



**HOUSING IS THE CENTRE OF TASMANIA'S RECOVERY
SUBMISSION TO THE STATE GOVERNMENT BUDGET PROCESS 2021-22**



ShelterTAS
Housing and Homelessness Peak

GPO Box 848 Hobart Tasmania 7001 | www.sheltertass.org.au
E: ceo@sheltertass.org.au | P: (03)6224 5488 | M: 0419 536 100

SUPPORTED BY



**Tasmanian
Government**

Shelter Tas is supported by the Department of Communities Tasmania.



Shelter Tasmania acknowledges the Traditional Owners of country throughout Tasmania and their continuing connection to the land, sea and community. We pay our respects to them and their cultures, and to elders past and present.



Shelter Tas welcomes and supports people of diverse genders and sexual orientations.



SHELTER TAS RECOMMENDATIONS FOR THE BUDGET PROCESS 2021-22

1 DELIVER MORE AFFORDABLE HOUSING

BUILD

Shelter Tas recommends a medium-long term target for Tasmania of up to 10% of dwellings to be affordable social rental housing, requiring approximately 10,000 additional dwellings, with a delivery target of 1,000 per year.

ENABLE

Shelter Tas recommends investment in a partnership project to *Change the NIMBY Conversation*.

Cost: \$300,000 (indicative) over 2 years for Project Officer and associated costs (plus in-kind support from both government and Shelter Tas).

INNOVATE

Shelter Tas recommends establishing targeted forums to re-imagine and revisit new and innovative affordable rental options and grant funding to deliver demonstration projects, such as shop-top accommodation, retrofit vacant offices and infill housing.

2 MEMBER PRIORITIES

Shelter Tas recommends the adoption of proposals from our members for place-based and cohort-specific responses to Tasmanians in need of housing and support.

3 OUTCOMES FOR CONSUMERS

PRIVATE RENTAL MARKET IMPROVEMENTS AND CONSUMER PARTICIPATION

Shelter Tas recommends a series of strategic initiatives to improve the private rental market and consumer participation across the housing and homelessness sector.

4 HOUSING IN ALL POLICIES

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. Cost: nil.

TABLE OF CONTENTS

INTRODUCTION	1
1. DELIVERING MORE AFFORDABLE HOUSING	5
1.1 Increased supply	5
1.2 Enable more affordable social housing by overturning NIMBY attitudes	6
1.3 Develop a suite of innovative housing options	6
2. MEMBER PRIORITIES	8
2.1 Measures to enhance investment in community housing	8
2.2 Mental health and alcohol and other drug support	8
2.3 Improve housing outcomes for younger Tasmanians	9
2.4 Improving housing outcomes for older Tasmanians	11
2.5 People on low and zero incomes who are victims/survivors or domestic violence	12
2.6 Accommodation in the northwest for single men and men with children	12
2.7 Tasmanians with a disability	13
2.8 Equal remuneration and adequate indexation for the community sector	13
2.9 Household energy initiatives	13
3. IMPROVING THE PRIVATE RENTAL MARKET AND CONSUMER VOICE	14
3.1 Improving conditions in the private rental market	14
3.2 Support for existing tenants whose NRAS is ending	15
3.3 Consumer Participation	15
4. SYSTEMIC CHANGE – HOUSING IN ALL POLICIES	16
5. CONCLUSION	17

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 are pleased to provide this submission to the **2021-22 State Government Budget Process**.

Shelter Tas represents 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. The housing and homelessness sector directly employs more than 850 people across Tasmania.¹

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 provides 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. Our submission draws on our regular meetings and consultations with member organisations across the state.

The recommendations in the Shelter Tas Submission to the Tasmanian Budget 2021-22 reflect the PESRAC interim report's strategic priorities:

1. Rebuilding local demand by:
 - Building confidence - because this will embed resilience.
 - Building capacity - because this will provide the platform for growth and jobs, as well as strengthening our ability to support those in need.
 - Increasing local demand and keeping the pipeline flowing - because this will provide economic momentum over the short and medium-term.
 - Supporting enterprise recovery - because this will provide private sector and not-for-profit organisations the assistance required to move forward.

2. Addressing structural issues by:
 - Tackling the immediate structural impacts of COVID-19 - because the earlier the action, the better the mitigation.
 - Staying focused on addressing the social issues - because there have been deep social impacts.
 - Encouraging government to deliver differently - because we all have to focus on improvement.

https://www.pesrac.tas.gov.au/_data/assets/pdf_file/0016/250441/Interim_Report.pdf

¹ Shelter Tas research 2020 (unpublished).

