and housing affordability is a crucial issue for low- and middle-income Tasmanians. The scale of the problem is substantial: Housing Tasmania's research has indicated that the state needs an average of 656 new affordable homes per year through to 2031 to meet Tasmanians' need for affordable housing in the current and long terms.¹

As has been clear in recent years, the thrust of the Affordable Housing Strategy and Action Plan is to spread the task of provision of affordable housing over the public (Housing Tasmania), community (Better Housing Futures) and private housing sectors, including both rental and ownership. On the one hand, in the absence of massive investment in the public housing sector, such an approach appears necessary to meet existing and future levels of demand for affordable housing. On the other hand, this approach will lead to a smaller percentage of total affordable housing being owned and managed by Housing Tasmania, as well as a smaller total number of Housing Tasmania properties.

Initiatives

The Government has described this year's tranche of the \$60 million as only part of a total investment in 2016-17 of \$178.6 million, which includes existing capital funds of \$12.7 million.

The Budget attempts to address all sectors of the housing system—public, private, rental and ownership—through a variety of measures, some of which include:

Public and community housing:

- \$3.3m of Housing Fund to support NRAS Stage 4

Private ownership:

- First Home Builders grant doubled to \$20,000 until June 2017; backdated to January 2016 so that those who have already applied for the previous limit of \$10,000 can receive the full amount.

¹ Housing Tasmania (2015), Tasmania's Affordable Housing Strategy 2015-2025, p. 12.

- An additional \$6.6 million to HomeShare for 2016-17 to 2018-19, with \$2.8 million in 2017-17.

Private rental:

- \$500,000 for Youth Head Leases - \$10,000 apiece for 50 homes
- \$700,000 for partnerships between Housing Connect and private landlords
- \$2.4 million for Rapid Rehousing under the Family Violence Action Plan

Crisis accommodation:

- Supported accommodation for homeless men and their children.
- Continued development of a supported accommodation facility for youth in the NW (\$6m allocated this year).

Gaps

Boosting the supply of affordable housing in the private market will be vital to overcoming Tasmania's affordable housing shortage. However, Tasmania appears to remain the only state in Australia that has no mechanism in state or local level land use planning regulatory frameworks to encourage the development of affordable housing.² In the absence of a uniformly applicable high-level planning policy directive, affordable housing is likely to continue to be a low priority for developers, particularly since the demise of NRAS.

TasCOSS continues to advocate for the development, under the Tasmanian Resource Management and Planning System (RMPS), of a State Policy on Affordable Housing as an efficient, cost-effective mechanism within the state's land use planning system for encouraging the development of affordable housing. To date, the Tasmanian planning system's State Policies have focused on land use planning and environmental management and protection. However, there is nothing in their charter that prevents their application to social policy-related issues—see, for instance, the proposed State Policy on Healthy Spaces and Places championed by the Heart Foundation.

A State Policy on Affordable Housing under the RMPS would be:

- Proactive and front-end-loaded, leading State Government agencies and local governments to think through housing-related planning issues at the outset when considering new development projects or changes to planning schemes.
- Easy and cost-effective to comply with, changing the way in which spaces and places are designed and built in the first place, rather than imposing retrofitting requirements.
- Equitable, ensuring that affordable housing is considered in all new developments in Tasmania, rather than being treated as a luxury.
- Economical, with substantial potential savings for housing-related budgets.

For more details, read TasCOSS's [2016 State Budget Priorities Submission: Housing](#)

² Gurrán, Nicole (2008) *Affordable Housing National Leading Practice Guide and Tool Kit*.
<http://www.housing.nsw.gov.au/NR/rdonlyres/D3B288EA-6BDA-49C3-AA4E-E96CD35CDF49/0/AHNationalGuideandKitv2.pdf> ;
http://planningschemes.dpcd.vic.gov.au/schemes/vpps/16_SPPF.pdf