



**UPDATED SUBMISSION TO THE  
STATE GOVERNMENT BUDGET PROCESS 2020-2021**

**5 AUGUST 2020**



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# INTRODUCTION

## **About Shelter Tas and our members**

Shelter Tas is the peak body for housing and homelessness services in Tasmania. Each year, Shelter Tas is invited to represent the sector on housing and homelessness issues in the State Government Budget Process. We appreciate the invitation to provide an updated submission to the **2020-21 State Government Budget Process**.

Shelter Tas is an independent, not-for-profit peak organisation representing the interests of low to moderate income housing consumers, community housing providers and Specialist Homelessness Services (crisis and emergency shelters) across Tasmania. The membership of Shelter Tas includes all funded homelessness services and all registered Community Housing providers in Tasmania. Shelter Tas holds regular meetings with homelessness services and Community Housing providers across the state. We provide effective leadership to the sector, an independent voice on housing rights and a link between governments and the community through consultation, research and policy advice. We seek to end homelessness and improve housing access for all Tasmanians.

Shelter Tas is an active member of national housing and homelessness peaks, including the Community Housing Industry Association (Shelter Tas is the CHIA representative in Tasmania) and National Shelter (Shelter Tas is the Secretary of the National Shelter Council).

Shelter Tas' vision is that every person has affordable, appropriate, safe and secure housing and our mission is to end homelessness in Tasmania.

## **In response to the COVID-19 pandemic, Shelter Tas has updated our Submission to the 2020-21 State Government Budget Process:**

### **2020's urgent priority: Health and Housing**

There is now even more reason for escalating Tasmania's responses to housing hardship and homelessness in this COVID-19 budget. Health and housing are inextricably linked; we can only fight the virus with a strong housing response. This needs to be the number one budget priority. Public health measures that require people to stay home, maintain social distancing, and isolate where necessary, all rely on people having somewhere to live. People's need for accommodation, support and homes is critical during the COVID-19 public health emergency, not only because everyone has a right to a home, but also because our community is only as safe as its most vulnerable members.

At the same time as adjusting to the COVID-19 pandemic, Tasmania's housing and homelessness sector is also responding to the reforms underway through Tasmania's *Affordable Housing Strategy 2015- 25* (TAHS), the *Affordable Housing Action Plan II 2018-23* (AHAP 2) and the review and reform of Housing Connect. Shelter Tas acknowledges the good outcomes achieved by many initiatives and successful programs within the TAHS and AHAP 2, and in the more recent responses to the COVID-19 pandemic. In this submission, we present opportunities to build on and complement these positive initiatives and reforms.

An urgent response to homelessness and housing hardship in Tasmania was needed well before the COVID-19 pandemic. Now, the deferred 2020-21 State Government Budget Process is taking place in a highly uncertain and changeable environment. The COVID-19 pandemic presents an opportunity

for a renewed commitment to a robust housing safety net, a reassessment of the way our housing market works, and a renewed appreciation of how much safe, secure, affordable and appropriate housing matters for all Tasmanians.

Shelter Tasmania strongly supports the SHARP initiative where Australian Government investment, backed by state and territory contributions, would enable the delivery of at least 30 000 additional social housing units nationally.<sup>1</sup> Housing construction provides local employment in all regions and is widely recognized as a tremendously effective tool for economic stimulus.

*A 'standard house' design is estimated to provide up to 31 different trades, subtrades and para professional categories with a period of work from 1 day to 90 days. As there are multiple people performing a trade onsite concurrently, such as a carpenter or painter, the number of families with a home construction-related breadwinner is much higher. This home provides work for 43 trade and subtrades people.<sup>2</sup>*

Constructing affordable social housing has both a social and economic outcome, providing the essential jobs and homes that people need. Housing is at the heart of Tasmania's opportunity to respond to COVID-19 health crisis, to recover economically, and to build the Tasmania where everyone has the home we all deserve.

#### **Background: the Tasmanian context in 2019 and changes since the COVID-19 pandemic**

When Shelter Tas prepared our original budget submission last year, Tasmania had for some years faced a chronic shortage of affordable rental options for people on low and moderate incomes. At the last Census (in 2016), over 120 000 Tasmanians were living in poverty.<sup>3</sup> Hobart has been in the top two capitals for unaffordable rentals since the *National Rental Affordability Index* began in 2015. On the standard measure that compares income to rental cost, Hobart has been Australia's least affordable capital city since 2018.<sup>4</sup> This chronic lack of affordable rental housing has led to increasing numbers of people experiencing homelessness across the state. In 2016, 1 622 Tasmanians were experiencing homelessness on Census night, and we know that number is much higher now. The latest report from AIHW shows that every day in Tasmania an average of 31 requests to specialist homelessness services go unassisted – this is a 24% increase since FY 2016-17, when 25 requests for assistance were unmet each day.<sup>5</sup> New data released on August 3 2020 shows the extent of the social housing shortfall across the state.<sup>6</sup>

Hobart has faced record levels of rental unaffordability for some years now. In Greater Hobart rents have become unaffordable for half of all rental households. Across Tasmania even people on moderate and average incomes have been struggling with the cost of renting. CoreLogic reported last year that Hobart's median rent had overtaken Melbourne's median rent. Yet the income difference between Hobart and Melbourne is over \$30 000 per year. The median income for a renting household in Hobart is \$64 000. In contrast, Melbourne's median rental household income

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<sup>1</sup><https://shelter.org.au/social-housing-acceleration-and-renovation-program-sharp/>

<sup>2</sup> <http://www.powerhousingaustralia.com.au/resources/>

<sup>3</sup> TasCOSS 2018 <https://www.tascoss.org.au/120000-tasmanians-live-in-poverty/>

<sup>4</sup> <https://www.sgsep.com.au/projects/rental-affordability-index>

<sup>5</sup> [https://www.aihw.gov.au/getmedia/562a8e1f-cf37-499f-bb24-10a44c6f5907/TAS\\_factsheet.pdf.aspx](https://www.aihw.gov.au/getmedia/562a8e1f-cf37-499f-bb24-10a44c6f5907/TAS_factsheet.pdf.aspx)  
<https://www.aihw.gov.au/getmedia/c58999e7-db14-42ad-937e-d7880359e9ea/shs-2016-17-tas-factsheet.pdf.aspx>

<sup>6</sup> <https://everybodyshome.com.au/heat-maps/>

is almost one half higher, at \$ 93 500. The combination of high rents and the lowest incomes in Australia increases housing hardship, and leads to more Tasmanians experiencing and at risk of homelessness.<sup>7</sup>

Even though rents have declined slightly in Hobart and across Tasmania, according to the most recent reports,<sup>8</sup> this is not enough to relieve the shortage of affordable housing for people on low to moderate incomes. Core-Logic's report of a reduction of 2-4% on rental properties in Hobart is welcome, but most properties remain unaffordable with that level of change. While any lowering of rental costs is welcome, there is too little change to offset the declines in people's incomes. Affordability (rental costs and people's incomes) and availability need to be monitored closely in the coming months (see Shelter Tas recommendation 3.3 below).

