# More housing you can afford

The NSW Covernment's Strategy for Affordable Housing

The NSW Government has developed a \$10 million action package as the cornerstone of an enhanced series of strategies it will implement to help more people to live in housing they can afford.

The strategies complement the findings of the Task Force on Affordable Housing, appointed by the Minister for Urban Affairs and Planning, Craig Knowles.

New approaches to the way housing is developed and managed in the private market are required if the decline in housing affordability is to be halted and redressed. The NSW Government will work with all levels of government and the key housing sectors to raise investment in affordable housing.

The package of funding and practical initiatives is a major step in the Government's long-term program to improve its own contribution to affordable housing and to stimulate and encourage other players to lift their contribution.

# The need for new approaches

## Higher housing costs

Over the last decade housing costs in NSW have escalated considerably. Fewer households are purchasing a home - the proportion among Sydney households dropped from 31% to 23% between 1986 and 1996. Lower interest rates are mostly benefiting existing home purchasers.

More people are relying on the private rental market for their housing. For many it is now a long term option rather than an interim phase before becoming a purchaser. The private market houses close to 95% of the households in the State and will continue to meet at least that share of all housing need. Public housing has always been a very small part of the housing system and will continue to serve the needs of those who require special assistance.

Higher housing costs are particularly increasing the financial pressures on lowerincome households<sup>\*</sup> in NSW who are private renters or are paying off a mortgage. Outright home owners and public housing tenants do not face these cost pressures.

## Expert advice

In mid-1996 the Ministerial Task Force on Affordable Housing was established in response to the growing problem of housing unaffordability in NSW. The Task Force was asked to advise the Government on constraints on the market's ability to provide affordable and appropriate housing, and ways of promoting greater affordability and choice in the housing market.

The Task Force has identified the factors creating and maintaining the level of unaffordability now being experienced. Past approaches to the financing, development and management of private housing are no longer working to meet the community's housing aspirations.

New partnerships are needed between the players in the private market. They are required for the numbers of households who find themselves in the gap between affordable rents or mortgages and public housing to stop growing.

## **Government** action

The Task Force findings provide a catalyst for the Government to lead the way in introducing new approaches which can stimulate the market to increase the amount of affordable housing. The package of initiatives outlined here provides significant new steps in sustaining the Government's long term commitment to helping more people to live in housing they can afford.

<sup>\*</sup>Lower income households are defined as those with a total household income less than the median annual household income for the State (about \$35,000 in 1997)

# A \$10 MILLION KICK START

The Government has allocated \$10 million in the 1998-99 State Budget to fund affordable housing initiatives. The funding will go towards:

- innovative housing projects which will show how the private sector can participate in providing affordable housing
- a seed fund to provide start-up assistance or venture capital for imaginative projects being developed by private industry, the community housing sector and local government
- an Affordable Housing Management and Training Service to increase and spread skills among the key players

# TAKING THE PRESSURE OFF PRICES

Government strategies will aim to ease the overall market pressure which is contributing to general housing price increases, principally by adding to stocks of land where new housing can be produced most economically.

The Government's environmental, planning, transport and servicing agencies will work together and with councils to increase stocks of greenfield land readily available for new housing. This work will include expediting the provision of services, such as water supply and sewerage, agreeing on arterial road locations and resolving planning issues.

The Government will also identify small new potential development areas adjoining existing suburbs, where environmental, transport and social objectives can be met. A high priority will continue to be ensuring that significant stocks of land in established areas are available for housing provided by redevelopment and infill.

# NEW IDEAS FOR THE PRIVATE SECTOR

About \$8 million of the Government's new funding will be used to finance a small number of demonstration projects. These projects will show new ways of attracting the private and non-profit sectors to participate in constructing, financing and managing affordable housing. To start the projects, the Government will provide an initial or one-off capital injection. The projects will be designed to return all or most of that initial contribution for reinvestment in new affordable housing projects.

The potential for projects to be replicated and become part of mainstream housing production will be an important factor in selecting which ones are funded.

# USING CITY WEST HOUSING EXPERTISE

Funds from the \$10 million allocation will also be given to the City West Housing Company to enable it to expand its operations.