The Tasmanian context in 2021

As we wrote in our submission to the PESRAC inquiry:

The COVID-19 public health emergency has highlighted the crucial link between housing and health – without a home to stay in, people cannot practice hygiene and social isolation. Tasmania is only safe when citizens are securely housed. Housing needs to be the cornerstone of any pathway to recovery.²

Tasmania's private rental market is returning to pre-covid levels – people needing affordable rentals are facing a crisis of availability and affordability all across the state.

As we rebuild a stronger Tasmania following the COVID-19 crisis we need to follow up emergency action with solutions that deliver stable, secure, affordable homes to all Tasmanians in the long term.

Housing is at the centre of Tasmania's economic and social recovery. Areas such as tourism, economic productivity, jobs, education, health and justice all affect and are affected by whether people have affordable, appropriate, safe and secure homes.

To be successful, government policies and decisions need to understand the housing system and its links to productivity, economic growth and wellbeing. Our Budget Submission calls on the State Government to include a Housing Impact Analysis in all government policies.

A successful recovery for our state depends on everyone having a safe, secure, appropriate and affordable home.

Before the COVID-19 pandemic, Tasmanians faced a chronic shortage of affordable rental options, especially for people earning low and moderate incomes. At the last Census (in 2016) more than 120 000 Tasmanians were living in poverty.³ On the standard measure that compares income to rental cost, Hobart has been in the top two capitals for unaffordable rentals since 2015 and has been Australia's least affordable capital city since 2018.⁴ 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 36 requests for assistance were unmet each day, because no accommodation was available.⁵ Data released in August 2020 shows the extent of the social housing shortfall across the state.⁶ The Rental Affordability Index released in December 2020 shows that Hobart remains the least affordable capital city in Australia, on the standard measure of income to rental cost. 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.

²https://www.pesrac.tas.gov.au/_data/assets/pdf_file/0019/250714/Shelter_Tasmania.pdf

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

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

⁵ 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>

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

CoreLogic has reported for two years that Hobart's median rent is now equivalent to 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 is almost 50 per cent 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.⁷

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. 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%.*

Shelter Tas acknowledges the good outcomes achieved by many initiatives and successful programs within Tasmania's *Affordable Housing Strategy 2015-25 (TAHS)*, and the *Affordable Housing Action Plan II 2019-23 (AHAP 2)*, the responses to the COVID-19 pandemic, and the initiatives in the 2020-21 Budget of November 2020. Tasmania's housing and homelessness sector has continued to deliver essential services while it responds, plans and prepares in response to the COVID-19 pandemic. Our members are also responding to TAHS, AHAP 2, COVID-19 related initiatives and the review and reform of Housing Connect.

While much important work is underway to relieve housing hardship and homelessness across Tasmania, we know that housing costs are continuing to outstrip people's incomes, especially for people in the lowest income quintiles, and we know that people can only remain healthy when they have appropriate, affordable, safe and secure housing. In 2021-22 and beyond, housing will remain 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.

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. It is likely, therefore, that during FY 2021-22 and beyond more households and families across Tasmania will find it harder to afford the homes they need.

The Shelter Tas submission to the 2021-22 State Budget Process contains our recommendations for strategic directions and outlines the system gaps identified by our members that can be addressed

⁷ ABS Census 2016.

http://quickstats.censusdata.abs.gov.au/census_services/getproduct/census/2016/quickstat/6?opendocument

within, or by supplementing, the *Tasmanian Affordable Housing Strategy 2015-25*, the *Affordable Housing Action Plan 2 2019-23* and COVID-19 initiatives.

The vital task for Tasmania is to deliver more affordable housing for renters on low and moderate incomes. To do this we need to build more dwellings, to a target of 10% of housing stock as affordable and social housing (approximately 10,000 additional properties). We also need to enable these homes to be delivered in all neighbourhoods, regions and communities across Tasmania, and overturn misguided community resistance based on outdated NIMBY attitudes. And we need to innovate to identify more ways of increasing homes in new ways to ensure all Tasmanians have the homes they need.

Recommendation 1.2.1 identifies a significant and timely project opportunity in 2021-22 that will support and enable the building of more affordable rental housing across Tasmania. It is vital to improve the perception and acceptance of social and affordable housing throughout the Tasmanian community and to dispel the myths that lead to an all too frequent a Not In My Backyard (NIMBY) response. A multi-tiered approach is needed, and Shelter Tas is ideally placed to partner with Government to lead a community response, bringing diverse stakeholders together - including our members, the TCCI, HIA, and Master Builders. Shelter Tas can provide a complete business case for this project, on request.

