



**Position statement:**  
**ACT Affordable Housing Strategy**

**October 2018**

# About ACTCOSS

ACTCOSS acknowledges Canberra has been built on the land of the Ngunnawal people. We pay respects to their Elders and recognise the strength and resilience of Aboriginal and Torres Strait Islander peoples. We celebrate Aboriginal and Torres Strait Islander cultures and ongoing contribution to the ACT community.

The ACT Council of Social Service Inc. (ACTCOSS) is the peak representative body for not-for-profit community organisations, people living with disadvantage and low-income citizens of the Territory.

ACTCOSS is a member of the nationwide COSS network, made up of each of the state and territory Councils and the national body, the Australian Council of Social Service (ACOSS).

ACTCOSS' vision is to live in a fair and equitable community that respects and values diversity, human rights and sustainability and promotes justice, equity, reconciliation and social inclusion.

The membership of the Council includes the majority of community based service providers in the social welfare area, a range of community associations and networks, self-help and consumer groups and interested individuals.

ACTCOSS advises that this document may be publicly distributed, including by placing a copy on our website.

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## Why we are issuing this position statement?

In June 2018 the Chief Minister and Minister for Housing announced that an Affordable Housing and Homelessness Strategy would be released by the end of 2018. All Ministerial dialogue with the Advisory Group has been confidential, so there has been no mechanism for ACTCOSS members to consider or provide feedback on ideas being considered for inclusion in the strategy. This position statement outlines ACTCOSS member expectations of what we would hope to see included in the strategy.

ACTCOSS notes that, while the ACT Budget has delivered for the community in some areas relevant to affordable housing, there have not to date been signs of investments and actions which match the community's ambitions for a housing strategy.

We hope that this does not signal a lack of ambition with the strategy, but instead a sign that government is working through a range of issues, including in the planning space, prior to issuing the strategy.

We are issuing this now so that we have clear signposts and expectations. We also wish to flag our shared willingness to get on board a comprehensive approach.

Following the release of the Affordable Housing Strategy we will release a summary of the extent to which the strategy meets the expectations of ACTCOSS and our members, and also invite Canberrans to undertake their own assessment of how the strategy addresses their expectations for action.

## History of development of an ACT Affordable Housing Strategy

The ACT Government commitment in 2016 to deliver an Affordable Housing Strategy was widely welcomed by residents, community organisations and business leaders. This is because the lack of affordable rental housing is the single biggest problem in the social and economic life of this city. It has the deepest impact on the greatest number of people and it is underpinning many areas of anxiety, poverty, misery and crisis in the lives of low income people in our city. There is a social, moral and economic imperative to act.

Federal work in the pipeline won't be enough to meet the needs of the ACT community and we can't wait for it. With the implementation of the Federal Bond Aggregator unclear and a Federal election on the horizon, the policy environment is likely to be unsettled for some time.

An ambitious strategy led by the ACT Government is required. It should be delivered in partnership with community and business, and plan for current and future growth, social and environmental sustainability imperatives, improved rights and protections for rental tenancies and changing demographics. An ambitious strategy would acknowledge the scale of the challenges we face now,

and that are ahead of us, in addressing market failures in the supply of housing for the bottom 40% income groups.

Our minimal expectation is the Affordable Housing Strategy contains:

- Investment of \$100m
- Tangible initiatives at a scale that delivers thousands more dwellings that are affordable, accessible and offer security of tenure to people on low and moderate incomes
- A long term plan and accountability measures that include reporting by all ACT Government Directorates on their contribution to improving affordable housing and reducing homelessness.

The \$100m investment could include the growth of public housing, subsidies to build and/or manage affordable housing stock, rezoning and planning for affordability, a land stocktake and audit attached to an investment offer, land transfers and rates concessions to community housing providers, work to protect low income renters and action on Universal Design.

Affordable housing is not an intractable problem beyond the reach of the community to solve or outside the remit of the ACT Government to lead.

But it will not resolve itself through the market alone. We need the ACT Government to initiate the right kinds and levels of triggers, leverage and investment to address market failure.

ACTCOSS acknowledges the extensive care that that has been taken to gather views and ideas from the community about what might be in a strategy. After two years of detailed consideration and planning, our members expect to see clear targets, investments and reporting requirements announced in the strategy.

## **The community unites on housing**

For years now, the community sector, business and Canberra voters have been coming together to urge action on affordable housing and outline what could be done to improve supply of affordable housing.

### **Shared statement**

On 6 August 2016, 19 representative and peak bodies released a [Community Shared Statement](#) for the ACT 2016 Election.

Our shared statement sought commitments from candidates on city infrastructure, economic development, social infrastructure, services and our local environment. The shared statement prioritised the availability of affordable and accessible housing as our major priority for development of city infrastructure and called on the incoming ACT Government to:

- Increase affordable housing for households in the bottom 40% income quintiles and increase supply of housing which is accessible for and visitable by people with disabilities
- Reduce homelessness and ensure adequate responses to meet the demand for homelessness services
- Share responsibility across all ACT Government portfolios for funding and delivering improved outcomes for affordable housing, including social housing, and reducing homelessness.