The Company has operated very successfully in providing and managing affordable housing as part of the City West redevelopment. The funds will enable it to acquire land and apply its development expertise to new areas in inner Sydney.

# COST-EFFECTIVE DESIGN FROM LANDCOM

Landcom will implement an Affordable Housing Strategy which shows how it will develop land in ways that provide housing priced at levels which lower-income households can afford.

Landcom will be able to lead the market in demonstrating how cost-effective design and construction and innovative products can provide marketable and more affordable housing.

# MORE USE OF GOVERNMENT LAND

The Department of Housing will contribute land for private housing. This initiative seeks to attract private developers into joint ventures to redevelop old estates. The selected projects would achieve three objectives - the replacement of ageing and inappropriate housing with equal numbers of new public housing which meets the needs of current public housing tenants; and better design of the developments which makes some land available for additional new private affordable housing to be built and mixes public and private housing. A review will be made of the potential for surplus land owned by Government agencies to support affordable housing projects. Many surplus Government sites have been redeveloped for housing in recent years. The suitability of new sites for housing and the scope to include affordable housing will be assessed in the review.

# MANAGEMENT AND TRAINING SERVICE

The Government will fund an Affordable Housing Management and Training Service to operate for two years. The Service will provide a core group of experts in project development, financing and management who will operate State-wide to:

- manage implementation of the Government funded demonstration projects
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Over the two years it is anticipated the experience with affordable housing projects will have built a momentum that has led them to be recognised as being able to have a significant role in mainstream private housing construction and management.

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The Advisory Group will recognise the significant and changed roles the key housing sectors need to play. It will comprise up to six people representing those sectors. Its chairman will be Bill Kirkby-Jones, chairman of Landcom's Advisory Board and the South Sydney Development Corporation.

# PROTECTING EXISTING LOW-COST RENTAL ACCOMMODATION

The Government will maintain its strong commitment to protecting existing stocks of low-cost rental accommodation.

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The proposals will be included in a Green Paper dealing with further reform of the Environmental Planning and Assessment Act, 1979.

### **MONITORING PROGRESS**

The responsibility for the Government to regularly assess the levels of affordability and the impact the range of initiatives is having is a key part of its long term commitment. The analyses undertaken for the Task Force will provide the basis for an ongoing monitoring program.

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# Homelessness the unfinished agenda

# CONFERENCE HIGHLIGHTS

# BRIAN BURDEKIN

Now Special Adviser to the United Nations High Commissioner for Human Rights, author of the seminal report "Our Homeless Children" released by the Human Rights & Equal Opportunity Commission in 1989. This report alerted the conscience of the nation to the plight of the homeless — for the first time. Hear this passionate advocate evaluate where Australia has gone, and where we still need to go, in order to respond to homelessness.

# PANEL DISCUSSION ON "THE HOMELESS OLYMPICS?" featuring:

Anita Beatty from the Atlanta Taskforce on Homelessness; Carmel Niland, Director-General of NSW Dept of Community Services; Andrew Cappie-Wood, Director-General of NSW Dept of Housing; and Rev Harry Herbert, Chair of Olympic Co-ordination Authority Social Impact Advisory Committee.

- SPEAKOUT FOR HOMELESS PEOPLE to tell their stories and present their solutions.
- POLITICIANS from the major parties responding to the proposition "That Australia Lacks the Political Will to Eliminate Homelessness"
- ACTION-ORIENTED WORKSHOPS to develop solutions and plans to bring about change.





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— the unfinished agenda





The first major community-organised conference on homelessness in NSW for many years. Those attending will contribute to an Action Agenda to call for urgent responses to the growing problems of homelessness in NSW.

Two full days 3 - 4 August 1998 8.30am-4.30pm The Masonic Centre Cnr Goulburn & Castlereagh Sts Sydney Organised & Hosted by Mission Australia, incorporating

Sydney City Mission, and Shelter NSW



# HOMElessness - the unfinished agenda

The first major community-organised conference on homelessness in NSW for many years. Those attending will contribute to an Action Agenda to call for urgent responses to the growing problems of homelessness in NSW.

