

TASMANIA'S
AFFORDABLE
HOUSING

STRATEGY 2015-2025

September 2015



Tasmanian
Government



Department of Health and Human Services
Housing Tasmania

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PREMIER'S FOREWORD



The Tasmanian Liberal Government is committed to rebuilding essential services and investing in affordable housing solutions for Tasmanians in need.

We are committed to working in partnership with the community and private sectors to invest in creative and innovative solutions to increase the supply of affordable housing.

Our Affordable Housing Strategy outlines our priorities over the next decade.

The Government's target is to increase supply by around 900 new homes as well as funding a range of supports, such as land lord incentives, head leases, and Streets Ahead, that will provide housing for 1600 vulnerable Tasmanian households.

This will ensure vulnerable Tasmanians have access to more homes that are safe, affordable and appropriate.

It addresses the full spectrum of housing, from homelessness services, social and community housing, private rental as well as encouraging more Tasmanians into home ownership.

Importantly, our investment in housing will deliver a significant injection into our economy, including the small business home building sector, creating even more jobs for Tasmanians.

Will Hodgman MP

Premier

MINISTER'S CALL TO ACTION



Without a secure home, it is difficult to live a full life and participate in society. Many Tasmanians can afford private rental and we enjoy the highest level of home ownership in Australia. But this situation is changing. Home ownership is for the first time beginning to decline, more Tasmanians are living in unaffordable private rental and homelessness is increasing.

This situation is not acceptable and action is required to turn around these trends and improve housing affordability. Homelessness support services need to be able to provide rapid assistance when and where needed to get people back on their feet and into sustainable homes.

This Government has a long-term plan to improve housing outcomes. A commitment to develop an affordable housing strategy for Tasmania was given in our first 100-day implementation plan for Government.

Tasmania's Affordable Housing Strategy 2015-2025 will drive the State's future housing reform agenda to increase access to and the supply of safe appropriate and affordable homes. This Strategy addresses the entire housing spectrum from home ownership to affordable private rental, public and community housing and crisis accommodation. It also considers innovative partnerships between government, community and private sectors to increase access to and the supply of affordable housing into the future.

In September 2014, I invited fifty key stakeholders from government, local councils, community housing providers, homelessness services, representatives from industry bodies and the private sector to begin the conversation about what direction we need to take to improve Tasmania's housing situation over the next decade.

This Strategy is the culmination of efforts by Housing Tasmania working with these key stakeholders, supported by the University of Tasmania Housing and Community Research Unit and the Australian Housing and Urban Research Institute, who provided research and expert advice.

Tasmania's Affordable Housing Strategy 2015-2025 provides the direction that the Tasmanian Government will take to achieve better housing outcomes for low income Tasmanians.

Jacquie Petrusma MP

Minister for Human Services



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INTRODUCTION



The Tasmanian Government committed to develop *Tasmania's Affordable Housing Strategy 2015-2025* (the Strategy) to provide a road map to guide the State's efforts over the next ten years to improve housing affordability and help those most vulnerable to housing stress and homelessness. The Government's 365 Day Plan provides a commitment to launch the Strategy by 30 September 2015.

This Strategy aims to achieve two key outcomes:

- a decrease in the proportion of low income Tasmanian households experiencing housing stress; and
- a decrease in the proportion of Tasmanians experiencing homelessness.

An extensive stakeholder consultation program has been undertaken to inform the development of the Strategy. The University of Tasmania (UTAS) Housing and Community Research Unit with input from the Australian Housing and Urban Research Institute (AHURI), has had a lead role in mapping current housing pathways, identifying gaps and barriers in the system, and providing expert advice in relation to possible innovations and solutions.

This Strategy sets out the key problem areas for Tasmania in the affordable housing space, and identifies a range of key reform directions to address these problems. The Strategy is the Government's high level response to what the research has told us, and what we have heard from stakeholders. Recognising that there are multiple stakeholders who are involved in and influence the affordable housing landscape, it will be important that the Government continues to work closely with stakeholders to deliver the actions arising from this Strategy.