The relief of Tasmania's longstanding housing debt to the Commonwealth Government in September 2019 brought a very welcome and much needed boost to the resources Tasmania needs to address our chronic housing and homelessness challenges. Like other Australian jurisdictions, Tasmania has seen the number of social housing dwellings lagging behind population increases, especially as our state becomes increasingly popular as a housing destination for people from elsewhere. The 2019 Report on Government Services (ROGS) states: *over the past decade, the number of social housing dwellings [nationally] has increased by 29 930 (or 7.4%) - well behind population growth of 11%.*

The Tasmanian Government's COVID-19 new initiatives include<sup>9</sup>

- The announcement in April of almost \$4.3 million for additional housing and homelessness support for vulnerable Tasmanians
- The moratorium on evictions - initially until the end of June, then extended until the end of September 2020
- The freeze on rent increases across private rental and social housing, extended until the end of September 2020<sup>10</sup>
- The COVID-19 *Rent Relief Fund* which assists renters who have lost income due to COVID-19 with up to \$2000 to help pay their rent, available to tenants experiencing COVID-19 related hardship and are in rental stress; that is, they are paying more than 30 per cent of their income in rent and with less than \$5000 in savings
- Extended (COVID) Brokerage to assist people experiencing homelessness into temporary motel and hotel accommodation
- A new Health Screening program for people experiencing homelessness
- A new Mental Health Homelessness Outreach Support Team (MHHOST)
- \$2.6M to fund the expansion of the Hobart Safe Space (low barrier 24 hour shelter), and the establishment of Safe Spaces in Burnie and Launceston for people sleeping rough

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<sup>7</sup> ABS Census 2016.

[http://quickstats.censusdata.abs.gov.au/census\\_services/getproduct/census/2016/quickstat/6?opendocument](http://quickstats.censusdata.abs.gov.au/census_services/getproduct/census/2016/quickstat/6?opendocument)

<sup>8</sup> The Tenants' Union of Tasmania reports rents declining in the quarter to June 2020, in 13 out of 16 local government areas that are reviewed in *Tasmanian Rents*. <http://tutas.org.au/publications/tasmanian-rents/>

<sup>9</sup> See <https://www.pesrac.tas.gov.au/reports>

<sup>10</sup> [http://www.premier.tas.gov.au/releases/residential\\_tenancy\\_protections\\_extended](http://www.premier.tas.gov.au/releases/residential_tenancy_protections_extended)

- A Rent Waiver for all “head-leased” properties rented from the Department of Communities, expiring 31 August 2020
- Financial support for people on temporary working and student visas, including those on spousal visas needing access to family and domestic violence shelters<sup>11</sup>
- The announcement in June 2020 of \$100 million to deliver an additional 1000 new social houses, in partnership with Community Housing Providers, along with a further 220 dwellings brought forward under the Affordable Housing Strategy.<sup>12</sup>

These initiatives will temporarily mitigate problems but, as many are short term or time limited, may not reverse the trend of increasing housing hardship in Tasmania. Affordability depends on both the cost of housing, and on people’s incomes and ability to pay for the housing they need. People’s incomes are dramatically affected by the COVID-19 pandemic. The Commonwealth Government has announced that it will reduce or end the JobSeeker and JobKeeper payments in September 2020, and unemployment is predicted to increase especially for young people. Reduced incomes as a direct and indirect consequence of COVID-19 will place even greater pressure on household budgets, making housing costs even less affordable. Some families and households are already, for the first time, unable to afford their mortgages and rents. Therefore, it is likely that more households and families across Tasmania will find it harder to afford the homes they need.

We know that people can only remain healthy when they have appropriate, affordable, safe and secure housing. This is even more important in 2020 because housing is essential to secure any public health outcomes. Shelter Tas and our members are particularly concerned for visa holders who have lost employment income, including significant numbers of international students. International students and workers had no way to anticipate the impacts of COVID-19, and now, as their jobs have vanished, have limited or no access to income support payments from the Commonwealth Government. Many are unable to return home, due to travel restrictions. Anecdotally, Shelter Tas understands that many people living on student and working visas are now living in extremely overcrowded conditions, facing amplified stress and uncertainty about what the future may hold for them.

The updated Shelter Tas submission to the 2020-21 State Budget Process contains our recommendations for strategic directions and outlines the system gaps identified by our members that can be addressed within, or by supplementing, the *Tasmanian Affordable Housing Strategy 2015-25*, the *Affordable Housing Action Plan 2 2019-24* and COVID-19 initiatives.<sup>13</sup>

This year, Shelter Tas also proposes to expand our own resources from a small base of less than 3 full time equivalent (FTE) core staff. The pressures of COVID-19, the dynamic housing environment, and the evolving policy and reform landscape have significantly increased demands for our services: representation, leadership and support for the housing and homelessness sector.

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<sup>11</sup>[http://www.premier.tas.gov.au/releases/additional\\_funding\\_to\\_help\\_prevent\\_and\\_respond\\_to\\_family\\_and\\_sexual\\_violence](http://www.premier.tas.gov.au/releases/additional_funding_to_help_prevent_and_respond_to_family_and_sexual_violence)

<sup>12</sup>[http://www.premier.tas.gov.au/releases/two\\_year\\_blitz\\_to\\_generate\\_\\$3.1\\_billion\\_in\\_construction\\_value](http://www.premier.tas.gov.au/releases/two_year_blitz_to_generate_$3.1_billion_in_construction_value)

<sup>13</sup> The original Shelter Tas Submission to the State Budget Process 2021-22 can be found [here](#).

