

# ISSUES PAPER

## THE RIGHT TO A HOME



A safe and appropriate home is a basic human right that is integral to social, cultural and economic participation, and provides a foundation for stability, security and belonging within community.

Housing and homelessness is the most significant issue impacting vulnerable communities in the Illawarra and Shoalhaven. Securing a safe, stable and affordable place for vulnerable community members to live is fundamental before issues such as mental illness, domestic or family violence, substance abuse, or unemployment can be addressed.

The housing crisis in the Illawarra and Shoalhaven has intensified resulting in a significant reduction in the availability of affordable and appropriate housing stock.<sup>1</sup> Additionally, the move away from traditional office work environments to virtual online workplaces as a result of the COVID-19 pandemic has increased the migration of 'sea-changers' and 'tree-changers' from cities, driving up prices, diminishing available housing across the region, and resulting in NSW rental vacancy rates slipping to 0.3% on the South Coast, and 0.7% in Wollongong in 2021.<sup>2</sup>

The Shoalhaven is among the least affordable areas for private rental in NSW, with the highest percentage of low income households in the region. In 2021 it was reported that rent had risen by 12%.<sup>3</sup> Across the Illawarra, 0% of available rental properties are affordable and appropriate for single persons with two children reliant on the parenting payment single, and there is less than 1% of available rental properties suitable for people on income support.<sup>4</sup>

Consequently, rental affordability in the region is a major issue, especially as a large number of properties for rent are only available for short-term holiday rentals, which distort the housing supply issues faced by the area. Additionally, many properties which are affordable for people on low incomes are located in outlying areas which have major issues of transport accessibility, as they are difficult or impossible to access by public transport.

### SNAPSHOT ILLAWARRA SHOALHAVEN

Expected waiting times for social housing in the region:<sup>6</sup>

- Wollongong City: 5-10 years
- South Wollongong: 5-10 years
- Nowra: 5-10 years
- Kiama: 5-10+ years

Of the available rental properties across the Illawarra and Shoalhaven:<sup>7</sup>

- <1% are appropriate and affordable for single persons earning a minimum wage.
- <1% are affordable and appropriate for single persons with two children reliant on the parenting payment single.
- There is less than 0-1% of available rental properties suitable for people on income support.

#### References

- 1 2021 NSW Government, Natural disaster declarations
- 2 2021 REINSW Vacancy Rate Survey Results November 2021
- 3 Shoalhaven social housing strategy 2017 and FACS Illawarra Shoalhaven District Data Profile
- 4 2021 Anglicare Rental Affordability Snapshot 2021 Summary Report: Greater Sydney and the Illawarra
- 5 2021 Compass Housing, Meeting Social Housing Need A Tipping Point for Federal Intervention
- 6 2021 NSW Government, Communities and Justice Guide to waiting times for social housing
- 7 2021 Anglicare Rental Affordability Snapshot 2021 Summary Report: Greater Sydney and the Illawarra



The housing crisis has amplified intergenerational poverty transmission, the health divide and the economic and social vulnerability of women and children.<sup>5</sup>

The region is in desperate need of more social housing and affordable private rental properties, as well as properties which are affordable for purchase by people on low incomes.

The lack of appropriate private tenancies means that competition for properties is intense, and the most vulnerable people, including those on income support, are less likely to obtain appropriate private rental properties.

## RECOMMENDATIONS

- Enforcement of at least 15% affordable housing targets in new developments as a mechanism to deliver an additional supply of affordable housing for very low to low-income households and to create a pathway to support people moving out of social housing.
- Innovative finance solutions to develop more social housing:
  - Social housing to be classified as public infrastructure with sustainable funding models designed accordingly. Viewing housing stock as public infrastructure would also enable access to existing pockets of funding including Waratah Bonds.
  - Government to work with industry to develop Affordable Housing using institutional investment.
  - Incentives for social housing models where residents never pay more than 30 percent of their household income as rent. This unique model means parents are guaranteed stable homes for their children, even in the event of job loss, illness, or other unforeseen changes in their lives.

Federal Government	<ul style="list-style-type: none"> <li>• Incentivise investment by redirecting Negative Gearing to incentivise Affordable Housing.</li> </ul>
Local Government	<ul style="list-style-type: none"> <li>• Tackle Affordable Housing at a strategic level, including LGA wide Homelessness Audits and the development of an Affordable Housing Strategy for all NSW Councils.</li> <li>• Encourage more Affordable Housing through floor space ratio and car parking requirement concessions – especially in CBD developments.</li> </ul>
Tenancy Protections	Remove the 'no-grounds' termination provisions in NSW tenancy legislation to protect tenants' rights, and provide long-term rental housing security.
Improved affordability and accessibility	<ul style="list-style-type: none"> <li>• Encourage Affordable Housing which is accessible to public transport and community infrastructure.</li> <li>• Encourage smart and sustainable design to improve energy affordability for Affordable Housing.</li> <li>• Incorporate Universal Design Principles to support government policies such as 'Ageing in Place' and 'Accessible housing'.</li> </ul>