An action plan has been developed and launched concurrently with the Strategy. *Tasmania's Affordable Housing Action Plan 2015-2019* (Action Plan) identifies how the Government will work over the next four years to address the key reform directions in this Strategy. The Government will be accountable for the evaluation and review of the Strategy and the Action Plan.

The Strategy is underpinned by a significant amount of research by UTAS and AHURI collated as a *Discussion Paper: Key issues and Innovations*.¹



OUR STRATEGIC APPROACH

The Strategy has been informed by two key strategic approaches: Housing Pathways and an Intervention Framework. These approaches form the basis of the key reform directions outlined in the Strategy.

Housing Pathways

Housing stress and the risk of homelessness impact people at different times of their lives as they transition from one housing situation to another. It is at these transition points that people become vulnerable. By understanding the housing pathways and the risks that people encounter at different transition points we can design better solutions that prevent or respond to housing problems, leading to better housing outcomes.

Five common housing pathways have been identified that either support people when their housing needs change or put people at risk of becoming vulnerable. The pathways are not necessarily linear transitions nor does each pathway apply to everyone. The five pathways are:

- shifting to independence (eg. leaving family home or exiting prison);
- forming new households (eg. family formation or shared living arrangements);
- household dissolution (eg. relationship breakdowns, family violence);
- leaving the work force (eg. retirement or deteriorating health and mobility); and
- unable to live independently (eg. ageing, disability or serious illness).

A diagram of the housing pathways can be found in the *Discussion Paper: Key issues and Innovations*.²

The range of housing pathways demonstrates that there are many dimensions to solving housing affordability problems. A range of appropriate and targeted interventions to mitigate the risks are required.

Intervention Framework

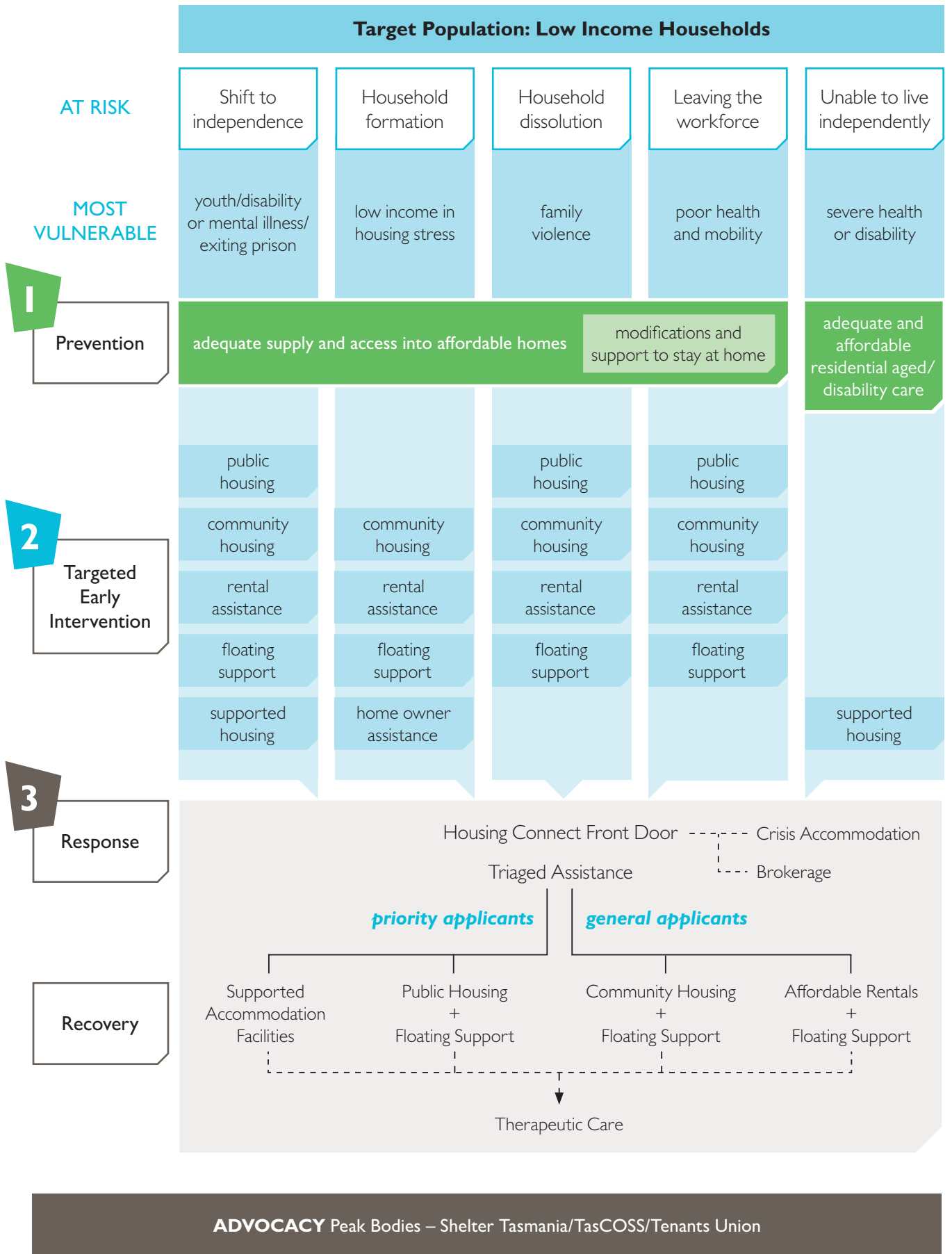
The Intervention Framework demonstrates the suite of ways that Government and stakeholders of the housing system intervene to address the problems of housing affordability – either using preventive or responsive strategies – at different housing pathway transition points.