# DAY ONE

- Opening address: Mr Michael Raper, President, Australian Council of Social Services
- Keynote address: Mr Brian Burdekin, Special Adviser to U.N. High Commissioner for Human Rights & author of "Our Homeless Children"
- Panel Discussion: Prof. Ian Webster, Dr Jennifer Westacott & Dr Cecily Neil - "What is the Unfinished Agenda?"
- Hon. Warwick Smith, MP, Federal Minister for Family
  Services
- Nine different Workshops will be presented in the afternoon, each on a different aspect of the issue of homelessness (see registration form for complete list)



# Homelessness - the unfinished agenda

# DAY TWO

- Presentation of Draft Conference Statement
- "The Homeless Olympics?" Panel discussion with:

**Rev Harry Herbert**, Chair, Olympic Co-ordination Authority Social Impact Advisory Committee

Carmel Niland, Director General, NSW Dept of Community Services

Andrew Cappie-Wood, Director-General NSW Dept of Housing

Anita Beatty, the Atlanta Taskforce on Homelessness

Discussing the impact of the Olympics on the homeless of Sydney and leading on to the broader impact of homelessness in the community

- Homeless People's Speakout
- Politicians' Forum Discussing the proposition that:

"Australia Lacks the Political Will to Eliminate Homelessness"

Senator Belinda Neal, Federal Shadow Minister for Consumer Affairs, Local Gov't, Housing & Childcare and

Senator Meg Lees, Leader, Australian Democrats

 Nine separate Workshops will each take the theme of "Solutions & Action"

Participants to be randomly assigned to Workshops on Day 2 in order to stimulate cross-fertilisation of ideas and possible solutions

• Development of an Action Agenda on Homelessness.

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# Homelessness - the unfinished agenda

Cost per Person \$150 (2 days) • Cost per Student/Unwaged \$75 (2 days) • Includes morning & afternoon tea and lunch No refunds available. Limited seats.

There will be a dinner in the city on the Monday evening. This will be an opportunity for you to meet with the speakers, convenors of workshops, service providers and others concerned with the issue of homelessness in an informal atmosphere.

Cost for dinner is \$35

Name:	
Title:	
Organisation:	
Mailing Address:	
	Postcode:
Ph: (W) ( )	_ (H) ( _ )
Fax: ( )	-
Email:	And the second
I will be attending (please tick) :	
Conference Only Conference +	Dinner 🗌
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and enclose my cheque for \$	OR
please charge \$ to my:	
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Card No.	
Signature:	
Print Cardholder's Name:	

(If you are unable to attend, please pass this brochure to someone who may be interested.)

Return this form with cheque: Mission Australia 4-10 Campbell Street Sydney NSW 2000 Phone: (02) 9219.2029 Fax: (02) 9219.2096

**CLOSING DATE FOR REGISTRATION - WEDNESDAY 29 JULY** 

# WORKSHOPS - DAY 1

Ple	ase indicate choice of workshop for Day 1:
	The Changing Face of Homelessness - Representative from St Vincent's Hospital Mental Health Services; Janet Ford, Charmian Clift Cottages
	Aboriginal Homelessness - Aden Ridgeway, Chair, Indigenous Working Party on Land Rights
	<b>Critical Issues for SAAP</b> - Netty Horton, Council to Homeless Persons, Vic; Monica Wolf, Former Co-ordinator National Shelter, Authors of "A Community Sector Vision For the Future of SAAP"
	Regional Perspective on Homelessness - Sharon Callaghan, Illawarra Legal Centre; William McManamey, HomeNet Manager (Nthn Rivers Youth Homelessness Pilot Project); Col James, I.B.Fell Housing Research Centre
	, · · · · ·
	Federal Programs for the Homeless - Shirley Taylor, Dept of Social Security; Rod Plant, Shelter NSW, & NSW SAAP/CAP Ministerial Advisory Committee
	Shirley Taylor, Dept of Social Security; Rod Plant, Shelter NSW, & NSW SAAP/CAP Ministerial
	Shirley Taylor, Dept of Social Security; Rod Plant, Shelter NSW, & NSW SAAP/CAP Ministerial Advisory Committee <b>Unemployment &amp; Homelessness</b> -
	Shirley Taylor, Dept of Social Security; Rod Plant, Shelter NSW, & NSW SAAP/CAP Ministerial Advisory Committee Unemployment & Homelessness - Phil Nunn, Manager Creative Youth Initiatives The Young and the Old - Support Models for the Homeless - Brian Lipmann, Wintringham Hostels, Melb;
	Shirley Taylor, Dept of Social Security; Rod Plant, Shelter NSW, & NSW SAAP/CAP Ministerial Advisory Committee Unemployment & Homelessness - Phil Nunn, Manager Creative Youth Initiatives The Young and the Old - Support Models for the Homeless - Brian Lipmann, Wintringham Hostels, Melb; Sally Watson, National Youth Coalition for Housing, Canberra Role of the Media in Homelessness Issues - Prof. Wendy Bacon, UTS Media Studies;