## Housing communique

In October 2016, one week out from the ACT election, a broad coalition industry, community, union and professional groups in Canberra joined together and outlined their shared priorities for improving housing diversity and affordability in this city.

Our group was comprised of the people who design, build, manage, live in and advocate for the Canberra community. The [communique](#) outlined the need for and content of a whole of ACT Housing Strategy that included:

- Contemporary, fit for purpose planning regulations
- Updating and targeting the Affordable Housing Action Plan
- A reporting framework that increases transparency of ACT Government agencies' activities.

## Parliamentary Agreement prioritises housing

Following the conclusion of the ACT election, the ACT Labor Chief Minister Andrew Barr and ACT Greens Shane Rattenbury and Caroline Le Couteur signed a Parliamentary Agreement for the Ninth ACT Legislative Assembly<sup>i</sup>. This agreement recognised that affordable housing was identified by the ACT community during the 2016 election as a priority for this term of government. It stated that ACT Labor and the ACT Greens agree that that improving housing affordability is essential to ensuring secure accommodation is available to all Canberrans, and home ownership remains a realistic goal. To meet these aspirations, the parties agreed to:

- Continue the five year program of public housing renewal
- Develop a new Affordable Housing Strategy to deliver more affordable housing options
- Continue to cut stamp duty in every ACT Budget
- Create an innovation fund to support new approaches to affordable housing, starting with support to establish HomeGround Real Estate, Homeshare for older Canberrans, and the Nightingale Housing Model in Canberra

- Maintain a role for public sector land development with a board that includes independent members with skills from the social and affordable housing sector
- Set affordable housing targets across greenfield and urban renewal development projects, with structures to prevent resale windfall profits
- Work with community and business partners to construct purpose built accommodation for people experiencing mental health concerns and housing difficulties, utilising the 'MyHome for Canberra' project plan
- Grow and diversify the not for profit community housing sector, through a combination of capital investment, land transfer and other means
- Strengthen specialist homelessness and housing support services to make sure vulnerable groups (e.g. older women, indigenous communities and women escaping violence) get the support they need; support people seeking housing who have a lived experience of trauma; fund professional development and training for the Specialist Housing and Homeless Service Providers; and support Uniting City Early Morning Centre provision of essential services
- Convene a homelessness summit in 2017 bringing together all key stakeholders to develop innovative proposals to combat homelessness
- Expand after hours and weekend intake referrals to homelessness services utilising the existing 'OneLink' service for a one year pilot program, and evaluate for continuation.

The Parliamentary Agreement also committed the ACT Government to encourage Universal Housing initiatives by:

- a. Holding a roundtable to develop incentives that will encourage construction of new homes and apartments that meet the Liveable Housing Design Silver and Gold Levels
- b. Developing training programs for architects and builders
- c. Showcasing Universal Housing in demonstration housing projects
- d. Playing an active role at COAG to push for genuine progress on the 2010 COAG agreement (in the National Disability Strategy), for new housing to meet Universal Design Standards
- e. Establishing a panel of independent auditors to conduct mandatory annual audits of building certifiers through a self-funding model.

## **Engagement in ACT Government consultations 2016-2018**

Throughout 2016-2018, ACTCOSS and our members, ACT Shelter, other signatories to the ACT Community Shared Statement and the Housing

Communique continued to provide input and generate new ideas for consideration by the ACT Government through meetings with the Minister for Housing and the Chief Minister, the Affordable Housing and Homelessness Summit, the Housing Choices Collaboration Hub, Joint Pathways, the Ministerial Advisory Group on the Affordable Housing and Homelessness Strategy and other consultative forums.

## **ACTCOSS asks**

ACTCOSS has made repeated keys asks in relation to housing affordability and homelessness across several Budget cycles and across both the Housing Strategy development process and the Housing Choices Collaboration Hub process. Our asks have included:

- Continuing to provide funding for emergency and transition accommodation and support services to enable them to meet demand
- Addressing gaps in housing supply and increase accessible and affordable housing in the ACT
- Developing whole of government responsibility for homelessness which includes reporting requirements and minimum funding requirements for each ACT Government directorate.

See also our [ACT 2018-19 Budget Submission](#) and our joint submission with ACT Shelter [Towards a New Housing Strategy](#).

## What needs to be in the strategy?

The Affordable Housing and Homelessness Strategy needs to be long term, include substantial targets that reflect the scale of need, provide investment of at least \$100m, enact residential tenancy reforms and commit to clear accountability measures across all ACT Government Directorates.

### Investment of \$100m

In March 2018, the ACT Council of Social Service convened a half day think tank to discuss ways that the ACT Government might work to utilise a future substantial investment in affordable housing. The group included former Senior Officials with experience in State, Territory and Federal Housing policy and programs plus community housing providers and community service leaders.

The work was prompted by calls by the ACT community sector over several budget cycles for a \$100m investment in affordable housing by the ACT Government to respond to a chronic undersupply of affordable housing, especially low-income private rental, to people in the bottom two income deciles.