Our submission outlines how we can work with the State Government to assist Tasmanians facing homelessness and housing hardship, and to strengthen the housing and homelessness sector as it adapts to Tasmania's dynamic housing environment and the evolving policy and reform landscape. While some recommendations are not costed, they are designed to deliver both social and financial benefits including costs foregone (especially in health and justice). Housing hardship and homelessness are costly and burdensome to the Tasmanian community - housing is the necessary foundation for social and economic participation, so improving the housing system for those most in need will deliver substantial overall economic benefit to the state.

Our detailed recommendations are presented in the following sections:

- 1. Delivering affordable housing – how to build, enable and innovate to ensure all Tasmanians have the homes we all need**
- 2. Priorities identified by our members for place-based and cohort-specific responses**
- 3. Better outcomes for consumers: private rental market improvements and consumer participation**
- 4. Housing in all policies**

1. Delivering More Affordable Housing

1.1 Increased supply

The priority ask for this year's Budget Submission continues to be further investment in new, well-located supply of social housing. This is urgently needed to arrest the growing hardship being felt by so many Tasmanians - 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 persistently high levels of 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 of affordable rental housing directly undermines our community's health, education and overall wellbeing.⁸ Addressing this shortage will deliver a boost for health, employment and community building across the state. Recent data from Homelessness Australia, released in August 2020, shows a shortage of affordable social housing in all Tasmanian electorates.⁹

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. Continuing economic stress, however, and a highly competitive and tight private rental market, 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 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).¹⁰

We call on 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.¹¹ The

⁸ 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>

⁹ <https://everybodyshome.com.au/heat-maps/>

¹⁰ TCCI Tasmania Report 2019 p 60 <http://www.tcci.com.au/Services/Policies-Research/Tasmania-Report>

¹¹ <https://www.communityhousing.com.au/wp-content/uploads/2020/05/SHARP-Program.pdf>

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.¹²

Recommendation 1.1.1: *Shelter Tas recommends a medium-long term target for Tasmania of up to 10% of dwellings to be affordable social rental housing, with a yearly aim of delivering at least 1000 additional affordable homes.*

1.2 Enable more affordable social housing by overturning NIMBY attitudes

The NIMBY – Not In My Back Yard – response is becoming a regular feature of community discussions about affordable and social housing initiatives in Tasmania. This response is often based on outdated myths and stereotypes, and attitudes that are not grounded in evidence.

NIMBY attitudes are becoming so prevalent that they can delay and even derail proposals for much needed affordable housing. A multi-tiered approach is needed to challenge and change these misguided assumptions.

Shelter Tas proposes to join in partnership with government and other stakeholders to change the conversation around affordable and social rental housing. The partnership would include community housing providers, TCCI, HIA, Master Builders and other stakeholders, working with Shelter Tas and the State Government to target stigma and tell positive stories about the benefits of inclusive neighbourhoods.

The *Changing NIMBY Conversation* Project would include:

1. Consultation to better understand and respond to local community concerns;
2. Benchmark with other states and territories on their responses to the challenge of NIMBYism;
3. Develop a toolkit of resources to engage local communities and support the construction of social housing; and
4. Dispel the myths about inclusive housing, using a communications program led by Government to encourage a change in the narrative to one of welcoming the benefits of diverse and vibrant neighbourhoods.

Recommendation 1.2.1: *Shelter Tas recommends investment in a 24 month project in partnership with Shelter Tas for the Changing the NIMBY Conversation project*

Cost: \$300 000 (indicative) over two years for Project Officer and associated costs (plus in-kind support from both Govt and Shelter Tas).

1.3 Develop a suite of innovative housing options

As Tasmania emerges from the COVID-19 emergency phase, it is timely to explore additional ways to address the chronic shortage of affordable rental housing.

¹² <https://www.communityhousing.com.au/national-plan/>

The 2019 Report *Towards infill Housing Development* provided to the Department of State Growth notes the “increased demand for well-located, affordable housing within the State’s urban centres.”¹³ The Report also notes:

A lack of affordable housing has the greatest impact on vulnerable groups within society, who are least able to access the private housing market. This includes people on low or fixed incomes and long-term renters. These groups form a high proportion of households across Tasmania. (P 20)

To develop additional innovative housing options in response to Tasmania’s ongoing rental crisis, Shelter Tas recommends immediate investment in demonstration projects for new redevelopment and urban renewal projects such as shop top accommodation. To further explore alternatives to traditionally built homes Shelter Tas recommends establishing and facilitating stakeholder groups to explore housing innovations and identify innovative community-based solutions to housing need in line with Housing Connect Reforms - for example, ways to encourage use of extra rooms in family homes in line with safety and best practice considerations. These forums would include UTAS, LGAT, TCCI, HIA, Master Builders, and would include user perspectives, financing options, planning pathways and the like.