# Homelessness - the unfinished agenda

The conference organisers are gathering input prior to the Conference. The results of this survey will be used to help draft a briefing paper for the politicians and other speakers attending, to help them focus on the concerns in the community about homelessness. You are welcome to return this survey even if you are not able to attend the Conference.

I will be attending.	I will be unable to attend because	····
urvey Questions	:	• • · · · •
What impact will the No impact 🔲 Why?	e Olympics have on the homeless population of Sydne Minor impact Age Major impact Age .	· · · ·
How has the situatio No change 🗌 Why?	n for homeless people changed in your region in the Improved	· · · · · ·
Your postcode is:		
	AP should be maintained as a form of support for ho	emeless people in Australia?
Other than providing for homeless people	additional funds, what single policy change would y in Australia?	you suggest to improve outcomes
	ssness is <i>primarily</i> a social support (welfare) issue o	or a housing issue?

Tuesday 21 July. Fax back immediately, then send in your Registration Form.

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No. 6273 P: 1/5

Housing Markets PO Box 3927 GPO SYDNEY 2001 Phone: 02-9391 2132 Fax: 02-9391 2373

# Department of Urban Affairs and Planning



To:	Pete	er Hamilton		From:	Kerri Brown	
Fax:	02-6	5685 8648		Date:	October 29, 1998	
Phone	Phone: 02-6685 8648		Pages:	5	······	
Re:	The	Ministerial Task Fo	ce Report on	CC:		
	Affo	rdable Housing				<b></b>
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### -Comments:

Dear Mr Hamilton

Further to our telephone conversation, to follow is the four page Government response to the Ministerial Task Force in Affordable Housing. An original copy was posted to you after your telephone conversation with Helen O'Loughlin, however should you not receive that copy within the week, please call the Housing Markets Branch on 02-9391 2132 to arrange for another copy to be sent out.

Regards, Kerri Brown

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The NSW Government's Strategy for Affordable Housing

The NSW Government has developed a \$10 million action package as the cornerstone of an enhanced series of strategies it will implement to help more people to live in housing they can afford.

The strategies complement the findings of the Task Force on Affordable Housing, appointed by the Minister for Urban Affairs and Planning, Craig Knowles,

New approaches to the way housing is developed and managed in the private market are required if the decline in housing affordability is to be halted and redressed. The NSW Government will work with all levels of government and the key housing sectors to raise investment in affordable housing.

The package of funding and practical initiatives is a major step in the Government's long-term program to improve its own contribution to affordable housing and to stimulate and encourage other players to lift their contribution.

# The need for new approaches

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### Higher housing costs

Over the last decade housing costs in NSW have escalated considerably. Fewer households are purchasing a home - the proportion among Sydney households dropped from 31% to 23% between 1986 and 1996. Lower interest rates are mostly benefiting existing home purchasers.

More people are relying on the private rental market for their housing. For many it is now a long term option rather than an interim phase before becoming a purchaser. The private market houses close to 95% of the households in the State and will continue to meet at least that share of all housing need. Public housing has always been a very small part of the housing system and will continue to serve the needs of those who require special assistance.

Higher housing costs are particularly increasing the financial pressures on lowerincome households<sup>\*</sup> in NSW who are private renters or are paying off a mortgage. Outright home owners and public housing tenants do not face these cost pressures.

## Expert advice

In mid-1996 the Ministerial Task Force on Affordable Housing was established in response to the growing problem of housing unaffordability in NSW. The Task Force was asked to advise the Government on constraints on the market's ability to provide affordable and appropriate housing, and ways of promoting greater affordability and choice in the housing market.