Current ACT Government initiatives in housing supply are providing a few hundred homes. This will not deliver an appreciable shift in an ongoing pattern of market failure in the provision of affordable housing across the ACT.

Some key ideas which came out of this session were:

### Local version of the National Rental Affordability Scheme (NRAS)

The ACT Government might invest in a local version of the NRAS, which commenced in 2008. This aimed to increase the supply of new and affordable rental dwellings by providing an annual financial incentive for up to ten years issued to housing providers to provide affordable rental dwellings at least 20% below market rates. An ACT version might work with housing providers, including property developers, not-for-profit organisations and community housing providers to incentivise the building of properties at a similar below market threshold here in Canberra.

There might also be themed incentive rounds which respond to particular needs such as housing which is built to liveable, adaptable and accessible standards for people with disability and is available to groups who experience rental discrimination or other forms of exclusion such as Aboriginal and Torres Strait Islander people or older women. The program could set targets to incentivise a set number of homes, e.g. 1000 affordable dwellings.

## **Increasing land supply for affordable homes**

The government might invest in a project to stocktake, acquire and activate underutilised land supply for affordable housing and incentivise partnerships to unlock supply.

The extent of potential supply across the ACT is not fully understood but is expected to include land currently held by tertiary institutions, aged persons' villas, churches or even the Commonwealth.

This might lead to greenfields development with tripartite buy-in (government, community, business) with a focus on building key worker housing, housing targeted at older people or for students depending on where the land was situated. With the right incentives, significant supply could be unlocked.

## **Injection to public housing**

The group noted that an appropriate and available measure could be to make a substantial additional investment in public housing in the ACT. This could be a sharp, simple but well targeted approach to using \$100m.

Public housing is already tightly targeted towards the needs of those on low incomes and with multiple barriers to access.

Reducing the pressures on public housing would be a viable and sensible use of any significant new public investment, with potential downstream benefits in terms of the demand on Territory funded crisis and transition accommodation services.

It would acknowledge that this is market failure requiring market failure responses alleviating pressure on the private market that has driven the ACT to maintain its position as having the highest rents in the country<sup>ii</sup>.

## **Significant Land Transfers**

The government might make significant transfers of land to social housing providers to acknowledge the social housing premium, namely that it's not viable to finance and operate community housing while paying commercial purchase rates for land.

The reason other states have scaled Community Housing Providers is that they were given title transfers of properties and hence gained the ability to grow. In the ACT, for example, CHC were given 132 houses and a \$70million facility hence their size and ability to grow. In recent times Argyle has been given 53 dwellings by the ACT Government (December 2017) and Project Independence, 3 blocks of land.

This land transfer model would work well in conjunction with an affordable land supply project to stocktake and unlock land.

## Other ideas

- Seed funding partnerships between commercial and community housing developments, including build to rent, which have a chance of viability and sustainability. These developments should include a mix of key worker housing, housing affordable to people earning the income paid in community service, retail and hospitality industries, full market priced.
- Bolstering the innovation fund and building it at significant scale to influence outcomes and showcase housing supply that has triple bottom line outcomes and can be packaged (i.e. packaging build designs as environmentally and economically sustainable in the long term could attract additional funding from Commonwealth sustainability programs).

The importance of the Supportive Tenancy Service was noted with the need for a wraparound set of supports for people which goes in early to prevent peoples housing being put at risk, e.g. through a significant life change such as relationship breakdown or onset of significant illness.

## A better deal for tenants

Given the main challenge in Canberra remains the pressures on low income renters, the strategy must improve rights and protections for tenants.

The ACT needs to improve its protections to tenants under the Residential Tenancies ACT as well as at an operational level with Housing ACT and related programs. These asks reflect those outlined by the Tenants Union of the ACT in their extensive submission on the Review of the Residential Tenancies Act from 2014.

We need reforms to ensure that rental housing is stable, accessible, appropriate, safe and liveable. The main reforms needed are:

- Protection for vulnerable renters who are not classified as tenants (occupants)
- Reform of termination by landlords – just cause terminations only and longer notice periods for non-breach termination (standard of 12 weeks' notice)
- Minimal standards for rental including locks
- Implementation of 5 Star energy rating for rental housing and subsidised investment in insulation, energy efficient heating, hot water and other appliances
- Penalties for breaches by landlords.

The reliance on the private market as it currently stands means inequity in the rights of tenants from 'disadvantaged' backgrounds based on whether they are in public, social or private rental. This is another reason for improving tenancy legislation to ensure stability/security.

## Caravan parks

ACTCOSS also notes the long standing provision of the Long Stay Caravan Park as a form of housing provision and supports recommendations made by SGS consulting in 2011 in their report on the Long Stay Caravan park which recommended better legislative protections for people living long term in caravan parks or mobile home parks, especially independent grievance appeal mechanisms.