Recommendation 1.3.1: Shelter Tas recommends establishing a series of forums to re-imagine and revisit new and innovative options to deliver more affordable and well-located housing options, such as shop top accommodation, retrofit offices and infill housing.

Recommendation 1.3.2: Shelter Tas recommends a grant program for demonstration projects that can showcase well-designed affordable shop top accommodation, and use of vacant office space targeted at low and moderate income renters and social housing tenants.

¹³[https://www.stategrowth.tas.gov.au/data/assets/pdf_file/0019/216172/Toward Infill Housing Development.pdf](https://www.stategrowth.tas.gov.au/data/assets/pdf_file/0019/216172/Toward_Infill_Housing_Development.pdf) P3

2. 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 2019-23*. The additional funds needed by these initiatives could be drawn from Housing Debt waiver funds, cost savings, or shared budgets in other areas such as health and justice. The initial cost of increasing the stock of affordable housing and reducing homelessness and housing hardship is an investment that yields economic return in areas such as health, education and social engagement.

2.1 Measures to enhance investment in Community Housing

Tasmania's important and national best practice commitment to social housing, including the Community Housing Growth Program, will be enhanced by a focus on efficiency gains in planning, utilities, and procurement processes. The following three areas show the greatest potential to improve efficiency:

- (i) Enable 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, LGAT, TasWater and TasNetworks to implement an expedited and less costly process for affordable housing projects to connect utilities, and achieve approvals from local governments.

Recommendation 2.1.1: *Convene an expert group of stakeholders including community housing providers to recommend ways to expedite social housing planning and delivery. Un-costed, however these efficiency gains would be expected to save money.*

2.2 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.¹⁴ 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

¹⁴ 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 an ambulance. The expense and disruption of emergency service call-outs could in many cases be avoided if early intervention and support were in place.

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 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.

Recommendation 2.2.1: *Use the opportunities in the Housing Connect Reform to deliver better integration between housing and mental health and AOD services, especially for young Tasmanians.*

Recommendation 2.2.2: *Expand the HASI program to all regions of Tasmania.*

2.3 Improve housing outcomes for younger Tasmanians

Young people are particularly disadvantaged in Tasmania's 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.

Homelessness disproportionately affects young people and children (52% of all homelessness services clients).¹⁵ 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.¹⁶ 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. 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.

Young people who depend on Youth Allowance as their sole source of income, and other people on extremely low incomes (for example, single people who are receiving JobSeeker Allowance) present significant challenges for social housing providers. This is due to the unviability of the income-based rent model for these cohorts. Most on this income stream are ineligible for Commonwealth Rent

¹⁵ See Shelter Tas Fact Sheet *Housing in Tasmania* <https://www.shelertas.org.au/>

¹⁶ https://shelertas.org.au/wp-content/uploads/2019/11/ST_FACT-SHEET_Homelessness-v5_Oct2019.pdf

Assistance, which even further impacts Community Housing Providers in their ability to run a self-sustaining business given the costs associated with construction, maintenance and a supportive housing model of service. It is increasingly difficult to cross-subsidise these tenants due to the allocation models that require a focus on priority allocations i.e. generally tenants with more complex needs. Should government continue to require a focus on housing youth in particular, an additional supplement is needed in order to bridge the gap between service delivery and rental for this group.

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.

Shelter Tas welcomes the establishment of the Youth at Risk Implementation Group, co-chaired by Shelter Tas 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 our members remain concerned that the range of options for young people will narrow. We call for alternative pathways for any young people for whom Education First 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.

Recommendation 2.3.1: *Develop a rent subsidy model for young people on extremely low incomes living in social housing.*

Not costed

Recommendation 2.3.2: *Extend transitional housing options such as the NYAC and YFCC models to other regions (up to one year accommodation with support).*

Not costed

Recommendation 2.3.3: *Maintain a suite of options for young people experiencing or at risk of homelessness in addition to Education First Youth Foyers.*

Not costed

Recommendation 2.3.4: *Review the 'one worker model' in youth emergency accommodation. This work could be undertaken in scope of current Communities Tas operations, and Shelter Tas would be happy to assist with consultations.*

Cost – nil

Recommendation 2.3.5: *Commit funding over the forward estimates for the highly effective and much needed Young Mums and Bubs program in Launceston, beyond June 2021.*

2.4 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.¹⁷ Older single women are particularly vulnerable, due to having lower levels of income and assets.¹⁸ Shelter Tas welcomes the progress of the Wirksworth model 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 greatest need 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.