The Housing Connect Reform process is a clear example where Shelter Tas is performing a trusted liaison role with many of the project's stakeholders.<sup>14</sup> Adding one new policy/projects officer position to Shelter Tas will enable us to support and lead the housing and homelessness sector, as we and our members respond to sector reform amidst the expanding pressures of the COVID-19 pandemic. With an extra team member, we can strengthen our contribution to the reform process, maintain and build our response to the ongoing need for advocacy, community engagement and expert advice to support affordable housing projects in the face of community opposition and NIMBY responses.

### **Shelter Tas' recommendations to PESRAC**

Shelter Tas made the following three recommendations in our submission to the Premier's Economic and Social Recovery Advisory Council PESRAC:<sup>15</sup>

**1. Maintain a focus on housing as the foundation of health during COVID-19.**

Over the next six months JobSeeker and JobKeeper payments, and some state-based support and safety net programs will expire and risk of unemployment remains high. Continued funding for essential housing and homelessness services will need to keep pace with demand. As COVID-19 related payments dry up, and rental protections end, more Tasmanians will be at risk of defaulting on their mortgages and unable to pay their rent. This is a key risk during the early recovery period, and mitigating strategies are needed. If people lose their homes, the already stretched housing and homelessness sector will face a surge in demand. The unsafe, unhealthy ways of living in overcrowded precarious conditions will present a significant economic cost as well as a threat to public health in the event of a COVID-19 resurgence.

**2. Address barriers in the planning system in order to implement the Premier's *Rebuilding Tasmania Infrastructure Investment*.**

There needs to be a change in both culture and regulation to enable swift construction of social housing and a continuous flow of work for the economic recovery. There are several examples in recent months, in various local government areas, where local government planning officials have approved development that includes social and affordable housing but, against that advice, the Council still rejects the plans. Shelter Tas can provide further details if that would be useful. Recovery strategies, such as the investment in the building and construction sector, depend on an efficient planning pathway for social housing, where expert recommendations are followed rather than overturned by local councillors.

**3. Establish a new data set, to monitor the impacts of COVID-19 on housing and homelessness in the changing recovery environment.**

Data on housing demand and hardship is currently patchy and fragmented, and often becomes available too late to ensure early intervention and pre-emptive action can be taken. Shelter Tas would be happy to lead the work of developing an objective data set for monitoring the longer-term impacts of COVID-19 on people's lived experience, housing and market trends, demands on sector services, and housing connect reform, drawing on our expertise in the housing and homelessness sector. Good data will be essential to inform an

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<sup>14</sup> The high level of trust in Shelter Tas is evident from our annual member survey where, in 2020, 100% of respondents rated Shelter Tas as good or excellent for our overall performance.

<sup>15</sup> Our submission can be found at <https://sheltertass.org.au/submission-to-the-premiers-economic-and-social-recovery-advisory-council-june-2020/>

integrated evidence-led Recovery. Note: funding would be needed for this work. Shelter Tas can provide a business case on request.

**Our detailed budget asks are presented in the following sections:**

- 1. The need for more affordable housing**
- 2. An additional role at Shelter Tas to build sector capacity**
- 3. Systemic measures**
- 4. Member priorities**
- 5. Outcomes for consumers: improving the private rental market and consumer voice**

We have updated the following sections from our original submission, to reflect the effects of the COVID-19 pandemic, and the actions already taken by the State Government. We are pleased to see that some initiatives that we recommended in our original submission have already been taken up, such as the expansion of the Safe Spaces program into all regions of the state, and extending the duration of agreements with Community Housing providers to leverage more borrowing and deliver more new dwellings.

## **1. THE NEED FOR MORE AFFORDABLE HOUSING**

The priority ask for this year's Budget Submission continues to be for new, well-located supply of social housing beyond current commitments. This is urgently needed to arrest the growing hardship being felt by so many, as evidenced by research, data and the experiences of our member organisations, with the hardship amplified by the effects of COVID-19. Tasmania's deepening shortage of affordable and social housing has serious implications for the people and families affected by insecure housing and homelessness, and for the Tasmanian community as a whole. With the predicted rising unemployment and underemployment, it will be harder for more and more working Tasmanians to find a home they can afford. Many low income and vulnerable Tasmanians will be left further behind, facing poverty and hardship, and at risk of becoming homeless. Affordable, appropriate and secure housing underpins our economy's ability to attract and retain a skilled workforce. The shortage directly undermines our community's health, education and overall wellbeing.<sup>16</sup> Addressing this shortage will deliver a boost for health, employment and community building across the state. Recent data from Homelessness Australia, released on August 3 shows a shortage of affordable social housing in all Tasmanian electorates.<sup>17</sup>

Shelter Tas welcomes the announcement in April 2020 of almost \$4.3 million for additional housing and homelessness support for vulnerable Tasmanians, and the further \$100 million for social housing announced in June 2020. These important stimulus programs will deliver much needed employment, as well as assist in meeting the growing need and demand for affordable housing in Tasmania. However, the likely economic downturn means that the demand for affordable and social housing will continue to outstrip supply.