The report recommended that new legislation or revisions to the *Residential Tenancies Act 1997* (ACT) to govern the operations of caravan parks, mobile home parks and manufactured home parks include appropriate provisions to make licences and park rules enforceable under the law, similar to those in operation in NSW, SA or Qld.

The report also recommends that consideration be given to including provisions for formal resident involvement in the management of such parks, and that the residents and owners and managers of the existing parks in the ACT be consulted on these issues prior to the legislation being finalised<sup>iii</sup>.

## Targets for accountability, progress and success measures

The growth in supply of housing must match both current demand and future projections of demand, based on credible data and analysis, that is shared transparently with all stakeholders.

ACOSS in its 2018/19 Federal Budget Priorities Statement has said that to meet shortfalls identified by the former National Housing Supply Council will require at least 500,000 properties available and affordable to the bottom 40%<sup>iv</sup>. This is now arguably a conservative estimate as it's based on work from the National Supply Council in 2013. Translated to the ACT on a pure population basis in the five years since this means the ACT requires more than 15,000 new affordable homes. This is a conservative figure not accounting for the time passed since 2013; including increased population growth, increased pricing pressures, and demand for affordable dwellings in new growth areas.

The strategy must include targets that match the scale of the problem faced in our city regarding the lack of affordable housing. Land release and urban renewal sites must include at least 20% affordable housing.

The strategy must be clear about its own accountabilities and measures of success. Establishing clear accountabilities requires the ACT Government to take responsibility, own key parts of the problem and acknowledge that it has a key role and opportunity to improve the level of affordable rental in Canberra.

The strategy must include clear deliverables, timeframes, measures of success and public reporting schedules for all ACT Government Directorates. These Directorates should be the first to demonstrate how their investments and policy

settings are contributing to improving supply of affordable housing for the specific groups to whom their Directorate provides services:

- Community Services
- Health
- Justice and Community Safety.

These Directorates are the next priority for demonstrating their investments and policy settings are delivering affordable housing to people in the bottom 40% income groups:

- Chief Ministers, Treasury and Economic Development
- Environment Planning and Sustainable Development.

Reports need to specify whether and how investments and policy settings have delivered affordable, accessible housing with security of tenure for the following groups most at risk of housing stress and homelessness:

- Aboriginal and Torres Strait Islander peoples
- Single income households in bottom 40% income quintiles with dependents (including households where a carer is the main income earner)
- Households in the bottom 40% income quintiles with people under 15 years old or over 65 years old
- People living with disabilities
- People receiving working age income support payments
- People with uncertain visa status and other newly arrived communities with limited work rights.

# ACTCOSS and our members' expectations

These are key investments, decisions, options and ways forward that we expect an Affordable Housing Strategy will chart for the ACT.

	Yes	Partial	No / unclear
<b>ESSENTIAL – a credible strategy must include</b>			
<p><b>1. Significant investment</b></p> <ul style="list-style-type: none"> <li>• A credible affordable housing strategy will contain significant signs of new investment on a scale to leverage new stock at volume.</li> <li>• A credible strategy will acknowledge market failure requires intervention and government financing.</li> </ul>			
<p><b>2. A long term plan</b></p> <ul style="list-style-type: none"> <li>• A credible affordable housing strategy will be a long term plan that recognises the long term housing affordability crisis, the arc of peoples lifelong housing needs and the need for security of tenure.</li> <li>• A long term plan will be ambitious in scope and include planning for growth, changing demographics and acknowledge the scale of the challenges ahead of us.</li> <li>• A long term plan will have long term strategies and long term ambitions for those locked out of private rental and protections for tenants.</li> </ul>			
<p><b>3. Clear accountabilities</b></p> <ul style="list-style-type: none"> <li>• Establishing clear accountabilities requires the ACT Government to take responsibility, own key parts of the problem and acknowledge that it has a key role and opportunity to improve the level of affordable rental in Canberra.</li> <li>• Clear accountabilities mean the strategy must come with clear deliverables, timeframes, measures of success.</li> <li>• The strategy must include a mechanism for reporting and accountability to the ACT against tangible markers of progress at set points over its life.</li> </ul>			

	Yes	Partial	No / unclear
<b>REFORM PRIORITIES – a credible strategy will contain a mix of these measures</b>			
<p><b>4. More public housing</b></p> <ul style="list-style-type: none"> <li>Flagging significant investments in new public housing as a targeted measure acknowledging that there is significant market failure and undersupply of private rental, with almost no private rental affordable to anyone on income support or a minimum wage.</li> <li>Investments will need to be targeted at new dwellings with a real increase in stock to respond to demography, not just the renewal of existing stock.</li> </ul>			
<p><b>5. Subsidies for private rental</b></p> <ul style="list-style-type: none"> <li>The ACT Government should invest in subsidies for private rental to encourage initiatives like Build to Rent. A local version of the National Rental Affordability Scheme could increase the supply of new and affordable rental dwellings by an annual financial incentive to housing providers to provide affordable rental dwellings below market rates. An ACT version might work with housing providers, including property developers, not-for-profit organisations and community housing providers to incentivise the building of properties at a similar below market threshold here in Canberra.</li> <li>There might also be themed incentive rounds which respond to particular needs such as housing which is built to liveable, adaptable and accessible standards for people with disability and is available to groups who experience rental discrimination or other forms of exclusion such as Aboriginal and Torres Strait Islander people or older women. The program could set targets to incentivise a set number of homes, i.e. 1000 affordable dwellings.</li> </ul>			
<p><b>6. An affordable land pipeline</b></p> <ul style="list-style-type: none"> <li>The government might invest in a project to stocktake, acquire and activate underutilised land supply for affordable housing and initiate partnerships to unlock supply.</li> <li>This might be twinned to significant transfers of land to social housing providers to acknowledge the social housing premium, namely that it's not viable to finance and operate community housing while paying commercial rates for land.</li> </ul>			