The Task Force has identified the factors creating and maintaining the level of unaffordability now being experienced. Past approaches to the financing, development and management of private housing are no longer working to meet the community's housing aspirations.

New partnerships are needed between the players in the private market. They are required for the numbers of households who find themselves in the gap between affordable rents or mortgages and public housing to stop growing.

## Government action

The Task Force findings provide a catalyst for the Government to lead the way in introducing new approaches which can stimulate the market to increase the amount of affordable housing. The package of initiatives outlined here provides significant new steps in sustaining the Government's long term commitment to helping more people to live in housing they can afford.



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# A \$10 MILLION KICK START

The Government has allocated \$10 million in the 1998-99 State Budget to fund affordable housing initiatives. The funding will go towards:

- innovative housing projects which will show how the private sector can participate in providing affordable housing
- a seed fund to provide start-up assistance
- or venture capital for imaginative projects being developed by private industry, the community housing sector and local government
- an Affordable Housing Management and Training Service to increase and spread skills among the key players

# TAKING THE PRESSURE OFF PRICES

Government strategies will aim to ease the overall market pressure which is contributing to general housing price increases, principally by adding to stocks of land where new housing can be produced most economically.

The Government's environmental, planning, transport and servicing agencies will work together and with councils to increase stocks of greenfield land readily available for new housing. This work will include expediting the provision of services, such as water supply and sewerage, agreeing on arterial road locations and resolving planning issues.

The Government will also identify small new potential development areas adjoining existing suburbs, where environmental, transport and social objectives can be met. A high priority will continue to be ensuring that significant stocks of land in established areas are available for housing provided by redevelopment and infill.

# NEW IDEAS FOR THE PRIVATE SECTOR

About \$8 million of the Government's new funding will be used to finance a small number of demonstration projects. These projects will show new ways of attracting the private and non-profit sectors to participate in constructing, financing and managing affordable housing. To start the projects, the Government will provide an initial or one-off capital injection. The projects will be designed to return all or most of that initial contribution for reinvestment in new affordable housing projects.

The potential for projects to be replicated and become part of mainstream housing production will be an important factor in selecting which ones are funded.

# USING CITY WEST HOUSING EXPERTISE

Funds from the \$10 million allocation will also be given to the City West Housing Company to enable it to expand its operations.

The Company has operated very successfully in providing and managing affordable housing as part of the City West redevelopment. The funds will enable it to acquire land and apply its development expertise to new areas in inner Sydney.

# COST-EFFECTIVE DESIGN FROM LANDCOM

Landcom will implement an Affordable Housing Strategy which shows how it will develop land in ways that provide housing priced at levels which lower-income households can afford.

Landcom will be able to lead the market in demonstrating how cost-effective design and construction and innovative products can provide marketable and more affordable housing.

# MORE USE OF GOVERNMENT LAND

The Department of Housing will contribute land for private housing. This initiative seeks to attract private developers into joint ventures to redevelop old estates. The selected projects would achieve three objectives - the replacement of ageing and inappropriate housing with equal numbers of new public housing which meets the needs of current public housing tenants; and better design of the developments which makes some land available for additional new private affordable housing to be built and mixes public and private housing. A review will be made of the potential for surplus land owned by Government agencies to support affordable housing projects. Many surplus Government sites have been redeveloped for housing in recent years. The suitability of new sites for housing and the scope to include affordable housing will be assessed in the review.

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MANAGEMENT AND TRAINING SERVICE

The Government will fund an Affordable Housing Management and Training Service to operate for two years. The Service will provide a core group of experts in project development, financing and management who will operate State-wide to:

- manage implementation of the Government funded demonstration projects
- work with private housing developers and investors, non-profit organisations and local councils to identify new project opportunities, support their development, and foster greater cooperation between these players
- increase and spread the skills in project identification, development and management among more people in the key sectors

Over the two years it is anticipated the experience with affordable housing projects will have built a momentum that has led them to be recognised as being able to have a significant role in mainstream private housing construction and management.

