



Tasmanian Council of Social Service Inc.

Submission to draft Residential Housing Supply Bill

May 2018



**INTEGRITY
COMPASSION
INFLUENCE**

About TasCOSS

TasCOSS is the peak body for the community services sector in Tasmania. Our membership includes individuals and organisations active in the provision of community services to low income, vulnerable and disadvantaged Tasmanians. TasCOSS represents the interests of its members and their clients to government, regulators, the media and the public. Through our advocacy and policy development, we draw attention to the causes of poverty and disadvantage, and promote the adoption of effective solutions to address these issues.

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TasCOSS welcomes the opportunity to provide feedback on the draft *Residential Housing Supply Bill 2018*. Along with our members, TasCOSS recognises housing and homelessness issues as an urgent priority, and we are working alongside community sector stakeholders to identify ways to increase the supply of affordable housing.

In recent years, a range of initiatives have been announced through the *Affordable Housing Strategy* and *Action Plan* to expedite the provision of housing for people experiencing homelessness and low to moderate income earners. However, these measures are failing to meet community needs and expectations in the face of escalating demand and shrinking availability. An effective response to Tasmania's current housing crisis needs to put people first, and to incorporate effective governance, oversight and protections.

The Draft *Residential Housing Supply Bill 2018* (the draft Bill) has some potential to accelerate supply of affordable housing and to alleviate urgent pressures on people currently experiencing homelessness. While we welcome the intention of the draft Bill, TasCOSS has serious concerns about the proposed Temporary Emergency Residential Planning permits. We do not support this part of the draft Bill.

TasCOSS sees some merit in the proposal to fast-track land-release legislation. However, we remain concerned that key terms, such as 'affordable housing' are not defined.

TasCOSS's perspective on the Land Release section of the draft Bill and our recommendations to address the risks are outlined below. We then explain why we do not support the Temporary Emergency Residential Planning permits proposal in its current form.

Land-Release for Affordable Housing

1. What is the definition of affordable housing?

The standard definition of affordable housing is the 30/40 rule: housing is affordable for people in the lowest two quintiles of income when they are paying no more than 30% of their income for rent or mortgage obligations. The draft Bill lacks any definition of affordable housing, so it is unclear whether it is intended to meet the 30/40 rule, or some other specification.

Without a definition of affordable housing, there is a risk that the land released under this draft Bill will not be used to meet the needs of those Tasmanians who are suffering most in the current shortage.

2. How long would housing be retained as affordable?

The Act does not specify how long the housing built on newly released Crown land will be secured as affordable housing. This means there is a risk that housing that has been developed under the provisions of the draft Bill can immediately be on-sold, and/or used for other

purposes (such as capital returns, short stay accommodation, unaffordable rentals and the like).

3. How much housing facilitated by the release of Crown land would be affordable?

Section 5 (2) (b) (p 8 in the draft) states

“all or part of the area of land will be used or developed for the provision of affordable housing”

Section 19 (5) (b) (p 26 in the draft) concerns subdivisions, and states that

“at least some of the residential housing will be affordable housing”

This vagueness poses a risk that only a small proportion of re-zoned land would be dedicated to affordable housing. Any amount above zero would technically comply. Just adding more unaffordable residential properties, or short-stay accommodation will not alleviate the situation faced by the poorest and most vulnerable Tasmanians.

Recommendation 1: Affordable housing be defined as:

Affordable rental housing – meaning housing that is owned and/or managed by a public housing authority or a not for profit or community housing provider; and

Affordable home purchase housing - meaning housing that is offered for sale for purchasers who are eligible for the State Government’s HomeShare program.

Recommendation 2: Ensure the final version of the draft Bill requires that the residential housing developed under the land release provisions is maintained as affordable housing in perpetuity.

Recommendation 3: Part 4 s.19(5)(b) be amended to require a minimum proportion of affordable housing as part of any residential development on Crown Land, equivalent to:
30 % of all dwellings as affordable rental housing; and
10 % of all dwellings as affordable home purchase housing.

Recommendation 4: Establish a framework for annual review of all housing outcomes arising from this legislation, including oversight and evaluation by an expert group of government and non-government stakeholders.

Temporary Emergency Residential Planning permits

TasCOSS does not support the draft Bill’s proposal for Temporary Emergency Residential Planning permits. We see a risk of unintended consequences, including

- Such temporary accommodation could establish sub-standard ‘shanty-towns’ in place of delivering permanent housing solutions that meet community needs and expectations;
- People could be housed on private land, without the usual protections of tenants, or usual supports for people in crisis accommodation for up to three or six years;
- The costs of establishing and managing these dwellings displaces resources from longer term and permanent solutions that would better meet people’s housing needs.

While TasCOSS sees the TERP proposal in the draft Bill as an unsuitable response to the housing crisis facing Tasmania, TasCOSS appreciates that the intention for the legislation is to provide a rapid and effective response to the needs of people currently experiencing homelessness.

TasCOSS is open to further discussion about appropriate responses to meeting the different needs of people for ongoing or temporary housing. We acknowledge there is an immediate need, and with short timelines, transition arrangements defined and the commitment to a sunset clause there are opportunities to meet the needs of those currently most vulnerable. In addition, with tighter definitions there may be opportunities to develop special planning permits to meet circumstances that may otherwise increase pressure on housing supply. For example, to enable temporary dwellings for visiting construction workers, or for seasonal agricultural workers. This could alleviate pressures elsewhere in the housing system, including freeing up brokerage options and retaining resources for more permanent solutions.

Conclusion and summary of recommendations

TasCOSS offers qualified support to the first part of the draft Bill concerning Land Release for Affordable Housing, subject to our recommendations.

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TasCOSS does not support the draft Bill's proposal for Temporary Emergency Residential Planning permits.