	Yes	Partial	No / unclear
<p><b>7. Improved protections for renters</b></p> <ul style="list-style-type: none"> <li>• The ACT needs to improve its protections to tenants under the Residential Tenancies ACT as well as at an operational level with Housing ACT and related programs.</li> <li>• We need reforms to ensure that all rental housing is stable, accessible, appropriate, safe and liveable including: protection for vulnerable renters not classified as tenants (occupants); reform of termination by landlords - just cause terminations only and longer notice periods for non-breach termination (standard of 12 weeks' notice); minimum standards for rental including locks, minimum 5 star energy rating for rental housing, subsidies for insulation, energy efficient heating, hot water and other appliances; and penalties for breaches by landlords; and stronger requirements for provision of information about tenancy rights.</li> <li>• There is a need for further work and protections for people using long stay caravan parks as a form of affordable housing, including grievance procedures.</li> </ul>			
<p><b>8. Action on Universal Housing Design</b></p> <ul style="list-style-type: none"> <li>• We need a program of action to progress commitments in the Parliamentary Agreement including incentives, training, work with certifiers and dedicated showcase projects.</li> <li>• The ACT should adopt a proactive target and work to ensure that universal design is picked up in work to improve building quality in the ACT, including in multi-level units.</li> <li>• There should be progressive work to encourage the adoption of Universal Design principles within the Building Code.</li> </ul>			

# Background material informing ACTCOSS position statement on an ACT Affordable Housing Strategy

## Why we need an affordable housing strategy?

Housing is a human right, a social good, a system and a marketplace with many levers and determinants.

These include financing, land release policy, urban planning, rental regulation setting, investor behaviours, building industry practices and the role of community and public housing.

Housing exists in the context of discussions about growth and urban renewal and transport redesign as well as social and community infrastructure and sustainability. Housing is key to future prosperity, vibrancy, jobs and growth in our city.

There are specific groups locked out of housing such as people with disabilities and Aboriginal and Torres Strait Islander people.

Market failure is sustained with Anglicare Housing Affordability Snapshots going back over a decade showing only a smattering of private rental housing available to people on low incomes.

While the market is softening around Australia, Canberra remains an exception with speculation driving high prices and an unaffordable private rental market. Corelogic predicts that the market's modest growth in 2017 is set to be repeated. Property prices in the ACT rose by 4.9 per cent last year<sup>v</sup>.

The May 2018 release Rental Affordability Index found that low income households in the ACT face particularly unaffordable rents – Canberra was second least affordable area for almost all lower income household types behind Greater Sydney.

Housing exists in a context of changing incomes and work patterns – especially the growth in casualization and low paid employment.

We cannot rely on the market to satisfy the provision of housing as a right. Housing does not respond to the law of economic gravity which says that in a competitive market if a particular good were too expensive, supply would increase, and competition would drive the market down.

Pricing is often determined by government policy settings, land release, rezoning and investors who do not consume the product. Some consumers are permanently locked out of the private market because their incomes are so small and/or sporadic that they can neither purchase nor lease the product.

Governments cannot act alone, but serious change can't happen without government intervention. Government has the essential levers – control of

public housing, planning and zoning and access to finance on the kind of scale that can respond to significant market failure.

## Canberrans speak out

For years, Canberrans have known that we've got housing wrong in Canberra. In a progressive city seen as affluent by the rest of Australia we have high homelessness and rents that are unavailable to those on income support and growing ever more unaffordable to people in the areas of our economy generating jobs. Even people in old, once comfortable positions worry for themselves or their children in our rental market.