Shelter Tas welcomes the significant investment by the Tasmanian Government in the initiatives under the *Tasmanian Affordable Housing Strategy 2015-25* (TAHS) and we will continue to support

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<sup>16</sup> Productivity Commission (2016) *Productivity Commission Study Report, Overview Study Report*, Canberra, November 2016 accessed 5/12/16 at: <http://www.pc.gov.au/inquiries/current/human-services/identifying-reform/report>

<sup>17</sup> <https://everybodyshome.com.au/heat-maps/>

the implementation of the second Action Plan. However, since the commencement of TAHS in 2015, the housing situation in Tasmania has changed dramatically. Data consistently shows that housing stress in Tasmania is an increasing problem and that demand for social housing is growing much faster than supply. Tasmania has the lowest primary household income in the country. The TCCI *2019 Tasmania Report* states that:

*Total average weekly earnings in Tasmania were \$1 051 in May 2019, \$187 less than the average across Australia, and \$400 less per week than in the ACT (which has the highest total average weekly earnings).*<sup>18</sup>

We call for the State Government to set a percentage-based target for affordable social housing. The Social Housing Acceleration and Renovation Program (SHARP) shows the benefit of social housing both to employment and to meet the community's need for affordable rental housing.<sup>19</sup> The *National Plan for Affordable Housing* by the Community Housing Industry Association (CHIA) sets targets to guide investment and action over the next decade to meet projected need.<sup>20</sup>

**Shelter Tas advocates for a medium-long term target for Tasmania of up to 10% of dwellings to be affordable social rental housing.**

## 2. STRENGTHENING THE HOUSING AND HOMELESSNESS SECTOR BY AUGMENTING SHELTER TAS CAPACITY

Shelter Tas is a highly respected peak body, with a strong track record of leadership, effective advocacy and representation for the housing and homelessness sector.

For example, last year Shelter Tas was influential in the Commonwealth's decision to waive Tasmania's public housing debt. We acknowledge that many people and organisations shared in this effort, including the State Government, other Tasmanian politicians, media, other peak organisations, leaders and members of our community. Shelter Tas demonstrated consistent leadership over many years in advocating for this debt to be relieved.

Since March 2020, during the COVID-19 pandemic, in addition to our regular work Shelter Tas has substantially increased our role in leading and representing the housing and homelessness sector. A selection of our additional activities is in an appendix to this submission.

Shelter Tas' proposal for one additional staff member would be a wise and strategic investment, allowing us to further enhance the housing environment for low and moderate income earners in Tasmania, including:

- Expand and deepen our leadership and representation for the sector in an uncertain and increasingly demanding environment

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<sup>18</sup> TCCI Tasmania Report 2019 p 60. <http://www.tcci.com.au/Services/Policies-Research/Tasmania-Report>

<sup>19</sup> <https://www.communityhousing.com.au/wp-content/uploads/2020/05/SHARP-Program.pdf>

<sup>20</sup> <https://www.communityhousing.com.au/national-plan/>

- Maintain and build support for the State Government’s positive initiatives in the Tasmanian Affordable Housing Strategy and Action Plan II, as we work together to make more affordable housing is available to people who need it
- Add value to the Housing Connect Reform process, by leveraging our expertise and trusted leadership role across the sector
- Play a key role in the COVID-19 response and recovery, noting that housing is an essential part of the public health response, and
- Lead a change in community conversation away from NIMBYism to appreciating the positive face of social housing projects.

Shelter Tas is highly experienced in working with stakeholders who have competing ideas and agendas, and have the skills and credibility to bring together people with diverse views and interests. In addition, we can draw on national networks to share the expertise of other jurisdictions, understanding and addressing some of the challenges by drawing on our statewide network, community partners and years of expertise in housing and homelessness advocacy.

It is important for Tasmania to capture and share current opportunities, and to follow the lead of other jurisdictions - such as South Australia, Victoria and New South Wales - to find optimal ways of capturing some of the increase in property and development values to contribute to the great need for affordable housing.<sup>21</sup> Shelter Tas has the national network and robust connections with other jurisdictions to enable us to make a substantial positive difference to the affordable housing landscape in Tasmania in ways that are currently constrained by the size of our team.

Shelter Tas has the capability and the trusted reputation to play a substantial role in garnering community support for better housing outcomes for those Tasmanians most in need. We have demonstrated our credibility and effective advocacy over many years, including our consistent lobbying for the relief of Tasmania’s housing debt to the Commonwealth Government. Our request for one new staff member is less than 0.3% of the total housing debt amount that has been waived. We propose that this position would continue for the duration of the current Shelter Tas funding agreement that ends in 2023.

**Indicative cost of the proposed project/policy officer is \$150 000 per year x3 years, to align with Shelter Tas current grant, total \$450 000. A comprehensive business case can be provided on request.**

### 3. SYSTEMIC MEASURES: ACHIEVING HOUSING FIRST

Too many Tasmanians are living in housing stress and hardship, and too many are at risk of or experiencing homelessness. The chronic shortage of affordable housing and the high cost of renting forces many low and moderate income earners to make impossible choices between essentials such

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<sup>21</sup> There is an opportunity for this initiative to align with section 2.2 of the 2019 *Agreement Between the Commonwealth and Tasmania – Waiver of Outstanding Housing Related Loans* “The Tasmanian Government agrees to consider and pursue reforms to facilitate the necessary local government planning and zoning reforms to support housing supply targets consistent with future population and economic growth projections.”

as food and heating, or keeping their home. We have over 120 000 Tasmanians living in poverty.<sup>22</sup> Single parent families, young people and people living alone (including the elderly) are struggling with rents and essential costs of living. Increasingly, we are seeing overcrowding when people lose employment and can no longer pay their rent or mortgage. Shelter Tas calls for the State Government to ensure that every Tasmanian has the safe and affordable home they need.<sup>23</sup> This is a matter of urgency, as housing is the foundation of all public health measures.

It makes good economic sense to implement a housing first approach and meet the housing needs of all Tasmanians. Benefits will be seen in health, education, justice and workforce participation. Strategic measures beyond the *Affordable Housing Strategy*, and the target of up to 10% of dwellings to be affordable social rental housing, are vital to achieve this.<sup>24</sup> Shelter Tas has identified four systemic measures that go beyond the scope of the *Affordable Housing Strategy*, and will help to achieve its outcomes.