Recommendation 2.4.1: *The State Government commits to ageing in place, by sustained investment to ensure Tasmania can meet projected demand for accessible, appropriate and affordable housing into the future. As the Tasmanian population ages it is essential to look to future needs. Shelter and COTA jointly recommend two projects to support ageing in place for tenants and home owners.*

- i. *Shelter and COTA Project to recommend incentives for landlords to support older Tasmanians to remain in their homes with strategies such as to modify properties and to encourage long term leases (5-10 years).*

*Project officer (Auspiced by Shelter and/or COTA), three regional stakeholder forums, Report and recommendations, ongoing community of practice.
Indicative cost \$50 000*

- ii. *Shelter Tas and COTA Project to recommend best practice options on shared equity models for older Tasmanians to remain in their own homes and/or age in place.*

*Project officer (Auspiced by Shelter and/or COTA), three regional stakeholder forums, Report and recommendations, ongoing community of practice, Financial/economic consultant.
Indicative cost \$70 000*

Recommendation 2.4.2: *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.
Not costed*

¹⁷http://www.shelvertas.org.au/wp-content/uploads/2018/03/2018-03-20-ST_FACT-SHEET_Homelessness-2016-Census.pdf

¹⁸ See, for example, *The Time of Our Lives Report* <https://www.lmcf.org.au/images/2016-Time-of-Our-Lives-Report-LMCF.pdf>

2.5 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 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.¹⁹

While some *Blueprint* 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 housing²⁰). 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.

Recommendation 2.5.1: *The State Government strengthens this recent action and endorses (and implements where appropriate) 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. Not costed*

2.6 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 for 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 the north, which is in high demand, and DIY Dads in the south. Funding needs to include capital expenditure and ongoing operational funding.

Recommendation 2.6.1: *Shelter Tas recommends increasing and expanding crisis accommodation and longer-term accommodation options for single men and for men with children in the northwest region. Not costed*

¹⁹ Warrawee is a member of Shelter Tas, and Shelter Tas and Warrawee are both members of WESP in Tasmania.

²⁰ <https://aifs.gov.au/cfca/2019/10/29/blueprint-reform-removing-barriers-safety-victims-survivors-domestic-and-family-violence> p 7.

2.7 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. Tasmania's social housing waiting list is at 3 594 applications, the average time to house priority applicants is at 64 weeks.²¹ 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.

Recommendation 2.7.1: *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.*

Recommendation 2.7.2: *Ensure there is no net loss of the existing public housing stock from the re-use of public housing for SDA accommodation.*

Not costed

2.8 Equal remuneration and adequate indexation for the community sector

Shelter Tas is aware that the Tasmanian Government has committed to funding the ERO for Specialist Homelessness Services in 2021-22, including the \$1.8 million shortfall from the Commonwealth Government. At this time, however, there is uncertainty over funding beyond 2022 for the final year of the current NHHA, and for future agreements.

Recommendation 2.8.1: *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;*
- *confirm that the ERO will be incorporated into base funding for all relevant organisations; and*
- *make up any shortfall if the Federal Government does not fund the ERO for housing and homelessness services.*

Recommendation 2.8.2: *Shelter Tas seeks confirmation from the State Government that it will*

- *link future indexation to CPI and annual wage increases, including superannuation increases.*

2.9 Household Energy Initiatives

After paying for rental and housing costs, energy bills are the hardest household cost for people to manage.

Recommendation 2.9.1: *Shelter Tas supports the TasCOSS Recommendations for Household Energy Efficiency Initiatives.*

²¹ https://health.tas.gov.au/humanservicesstats/human_services_dashboard at 28 Jan 2021

3. IMPROVING THE PRIVATE RENTAL MARKET AND CONSUMER VOICE

3.1 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.²² 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 calls for 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.

Shelter Tas is ideally placed to consult key stakeholders and deliver a report with recommendations to help 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.

Recommendation 3.1.1: *Consultation to support the continuing improvement of the Residential Tenancy Act.*

Cost - \$30,000 (indicative) for Shelter Tas to undertake statewide consultation and deliver the Report.