Canberrans know that the market won't address this crisis on its own and only a serious long-term strategy can deliver affordable rental in the quantity that we need. To even make a start we need real growth with many hundreds of new affordable homes. Here are some representative experiences raised with us:

"I looked over the precipice and was chilled to the bone. I saw how easy it can be to fall into poverty and homelessness. My husband did not come home from work one day. He had died after he got to the office, suddenly and very unexpectedly. Now I was widowed, unemployed, a single mother with one child in his first year of school and the other only just walking. I was looking at a completely different life, one that I didn't want and that frightened me. Sell the house and move – but where?" — Leith from *Stories of Home*

"I've tried to find private rents but I can't really afford it on my wage. I've looked online and done a lot of searching. I've read the paper. The people here at the refuge have been helping me look. Since then I've been couch surfing and living in a car. It was terrible. If it was rainy or a hot day it was awful. Even trying to make a cup of coffee or eating in the car. At the time I had my dog with me as well. It was not something you would choose to do if you had options" – Gary from *Stories of Home*

"Real estate agents told us not to bother – we just wouldn't get it because there were other people looking who didn't have children. As a single mum on a single parent pension there was nothing. Nothing." — Trish from *Stories of Home*

"Finding a house in Canberra is like finding gold in an ocean or a needle in a haystack." – Jacob from *Stories of Home*

"After settling on the house I was locked out of the housing market due to my circumstances at the time and I then spent over two years living in a motorhome at the Canberra showground in short-term rental until I finally got affordable rental accommodation through CHC affordable housing.

"While staying there I also met people in a similar situation living in tents and their own cars. For example, there was one gentleman who slept in his car and used the showering facilities to ready himself for work each day, and there was a family with children living in a family tent while waiting for better housing to be made available" – Gary from *Stories of Home*<sup>vi</sup>

## The facts

Affordability and availability are critical issues for people on low income in the private rental market. Nationally, there is a shortfall in supply of affordable private rental dwellings for low income renters as many affordable dwellings are rented by people on higher incomes.<sup>vii</sup> This has also been identified as contributing to a shortfall of affordable private rental housing in the ACT.<sup>viii</sup> The significance of this shortfall is highlighted in the Rental Affordability Index (RAI) and Anglicare Australia's Rental Affordability Snapshot.

The May 2018 release Rental Affordability Index found that low income households in the ACT face particularly unaffordable rents – Canberra was second least affordable area for almost all lower income household types behind Greater Sydney.<sup>ix</sup>

Anglicare Australia's 2018 Rental Affordability Snapshot found that out of 1,176 rental properties only 41 were suitable to households living on income support payments and only 84 were suitable for households living on the minimum wage.<sup>x</sup> There were no rental properties that were affordable and appropriate for many other low income households.

The energy efficiency of rental properties can also have a significant impact on their affordability. Better Renting's analysis of the energy efficiency of ACT rental properties found that over two in five rental properties in the ACT (43%) with Energy Efficiency Ratings (EERs) had an EER of 0, compared with only 4% of properties for sale.<sup>xi</sup> Renters of these properties face higher energy costs – it is estimated that in a property with an EER of 0 it would cost approximately \$1,800 a year to achieve the same thermal comfort as an equivalent property with an EER of 2.<sup>xii</sup>

## Housing stress in the ACT

Research by the ACT Government estimated that of the 150,000 households in the ACT, around 7,000 households (4.6%) within the lowest two income quintiles (those earning the lowest 40% of income) are experiencing housing stress – this accounts for just under a quarter (23.3%) of low income households in the ACT.<sup>xiii</sup> Other data suggests this proportion might be higher. In 2015-16, 33.8% (8,672) of low income rental households in the ACT were in rental stress.<sup>xiv</sup> This rate was significantly higher for private rental households (47.8%, 7,960).<sup>xv</sup>

As at 30 June 2017, there were 11,092 income units in the ACT receiving Commonwealth Rent Assistance, with 84.6% eligible for maximum assistance.<sup>xvi</sup> Of those Canberra households receiving Commonwealth Rent Assistance, 48.0% were still in rental stress.<sup>xvii</sup>

## Social housing in the ACT

In the ACT, social housing includes public housing, mainstream community housing and affordable housing.<sup>xviii</sup> It offers low cost housing for people on low and moderate incomes, and/or for groups whose housing needs are not

adequately met in other forms of housing. There is currently no Aboriginal and/or Torres Strait Islander community housing in the ACT.

Public housing is owned and managed by the ACT Government through Housing ACT and is spread across most suburbs of the ACT. Public housing tenants pay either 25% of their income in rent, or 25% of the market rent for that property, depending on which is lower. Community housing is managed by community housing providers who may own the property or manage it on behalf of ACT Government. Most community housing tenants pay the same rent as public housing tenants, while some may pay a maximum of 74.9% of market rent.

In 2017, there were 11,910 social housing dwellings in the ACT, with 11,077 public housing and 833 community housing dwellings.<sup>xxix</sup> As at 30 June 2016, there were 24,647 tenants in public (23,665) and community (982) housing.<sup>xxx</sup>

As shown in the table below, there were 1,703 applications with ACT Housing for public housing as at 6 March 2018. On average, applicants for standard public housing in the ACT are waiting 2.7 years for a property.