- 3.1 Shelter Tas calls for an integrated and comprehensive government approach that recognises housing as essential infrastructure, including a Housing Impact Analysis for all relevant policies such as health, population, tourism, student numbers, regional economic development and City Deals. Ensuring that housing impacts, such as increasing demand in regional areas where additional workers need to live, will be even more important as investment to boost economic recovery takes place.
- 3.2 As the COVID-19 pandemic reduces the number of visitors to the state, it is timely to review how the short stay accommodation market is working. When tourist numbers rise again, it would be prudent to introduce a visitor levy from short stay accommodation, with obtained revenue directed to social and affordable housing. This measure would be developed in consultation with stakeholders, and designed to balance the externalities that are currently passed onto the wider community.
- 3.3 Expand the current data and needs analysis being undertaken by UTAS within AHAP 2 to become a regular report that will better capture the fast-moving housing market environment and enable decision makers to monitor evolving trends. In particular, there is a clear need to monitor the impacts on housing demand and affordability of post-census housing and labour market changes, deliver fine-grained analysis of regional areas, and to track how new and planned supply is affecting affordability. This report needs to be updated at least twice per year in the current environment where change is the only certainty.
- 3.4 Commission relevant expertise, such as Shelter Tas, to review and report on national and international best practice approaches to ending homelessness, such as the *Homelessness Prevention Law reforms* enacted in Wales, Finland's Housing First model, and analyse how these and other relevant approaches could be adapted and applied in Tasmania.

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<sup>22</sup> TasCOSS 2018 <https://www.tascoss.org.au/120000-tasmanians-live-in-poverty/>

<sup>23</sup> See, for example, Saul Eslake *The Tasmania Report* 2018 available at <http://www.tcci.com.au/Services/Policies-Research/Tasmania-Report>

<sup>24</sup> <https://www.communityhousing.com.au/national-plan/>

## 4. MEMBER PRIORITIES

From our members in the housing and homelessness sector we know that Tasmania is seeing an increase in both houselessness (people who only need a house) and homelessness (people who require specialised support to help them gain and maintain a safe and stable home). It is important to understand and respond to the different needs of these groups as we strive to achieve safe, secure, affordable and appropriate housing for all, and an end to homelessness.

Our targeted consultation with members, including our annual membership survey, has identified particularly urgent gaps for certain cohorts and regions. Addressing these needs will complement and add to the value of the *Tasmanian Affordable Housing Strategy 2015-25*, and *Action Plan 2019-24*. The additional funds needed by these initiatives could be drawn from cost savings, or shared budgets in other areas such as health and justice, and by treating the costs of affordable housing and reduction in homelessness and housing hardship as an investment that yields economic return in areas such as health, education and social engagement. Where appropriate, funds can be drawn from the money no longer allocated to repay the state's housing debt to the Commonwealth Government, approximately \$15m per year.

### 4.1 Strengthen investment in Community Housing

- (i) Work with Local Government and the State Planning System to develop a permitted use pathway for not for profit community housing development that allows appropriate variation for social rental properties, such as fewer required parking spaces, as well as maintaining quality standards.
- (ii) Review and streamline the timeframes and flow of tenders and approvals for new builds to maximise efficiency in the current government procurement processes.
- (iii) Work with community housing providers, TasWater and TasNetworks to implement an expedited process for connecting utilities to affordable housing projects.

### 4.2 Mental health and alcohol and other drug (AOD) support for people, especially young people in crisis accommodation, and the workers who support them

Shelter Tas members report an urgent and escalating need for appropriate mental health pathways for people in crisis accommodation.<sup>25</sup> More people with higher and more complex needs are presenting at shelters. Shelter Tas is extremely concerned about the growing risk to clients and workers. The situation reflects both a lack of resources and the lack of integration between mental health and housing/homelessness services. A clear response pathway that delivers appropriate support for clients and workers is needed urgently.

Young people, in particular, deserve access to therapeutic models that are appropriate to their needs. Tasmania still lacks a dedicated child and adolescent in-patient mental health unit, which is clearly needed to deliver care in an appropriate setting to young people who require this

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<sup>25</sup> Currently, as many shelters have a 'one worker model' if a client is in extreme distress, self-harming, or displaying behaviour suggesting acute mental ill-health, the only option is to call for police or ambulance. The expense and disruption of emergency service call-outs could in many cases be avoided if early intervention and support were in place.

clinical response. Young people also need appropriate rehabilitation options that will enable them to address alcohol and other drug challenges, including appropriate residential rehabilitation and aftercare that meet their needs.

We note the successes already achieved by the Housing and Accommodation Support Initiative (HASI) pilot in the south, where people experiencing significant mental health challenges are supported to sustain their tenancies. We encourage the State Government to consider fast-tracking a similar program for the north and northwest. This investment not only benefits tenants, who are able to maintain housing security and receive the mental health care they need, but also saves money through the decreased need for acute care and for additional housing and homelessness services that are needed if a tenancy is not sustained.

#### **4.3 Improving housing outcomes for younger Tasmanians**

Young people are particularly disadvantaged in the current competitive and expensive rental housing market due to lower incomes, discrimination and lack of rental history. Young people are overrepresented in the Specialist Homelessness Service system, and on the waiting list for social housing. The ABS 2016 Census reported that 38% of homeless Tasmanians are less than 25 years old; nearly half couch surf or are in severely overcrowded housing.<sup>26</sup>

Homelessness disproportionately affects young people and children (52% of all homelessness services clients).<sup>27</sup> Young Tasmanians make up one third of the social housing waiting list.

Providing more affordable rental housing, increasing the housing options for young people, and securing the support needed to help them learn how to live independently are effective measures to avoid and reduce homelessness. To be successful, options for young people need to be developed in consultation with the community sector. Ongoing operating funds need to be guaranteed.

*(i) Extending the NYAC model to other regions*

We note the effectiveness of the Northern Youth Accommodation Coalition (NYAC) model, and call for similar options to be developed in the south of the state.

*(ii) Maintaining a suite of options for young people experiencing or at risk of homelessness*

Shelter Tas welcomes the establishment of the Youth at Risk Implementation Group, co-chaired by our CEO Pattie Chugg. The gap in appropriate responses of accommodation and care for unaccompanied homeless children aged under 16 years has long been identified by Shelter Tas and the members of the Tasmanian Youth Housing and Homelessness Group (TYHHG). It was articulated in parts of the *Tasmanian Affordable Housing Strategy* and *Youth at Risk Strategy*. With TYHHG, Shelter Tas calls for longer-term housing and assistance models to ensure all young people at risk who are not in 'out of home care' can be kept out of homelessness and supported to reach their full potential. Trinity Hill, Thyne House, Colville Place and Eveline House have demonstrated successful outcomes for young people, but as they all transition to the Education First Youth Foyer model we are concerned that the range of options for young people will narrow. We call for alternative pathways for any young people for whom Education First

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<sup>26</sup> [https://shelertas.org.au/wp-content/uploads/2019/11/ST\\_FACT-SHEET\\_Homelessness-v5\\_Oct2019.pdf](https://shelertas.org.au/wp-content/uploads/2019/11/ST_FACT-SHEET_Homelessness-v5_Oct2019.pdf)

<sup>27</sup> See Shelter Tas Fact Sheet *Housing in Tasmania* <https://www.shelertas.org.au/>

Youth Foyers are not the appropriate service, such as people who cannot access this single model - for example, those who are not eligible for any reason, young parents or people whose life skills are not well adapted to congregate living, those who have higher support needs, or who are managing mental health or drug and alcohol challenges.