Recommendation 3.1.2: *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.²³*

Not Costed

Recommendation 3.1.3: *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.*

²² 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>

²³ We note that this is an increasingly pressing issue, and the lack of enforcement of standards has significant negative impacts on tenants. See for example: <https://www.theadvocate.com.au/story/7080102/few-fines-for-landlords-man-left-homeless-as-repairs-refused/>

Recommendation 3.1.4: Adequate funding for the Tenants' Union of Tasmania to ensure a sustainable model for legal representation of tenants across the state.

Recommendation 3.1.5: Fund the Residential Tenancy Commissioner to implement an exit survey for renters and landlords on reclaiming bond money.

Not costed – but costing could be modelled on the NSW renter exit survey.

3.2 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 in which 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 2026.²⁴ In the context of Tasmania's highly competitive and expensive private rental market a subsidy or other support will be needed to avoid housing hardship and homelessness as the NRAS scheme reaches its end.

Recommendation 3.2.1: Review the expiring NRAS, and its impacts on tenants.

3.3 Consumer participation

Consumer participation is a vital element of the Housing Connect Reform that is currently underway. The incorporation of lived experience and expert voices in the Housing Connect Reform and Tasmania's ongoing housing and homelessness service system will result in better quality and more appropriate policies, programs and practices being designed and implemented. Ultimately, consumer participation leads to better outcomes for people experiencing homelessness and housing crisis.

While many housing and homelessness services already have systems in place to incorporate consumer participation and voice, the situation across all organisations in the state is not uniform. There is a clear opportunity to develop best practice statewide, drawing on the work undertaken previously by Shelter Tas in developing consumer engagement guides.²⁵ Shelter Tas is well placed to assist all services to develop and implement a consumer participation, and to establish and host an advisory group to ensure this work is well-aligned with the Reforms.

Recommendation 3.3.1: Commit sufficient funding to plan for and implement an effective statewide consumer participation program for the housing and homelessness sector.

Cost: A business plan can be provided on request. Indicative cost would be approximately \$300 000 over two years.

²⁴ <https://www.communityhousing.com.au/post-nras/>

²⁵ <https://shelertas.org.au/training/guides/>

4. SYSTEMIC CHANGE – HOUSING IN ALL POLICIES

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 as food and heating, or keeping their home. We have over 120 000 Tasmanians living in poverty.²⁶ 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.²⁷ 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.²⁸ Shelter Tas has identified this systemic that goes beyond the scope of the *Affordable Housing Strategy*, and will help to achieve its outcomes.

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.

There is no cost to government to ensuring that all policies recognise the essential role of housing for all Tasmanians, and the impact that various policies can have on the demand and delivery of homes for all. This initiative will deliver better and more consistent policy across all government portfolios.

Recommendation 4: *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.*

Cost: nil.

²⁶ TasCOSS 2018 <https://www.tascoss.org.au/120000-tasmanians-live-in-poverty/>

²⁷ See, for example, Saul Eslake *The Tasmania Report* 2018 available at <http://www.tcci.com.au/Services/Policies-Research/Tasmania-Report>

²⁸ <https://www.communityhousing.com.au/national-plan/>

CONCLUSION

Tasmania faced a chronic shortage of affordable housing long before the COVID-19 health emergency. The COVID-19 emergency has increased demand in the housing assistance system. 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. It is vital to ensure that all Tasmanians are safely housed during and beyond the pandemic.

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.

The latest Rental Affordability Index shows that Hobart remains the least affordable capital, and the rest of Tasmania the least affordable 'rest of state' area of all Australian states.²⁹ Housing is the highest household expense for people on low to moderate incomes. Most lower income households are renting in the private rental market. The need for affordable and social housing continues to grow, because people have lost employment and income.

All Tasmanians can live free of housing stress and the threat of homelessness. We can achieve this when affordable social rental homes are 10% of all dwellings. Tasmania can draw on significant proposals, including the National Shelter and CHIA SHARP proposal, and the recent *2021 PowerHousing Australia CoreLogic Australian Affordable Housing Report: Standard House*.³⁰

This submission to the 2021-22 State Budget Process from Shelter Tas presents strategic proposals to deliver safe, secure, affordable and 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.

Shelter Tas would be happy to discuss any of our recommendations further.

Please feel free to contact
Shelter Tas CEO Pattie Chugg
ceo@shelertas.org.au

²⁹ <https://www.sgsep.com.au/projects/rental-affordability-index>

³⁰ <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/>