**Housing ACT Waiting List as at 6 March 2018<sup>xxxi</sup>**

<b>Application Category</b>	<b>Number of Applications</b>	<b>Average Waiting Time (days)</b>
Priority housing	27	346
High needs housing	854	638
Standard housing	822	972
Total	1,703	N/A

**Homelessness in the ACT**

The Australian Bureau of Statistics (ABS) statistical definition of homelessness is that when a person does not have suitable accommodation alternatives they are considered homeless if their current living arrangement:

- is in a dwelling that is inadequate; or
- has no tenure, or if their initial tenure is short and not extendable; or
- does not allow them to have control of, and access to space for social relations.<sup>xxii</sup>

On Census night in 2016, 1,596 people were counted as experiencing homelessness in the ACT, down from 1,738 in 2011.<sup>xxiii</sup> Of these, 54 people were rough sleeping, up from the 28 people counted in 2011. For every 10,000 people in the ACT 40.2 people were homeless – this was below the national rate (49.8) and down from the 2011 ACT rate (48.7), however, this is still significantly higher than the ACT homelessness rates reported in 2001 (30.4)

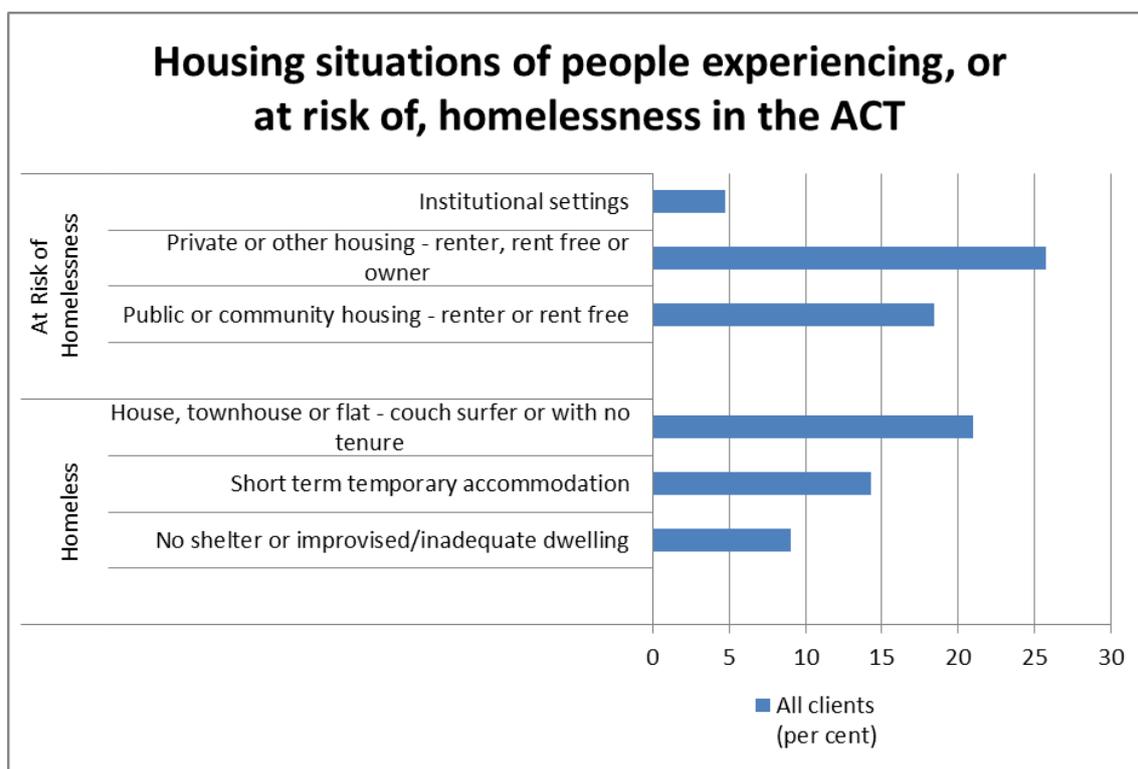
and 2006 (29.3). The 2016 Census recorded a higher proportion of males (60%) than females (40%) experiencing homelessness.

In 2016-17, ACT specialist homelessness services assisted 4,585 clients, of whom 46.1% (2,053) were homeless – this was higher than the national rate (44%).<sup>xxiv</sup> In contrast to the 2016 Census figures, more specialist homelessness services clients experiencing homelessness were female (54.1%, 1,111) than male (45.8%, 941).

On any given day in 2017, 42 specialist homelessness services in the ACT were supporting over 1,500 clients.<sup>xxv</sup> Over recent years there has been a decline in the number of specialist homelessness services clients in the ACT. From 2011-12 (5,602) to 2016-17 (4,585) there was an average annual decline of -3.9%, compared to a national average annual increase of 4.0%.<sup>xxvi</sup> However, there remains a significant level of unmet need among clients seeking accommodation. In 2016-17, for 32.6% (1,084) of clients needing accommodation, that need was unmet.<sup>xxvii</sup> There has, however, been a downward trend in unmet need since 2012-13 when the proportion was 36.7% (1,510).