*(iii) Review of one worker model in youth emergency accommodation*

While young people are in youth emergency accommodation shelters, they are currently supported by a one-worker model overnight.

**Shelter Tas recommends a review of the one-worker funding model in youth shelters, with consideration given to double staffing, especially overnight.**

#### **4.4 Improving housing outcomes for older Tasmanians**

Nearly one in five people seeking assistance from Tasmania's homelessness services are aged over 55. In the 2016 Census, older people experiencing homelessness were growing both as an absolute number and as a proportion of Tasmanians experiencing homelessness.<sup>28</sup> Older single women are particularly vulnerable, due to having lower levels of income and assets.<sup>29</sup> Shelter Tas welcomes the commencement of Wirksworth in the south. This is based on the Wintringham model, which can draw on the aged care funding stream to support residents. Shelter Tas encourages the State Government to deliver similar accommodation for older men and women in the north and northwest regions.

COTA and Shelter Tas recognise that there is a growing group of older Tasmanians reaching retirement years without owning their own home, and therefore facing increased housing insecurity and hardship. Shelter Tas and COTA propose a research project into how best to meet the needs of this cohort. For instance, a variation to the Homeshare and Streets Ahead models, or other shared equity models, could be designed for older clients. Current models available in Tasmania can exclude older people due to criteria such as bank loan eligibility and higher – though still modest – assets.

**Shelter Tas recommends the establishment of a Wintringham model for older people who have experienced or are at risk of homelessness for the North and North West regions.**

**Shelter Tas recommends the State Government commits to ageing in place, by sustained investment to ensure Tasmania can meet current and projected demand for accessible, appropriate and affordable housing, and incentives for landlords to modify properties, to support people to remain in their homes.**

**Shelter Tas recommends the State Government funds a Shelter Tas and COTA research project to determine best practice options on shared equity models for older Tasmanians.**

#### **4.5 People on low and zero incomes who are victims/survivors of family and domestic violence**

Our members who deliver Specialist Homelessness Services are sometimes called upon to house people who have no income at all. Often people with zero income are victims/survivors

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<sup>28</sup> [http://www.shelertas.org.au/wp-content/uploads/2018/03/2018-03-20-ST\\_FACT-SHEET\\_Homelessness-2016-Census.pdf](http://www.shelertas.org.au/wp-content/uploads/2018/03/2018-03-20-ST_FACT-SHEET_Homelessness-2016-Census.pdf)

<sup>29</sup> See, for example, *The Time of Our Lives Report* <https://www.lmcf.org.au/images/2016-Time-of-Our-Lives-Report-LMCF.pdf>

of family violence who are on temporary visas. Shelter Tas calls on the State Government to adopt and promote the recommendations of the *Blueprint for reform - removing barriers to safety for victims/survivors of domestic and family violence who are on temporary visas*. These recommendations have been endorsed by national organisations and organisations in every state, including Warrawee Women’s Shelter, Engender Equality and Women’s Essential Services Providers (WESP) in Tasmania.<sup>30</sup>

While some recommendations are outside the State Government’s remit, others, such as enabling eligibility to access social and public housing and SHS services, could be implemented in Tasmania (South Australia already allows women on temporary visas to access social and public housing<sup>31</sup>). We note that as services rely on income-based rents, a funding supplement may be needed to manage the financial impact on the shelter. For the full list of recommendations for victims/survivors of domestic and family violence who are on temporary visas, please see <https://aifs.gov.au/cfca/2019/10/29/blueprint-reform-removing-barriers-safety-victims-survivors-domestic-and-family-violence>

**Shelter Tas is pleased to acknowledge that the COVID-19 domestic and family violence initiatives have been made available to people on temporary visas with zero income.**

**Shelter Tas recommends the State Government strengthens this action and adopts all the recommendations from the *Blueprint for Reform removing barriers to safety for victims/survivors of domestic and family violence who are on temporary visas*.**

#### **4.6 Review rent and board funding model for SAFS for people on lowest incomes**

Shelter Tas calls for a review of the current Supported Accommodation Facility (SAF) funding model, to ensure that people on the lowest incomes, such as Newstart or Youth Allowance recipients, have sufficient funds remaining for other necessities such as payment of debt, support to partners, travel costs (for appointments or employment interviews) and many other day-to-day expenses. This is particularly vital for people who are seeking to build some resources to establish a new home and exit supported accommodation.

**Shelter Tas recommends a review of the funding and rent model for people on the lowest incomes.**

#### **4.7 Crisis and longer-term accommodation in the northwest for single men and men with children**

Even with the 8 units proposed under AHAP 2, there remains an urgent need for more crisis accommodation and support for single men and men with children in the state’s northwest. We welcome these additional 8 units, but consultation shows higher demand and greater need, so we call for additional capacity. Existing options include the Oakleigh emergency accommodation, and family options include the Orana family unit in north, which is in high demand, and DIY Dads in the south. Funding needs to include capital expenditure and ongoing operational funding.

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<sup>30</sup> Warrawee is a member of Shelter Tas, and Shelter Tas and Warrawee are both members of WESP in Tasmania.

<sup>31</sup> <https://aifs.gov.au/cfca/2019/10/29/blueprint-reform-removing-barriers-safety-victims-survivors-domestic-and-family-violence> p 7.