# CONSULTING AND INFORMING THE COMMUNITY

The report of the Ministerial Task Force on Affordable Housing has raised several significant issues for the community to consider and discuss.

To facilitate this discussion and an exchange of information, a series of *Affordable Housing discussion forums* will be held regionally during the next year.

The Minister for Urban Affairs and Planning has also established an *Affordable Housing Advisory Group*. The group will:

• facilitate the public discussion of affordable housing needs and the

opportunities identified in the Task Force's report and by the Government's new initiatives

- promote the opportunities in the sectors whose increased contribution is required if greater stocks of affordable housing are to become available - the housing industry, the community housing sector
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The Advisory Group will recognise the significant and changed roles the key housing sectors need to play. It will comprise up to six people representing those sectors. Its chairman will be Bill Kirkby-Jones, chairman of Landcom's Advisory Board and the South Sydney Development Corporation.

# PROTECTING EXISTING LOW-COST RENTAL ACCOMMODATION

The Government will maintain its strong commitment to protecting existing stocks of low-cost rental accommodation.

This particularly includes boarding houses, which are likely to be under increasing pressure for redevelopment or conversion to other uses in the lead-up to the Sydney Olympic Games.

# HELPING LOCAL GOVERNMENT

To assist local government to be more effective and active in the provision of affordable housing, the Department of Urban Affairs and Planning (DUAP) will release a series of guideline documents and kits over the next three months, including:

- Local Government Housing Resource Kit
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Later this year, DUAP will also publicly exhibit proposals to clarify the planning powers available for councils and the State Government to address housing supply when preparing planning controls and assessing development proposals. The proposals will be included in a Green Paper dealing with further reform of the Environmental Planning and Assessment Act, 1979.

# MONITORING PROGRESS

The responsibility for the Government to regularly assess the levels of affordability and the impact the range of initiatives is having is a key part of its long term commitment. The analyses undertaken for the Task Force will provide the basis for an ongoing monitoring program.

This will include monitoring the numbers, types and costs of housing being built following implementation of the Residential Development Strategies recently prepared by councils in the Greater Metropolitan Region.

# MORE INITIATIVES

Proposals to provide increased stocks of affordable housing will continue to be investigated over the next year. This will include those of the Task Force and others which emerge from the consultation with the public and key housing sectors.

The outcomes of the public discussions and the further investigations will be reported to the government within 12 months. More initiatives for implementation by the housing industry, the community sector and all three levels of government will be developed through this approach and the work of the Management and Training Service and the Advisory Group.



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Housing Markets PO Box 3927 GPO SYDNEY 2001 Phone: 02-9391 2132 Fax 02-9391 2373





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Fax:	02-6	685 8648		Date:	October 29, 1998	· · · · · · · · · · · · · · · · · · ·
Phone:	02-0	685 8648		Pages:	5	
Re:	The	Ministerial Task For	rce Report on	CC:		
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<sup>&</sup>lt;sup>\*</sup>Lower meeme households are defined as those with a total household income less than the median annual household income for the State jabout \$35,000 in 1997)

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# Oct. 1998 15:41 MINISTRY OF SP & UA 512 92285323

# A \$10 MILLION KICK START

The Government has allocated \$10 million in the 1998-99 State Budget to fund <sup>252</sup> affordable housing initiatives. The funding will go towards:

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# ENQUIRIES ABOUT THE STRATEGY

If you would like to find out more about the Government's Strategy for Affordable Housing, please contact the Housing and Urban Development Division of the Department by phone on (02) 9391 2132 or fax on (02) 9391 2373. You can also contact the Department through its homepage at http://www. duap.nsw.gov.au.

Force on Affordable Housing are available from the Department's Information Centre, corner of Phillip and Bent Streets, Sydney (Box 3927 GPO, Sydney, NSW 2001; phone (02) 9391 2222, fax (02) 9391 2333).

DISCLAIMER - Any representation, statement, opinion or advice, expressed in implicit in this polarization is made in good tash but on the basis that the State of New South Wales, its agents and employees are not liable (whether by reason of negligence, lack of come — therwise) to any person for any damage or loss wheteoever which has occured or may occur in relation to that person taking or not taking tes the case may be option in respect of any representation, automote, or obviou referred to show.

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