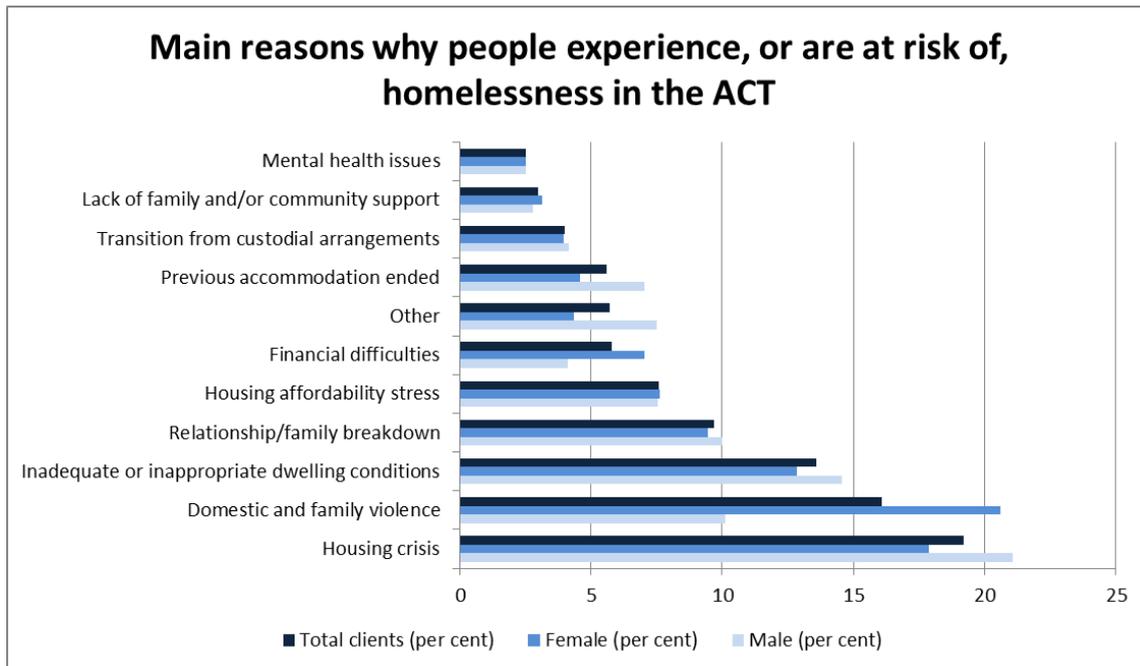
### What are the housing situations of people experiencing homelessness in the ACT?

In 2016-17, over a quarter (26%) of ACT specialist homelessness services clients who were at risk of homelessness were living in private or other housing as a renter, rent free or owner (see chart below).<sup>xxviii</sup> Of those clients experiencing homelessness, over one fifth (21%) were couch surfing or had no tenure. Just under one in ten clients (9%) were rough sleeping with no shelter or improvised/inadequate dwelling.



## Why do people experience homelessness in the ACT?

In 2016-17, housing crisis was the most common reason for people experiencing homelessness in the ACT (19%) (see chart below).<sup>xxix</sup> This was closely followed by domestic and family violence (16%). Domestic and family violence and relationship/family breakdown were the major reason for over a quarter (26%) of all clients. Domestic and family violence was the most common reason for women seeking assistance from specialist homelessness services in the ACT.



## Who is most affected by housing stress and homelessness?

Specialist homelessness services client rate per 10,000, by priority group, ACT, 2016-17 (all clients, plus priority groups with the five highest rates)<sup>xxx</sup>

	ACT		Australia	
	2015-16	2016-17	2015-16	2016-17
All clients	119.1	113.6	117.4	119.1
Aboriginal and/or Torres Strait Islander	939.4	882.8	787.0	813.9
People with mental health issues	46.0	41.0	30.4	32.0
Domestic and family violence	40.9	39.3	44.4	47.4

	ACT		Australia	
	2015-16	2016-17	2015-16	2016-17
Young people presenting alone (15-24)	24.1	23.0	18.1	17.4
People with drug or alcohol issues	16.5	15.4	11.1	11.3

### Engagement by key stakeholders over the past two years

From July 2017, consultation was open for seven weeks seeking feedback on the Towards a New Housing Strategy: An ACT Community Conversation discussion paper. The consultation process included opportunities for the community, industry and stakeholders to share their ideas, expertise and personal experiences through: drop in sessions, a survey, interviews, and workshops. ACTCOSS, ACT Shelter and other community housing organisations with an interest in improving the supply of affordable housing made submissions to these processes and hosted workshop sessions. An Engagement Summary Report was released following this period of engagement.

The promised Housing Summit held on held in October 2017 saw 200 participants contribute ideas and solutions to tackle housing affordability and homelessness in the ACT.

A Housing Choices consultation and collaboration hub was held in 2018 which say a focus on planning and development issues; building quality and affordable housing. ACTCOSS, ACT Shelter and industry bodies contributed to the Hub process and gave evidence about the importance of affordable housing.

The [report](#) of the collaboration hub included a focus on the need for action on affordable rental; options for using a sizable investment in housing to grow the community sector and public housing; and the need for action and attention in other areas, including on planning and building quality.

On public housing, the hub called for an increase in government housing in line with growth of population, including increase in the type of dwellings to reflect our changing demographics

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