**Shelter Tas recommends increasing and expanding crisis accommodation and longer-term accommodation options for single men and men with children in the northwest region.**

#### **4.8 Extending homelessness support**

Hobart has seen a significant increase in visible street homelessness and rough sleepers during the last two years. There is a need for additional outreach and also resources to support people, especially those who face barriers to entering existing shelter systems (such as pet ownership, debt, exclusions from services or not yet stabilised mental health or AOD challenges).

**Shelter Tas welcomes the extension of the Hobart Safe Space to become a 24 hour service, and the establishment of Safe Spaces in Burnie and Launceston, which is a very constructive development since our original submission to this budget process. Shelter Tas calls for long term funding for these much-needed services.**

#### **4.9 Tasmanians with a disability**

The National Disability Insurance Scheme (NDIS) does not address its clients' need for affordable housing in Tasmania. Only 7% of NDIS recipients will be eligible for Specialist Disability Accommodation. The remaining 93% of clients will depend on a mainstream housing response. The social housing waiting list is at 3 578 applications, and the average time to house priority applicants is 59 weeks.<sup>32</sup> In addition to new social housing stock, Shelter Tas urges the State Government to facilitate the increased supply of suitable private housing by applying universal design principles to new housing developments through Tasmania's planning system.

To meet emerging need, Tasmania should:

- (i) Increase the amount of social housing stock to meet new demand emerging from Tasmanians with a disability, especially the 93% of NDIS recipients not receiving Specialist Disability Accommodation funding;
- (ii) Ensure there is no net loss of the existing public housing stock from the re-use of public housing for SDA accommodation; and
- (iii) Resource the additional tenancy support required of community housing providers for tenants for needs not currently funded within their NDIS support packages.

#### **4.10 Equal remuneration and adequate indexation for the community sector**

Shelter Tas has been informed by Communities Tasmania that the ninth and final tranche of the Equal Remuneration Order (ERO) wage increase will go through in December 2020. This will impact 2020-21 and every subsequent financial year. The full year effect of the December 2020 increase needs to be factored into the 2021-22 funding and all years following.

**Shelter Tas seeks confirmation from the State Government that it will provide adequate funding beyond the forward estimates to meet its obligations as stipulated by the ERO; that the State Government confirm that ERO will be incorporated into base funding for all relevant organisations; and that future indexation will be linked to CPI and annual wage increases.**

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<sup>32</sup> [https://health.tas.gov.au/humanservicesstats/human\\_services\\_dashboard](https://health.tas.gov.au/humanservicesstats/human_services_dashboard) at 28 July 2020

## 5. OUTCOMES FOR CONSUMERS: IMPROVING THE PRIVATE RENTAL MARKET AND CONSUMER VOICE

### a. Improving conditions in the private rental market

Renting in the private rental market is no longer just a short-term option. More people are renting for longer time. More than 40% of Tasmanian renters spend over 10 years in the rental market.<sup>33</sup> The recent Choice report *Disrupted: the consumer experience of renting in Australia* reveals the lack of consumer protections. Despite paying thousands of dollars each year, tenants face unsatisfactory conditions and are often too afraid to complain. In this context it is crucial to maintain a well-functioning system that protects both tenants and landlords, and enables people who rent their homes to lead healthy, safe and productive lives.

#### Shelter Tas recommends:

- (i) A refresh and reset for the regulation of the private rental market. As more people are renting for longer, renting is no longer a transitional tenure. Tasmania has an opportunity to refresh the regulatory and cultural framework for private rental to ensure it is better adapted to the contemporary environment. This would include a review of the regulation of short stay accommodation, to ensure that the permit system delivers sufficient funds to ensure appropriate monitoring and compliance with permits and exemptions and that local decisionmakers are empowered to make place-based decisions to balance short stay visitor accommodation with the needs of local workers and residents for appropriate rental accommodation.
- (ii) The establishment of a working group with key stakeholders to modernise the Residential Tenancy Act and improve the tenancy security of all Tasmanians in private rental housing. This would assist Tasmania to align with best national practice on matters such as exemptions from the RTA, pets, digital rights, energy efficiency and emerging disruptive technologies such as apps for tenants and landlords.
- (iii) Additional resources for the Residential Tenancy Commissioner to ensure effective monitoring and enforcement of the *Residential Tenancy Act*, and to enable the Commissioner to undertake proactive inspections to ensure compliance with the minimum standards.
- (iv) An audit of the funds held by the Residential Deposit Authority, to ensure transparency about the holdings and uses of bond money, and the introduction of an annual report showing how these funds are allocated to the benefit of tenants.
- (v) Adequate funding for the Tenants' Union of Tasmania to ensure a sustainable model for legal representation of tenants across the state.

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<sup>33</sup> Choice, NATO and National Shelter *Disrupted: the consumer experience of renting in Australia* 2018 <https://www.choice.com.au/money/property/renting/articles/choice-rental-rights-report-dec-2018>

## 5.2 Support for existing tenants whose NRAS subsidy is ending

When the NRAS scheme ends, tenants will face a highly competitive and challenging private rental market, where rents have surged in recent years. To achieve or maintain housing stability in this environment, some will need additional assistance and support. Data indicates that there will be 128 exits from NRAS in Tasmania in 2020, 300 exits between 2021 and 22, over 300 in 2024 and nearly 600 in 2026.<sup>34</sup>

**Shelter Tas calls for a review of the expiring NRAS, and its impacts on tenants. The review and plan would include investigation of whether a subsidy or other support will be needed to avoid housing hardship and homelessness as the NRAS scheme reaches its end.**

## 5.3 Consumer voice: establish an independent consultation mechanism for consumers of housing and homelessness services

Shelter Tas and our members have identified an important opportunity to develop an independent consultation mechanism for consumers of housing and homelessness services, which is a gap in the current *Affordable Housing Strategy and Action Plans*, and in the Housing Connect reforms that are underway.

This initiative would build on Shelter Tas' foundational work on Consumer Engagement.<sup>35</sup> We would incorporate insights from the current best practice model established in Victoria,<sup>36</sup> and emerging in South Australia. The incorporation of lived experience voices in the Housing Connect Reform and Tasmanian's broader housing and homelessness service system will result in better quality and more appropriate policies, programs and practices being designed and implemented, leading to better outcomes for people experiencing homelessness and housing crisis.

