



Briefing Paper: Social Housing

Goal

That eligible low-income households experiencing homelessness or housing stress can access social housing when and where they need it across NSW.

Background

The persistent high cost of housing relative to household income means that purchasing a home is out of reach for many low-income households. For these households, very few homes across NSW – less than three percent – are considered affordable to purchase.¹ This high cost of buying a home means that more people are renting for longer periods of time. But rents too, are unaffordable for many. Three quarters of lower-income renters in NSW—and nine out of ten very low-income renters in Sydney—are experiencing housing stress.² Less than one per cent of rental properties are affordable for almost all families and individuals on low incomes in Sydney.³

Social housing is rental housing funded by government and provided by government or non-government organisations to assist people who are unable to access suitable accommodation in the private rental market.⁴ There are more than 156,000 social housing properties in NSW. A significant but declining proportion of these – more than three-quarters—are public housing dwellings that are owned and managed by the NSW Government. A growing percentage—just under a quarter—are owned and managed by not-for-profit community housing providers. The remainder are owned and managed by Aboriginal community housing providers or are state-owned and managed Aboriginal housing.⁵

Problem

Chronic under-investment in social housing means there are more than 51,000 applicants—or more than 100,000 adults and children⁶—waiting for social housing in NSW.⁷ In parts of the state the wait time is in excess of 10 years.⁸ While this expressed need for social housing is already unacceptably high, the total unmet need for social housing is significantly higher still. Across the state, more than 137,000 households in the bottom 20 per cent of income earners are experiencing housing stress or are homeless.⁹

The St Vincent de Paul Society sees the people behind these statistics every day. The lack of availability of social housing can mean there is not enough money to pay for other household essentials including food and electricity. It can be a catalyst for relationship breakdown, substance abuse, and mental ill-health. It can impede access to education, employment, and health and other support services.

The significant shortage of social housing also contributes to escalating homelessness. Between 2011 and 2016 homelessness in NSW increased by more than 37 per cent—a significantly greater increase than in any other state or territory—such that 37,000 people are now homeless.¹⁰ Of these, some are sleeping rough – living on the streets, sleeping in parks, squatting and living out of their cars. Many more rely on temporary arrangements like supported accommodation, boarding houses, and the generosity of friends and family. Others are forced to live in severely crowded conditions. In some circumstances, the lack of social housing can mean staying at home with a violent partner.

Policy commitments

The NSW Government made commitments to increase the stock of social housing in its housing strategy *Future Directions for Social Housing in NSW*. The most significant initiative under this strategy is *Communities Plus* which promises to deliver up to 23,000 new and replacement social housing homes.¹¹ The then Minister for Social Housing Brad Hazzard advised that 17,000 of these properties would be demolished from which it has been deduced that *Communities Plus* will deliver 6,000 new social housing properties.¹²

Future Directions is supported by the \$1.1 billion *Social & Affordable Housing Fund (SAHF)*. Through SAHF, community housing providers receive funding to build new social—and affordable—housing as well as to

manage the tenancies and deliver tailored support to tenants. Phase 1 and phase 2 of SAHF will deliver 2,450 social housing properties by 2023. Amelie Housing, the social housing provider of St Vincent de Paul Housing, will deliver 350 of these social housing properties.

The NSW Government has also announced that an additional 332 units are currently under construction as a result of the sale of social housing properties in Millers Point.¹³

Another mechanism for the delivery of new social housing is the *National Housing Finance and Investment Corporation* (NHFIC) which provides low-cost finance to community housing providers to encourage them to develop more social and affordable housing. While four NSW-based community housing providers have accessed finance through NHFIC¹⁴ only one is reported to have done so to build additional social housing properties beyond those already announced.¹⁵ Community housing providers can also seek to develop more social housing stock using debt financing that pre-dates the arrival of NHFIC but there is little public evidence that this is happening on a notable scale.

All told, public commitments from the NSW Government and community housing providers to build additional social housing total less than 10,000 new dwellings. While this will help many households to escape housing stress and avoid homelessness, it falls substantially short of what is required to ensure everyone has a place to call home. Without significant additional investment, 213,000 households in the bottom 20 per cent of income earners are projected to experience housing stress or homelessness by 2036.¹⁶

Recommendations

To address the chronic shortage of social housing and reduce homelessness and housing stress across NSW, the St Vincent de Paul Society NSW urges the NSW Government to:

- Increase the supply of social housing by at least 5,000 homes every year for the next ten years; and
- Explore strategies to further increase supply to match the actual level of need.

¹ Shelter NSW (2016) NSW housing: a fact sheet

² Australian Bureau of Statistics (2015) [Housing Occupancy and Costs 2013-14](#), Cat. No. 4130.0

³ Anglicare (2019) [Snapshot: Anglicare Sydney – Greater Sydney and the Illawarra](#)

⁴ NSW Department of Family & Community Services (2016) Future Directions for Social Housing in NSW

⁵ Australian Institute of Health and Welfare (2019) Housing Assistance in Australia 2019

⁶ NSW Auditor-General (2013) Making the best use of public housing

⁷ NSW Department of Family & Community Services (2016) [Expected Waiting Times](#)

⁸ Ibid

⁹ City Futures Research Centre (2019) Estimating need and costs of social and affordable housing delivery

¹⁰ Amplify Insights (2018) [Housing Affordability and Homelessness](#)

¹¹ NSW Department of Family & Community Services (2016) Future Directions for Social Housing in NSW

¹² Email from UNSW Professor Hal Pawson (2019)

¹³ NSW Department of Family & Community Services (2019) [New Homes Funded by Millers Point](#)

¹⁴ National Housing Finance & Investment Corporation (2019) [Media Releases](#)

¹⁵ National Housing Finance & Investment Corporation (2019) [NHFIC affordable housing finance exceeds half-billion mark with loan to SGCH](#)

¹⁶ City Futures Research Centre (2019) Estimating need and costs of social and affordable housing delivery