Stronger connections between consumer experience and service delivery would incorporate co-design, emerging technology and digital communications, including:

- (i) a new initiative to incorporate consumer engagement in all service agreements in the housing and homelessness sector and assist all services to develop a consumer engagement and feedback plan
- (ii) Development of a consumer inclusion guarantee, which would focus on ensuring that no-one is left out during the changes to digital delivery of services resulting from Housing Connect Reform and necessary service changes due to the COVID-19 pandemic
- (iii) a consultation mechanism for engagement with housing and homelessness service consumers so that decisions and policies associated with the Housing Connect Reform will be informed by 'experts in experience'; and
- (iv) an independent complaints and feedback pathway for consumers of housing and homelessness support services.

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<sup>34</sup> <https://www.communityhousing.com.au/post-nras/>

<sup>35</sup> <https://sheltertass.org.au/training/guides/>

<sup>36</sup> <http://chp.org.au/services/pesp/>

**Shelter Tas recommends the employment of a dedicated Consumer Experience Project Officer, under the auspices of Shelter Tas at an estimated cost for two years of \$300 000.<sup>37</sup> Shelter Tas has the necessary experience, local knowledge and trusted leadership to deliver this project. A comprehensive business case can be provided on request.**

## CONCLUSION

Increasing numbers of Tasmanians were facing a chronic shortage of affordable housing long before the COVID-19 health emergency. The greatest hardship is suffered by people on low and moderate incomes seeking to rent in the private rental market and people left at risk of, or experiencing, homelessness. The COVID-19 emergency has increased demand in the housing assistance system, and the necessary public health measures make it more vital than ever to ensure that all Tasmanians are safely housed.

At the time of writing this submission, Tasmania was facing an uncertain future. Unemployment is set to increase, and the potential for further outbreaks of COVID-19 remains a threat.

In 2019, the then Premier of Tasmania, the Hon Will Hodgman, recognised that one of our biggest challenges is to “ensure this growth is shared across the State, delivering a better quality of life for all Tasmanians, regardless of where you live. We must find ways to ensure all Tasmanians are feeling the benefits of a strong economy, and that no one is left behind.”<sup>38</sup> Housing is the highest household expense for people on low to moderate incomes, who faced a severe shortage of affordable housing even before the pandemic struck. Most lower income households are renting in the private rental market. The COVID-19 pandemic is accelerating the demand and need for affordable and social housing, because people have lost employment and income.

To ensure no-one is left behind in the recovery from COVID-19, we need to boost supply of affordable housing, to ensure that housing is part of the planning across all government portfolios, and to foster support from the whole Tasmanian community for the necessary construction of much needed affordable and social housing.

It is well known that affordable, appropriate and secure housing directly impacts our community’s health, education and overall wellbeing.<sup>39</sup> Keeping safe in the COVID-19 crisis requires people to have safe homes to practice social distancing and isolation where needed. Secure housing underpins the growth of our economy as well as our health, by enabling people’s participation and productivity.

Tasmania needs to build more social housing where people can afford to pay their rents. There are significant groundwork proposals that Tasmania can draw on, including the National Shelter and

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<sup>37</sup> A more detailed proposal can be provided on request.

<sup>38</sup> Premier’s 2019 *State of the State* address.

<sup>39</sup> Productivity Commission (2016) *Productivity Commission Study Report, Overview*. Canberra. November 2016 accessed 5/12/16 at: <http://www.pc.gov.au/inquiries/current/human-services/identifying-reform/report>

CHIA SHARP proposal, and the recent *F2021 PowerHousing Australia CoreLogic Australian Affordable Housing Report: Standard House*.<sup>40</sup>

This submission to the revised State Budget Process from Shelter Tas presents strategic proposals to deliver safe, secure, affordable, appropriate housing for all Tasmanians who are homeless, at risk, or in housing hardship. We offer systemic strategic initiatives that will ensure Tasmanians in all regions, regardless of their income, can access the housing they need to stay safe and well, throughout and beyond the pandemic. Our proposals will strengthen Tasmania's social fabric and support our economic recovery.

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<sup>40</sup> <https://www.communityhousing.com.au/wp-content/uploads/2020/05/SHARP-Program.pdf> ;  
<https://www.powerhousingaustralia.com.au/2020/07/15/new-report-shows-stable-1st-covid-19-quarter-for-housing-but-harder-times-ahead/>

## **Appendix: Shelter Tas' additional work since March 2020 due to COVID-19 changes and other new priorities**

- Organised and chaired **weekly meetings** from March to May 2020 with Specialist Homelessness Services, Community Housing Providers and Communities Tas (up to 50 attendees from around the state)
- Co-Chair for the Youth At Risk Taskforce implementation group
- Joined the *Housing Connect Reform Steering Committee* as attendee
- Analysis and advocacy, including<sup>41</sup>
  - Premier's Economic and Social Recovery Advisory Council submission 5 June
  - Commonwealth House of Reps Committee *Inquiry into Homelessness* submission 12 June
  - Participate on Ref Group for DPIPWE review of *Strata Titles Act 1998*; submission to the Review 19 June
  - Huntingfield Masterplan submission 26 June
  - Submission to City of Hobart Positive Aging consultation, May 21
  - Consultation and feedback to Other Residential Care Service Industry Guidelines COVID-19 28 May with the outcome that distinct advice was provided for non-aged care residential services, such as homeless shelters
  - Consultation and feedback to Social Assistance Service Industry Guidelines COVID-19 28 May
  - Response to NDIA COVID-19 questionnaire 27 April
- Pivoting our regular workforce development sessions to be online delivery, and introducing new COVID-related sessions (starred\*):
  - 14 May - Centrelink payments and rent setting\*
  - 9 June - Preparing a COVID-Safe workplace plan\*
  - 25 June – Residential Tenancy Act
  - 21 July - Housing Connect Reform update
  - 18 August - COVID Outbreak Management Planning\*

**In addition, throughout the pandemic Shelter Tas has continued to deliver our regular eNews and sector engagement through SHS forums, Shelter Policy Committee meetings, Homelessness Week leadership and sector coordination, including pivoting to online activities and, as needed topic-based consultations.**

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<sup>41</sup> Available on Shelter Tas website [www.shelertas.org.au](http://www.shelertas.org.au)