Preventive strategies can be at a broad level, to address the supply of affordable homes, or at a targeted level to assist vulnerable cohorts at risk of housing stress or homelessness.

Responsive strategies aim to provide rapid assistance to people at immediate risk or experiencing homelessness to return to housing security.

While the Tasmanian Government has a role in prevention by ensuring an adequate and appropriate supply of affordable homes, its primary role is in targeted early intervention and responsive actions.

Figure 1: Tasmania's Affordable Housing Strategy Intervention Framework



CURRENT HOUSING SYSTEM

Tasmania's housing system includes the provision of all forms of residential tenure – from public and community housing to private rentals and home ownership. It includes the provision of supported accommodation for vulnerable tenants who need this form of integrated housing and support and the provision of emergency and transitional accommodation to assist people out of crisis into independent living.

The Tasmanian housing system's current interventions are summarised below.

Intervention	Current suite of responses
1 Prevention	<ul style="list-style-type: none"> • The private market supplies private rental and home ownership opportunities. • Commonwealth and State Governments have a joint role to increase the supply of appropriate affordable homes.
2 Targeted Early Intervention	<ul style="list-style-type: none"> • Public housing is targeted to low income earners unable to afford or access the private market who may be vulnerable due to: homelessness, escaping family violence, exiting institutions, living with disability, mental health problems or health and mobility problems due to ageing. • Community housing under Better Housing <i>Futures</i> is broadly targeted to moderate and low income vulnerable cohorts. • Private rental assistance is provided to help with bonds, arrears and removal costs. • Supported accommodation is targeted at people with affordability issues who need on-site support with daily living and maintaining a tenancy. • Housing Tasmania provides home ownership assistance through the Streets Ahead or HomeShare Program. <ul style="list-style-type: none"> - Streets Ahead provides deposit assistance to households able to raise finances through normal lending channels. - HomeShare is a shared equity program assisting people into home ownership as they only have to borrow up to 70 per cent of the home purchase price.
3 Rapid Response and Recovery	<ul style="list-style-type: none"> • Housing Connect assists people seeking housing and homelessness support, including access into private rental, social housing, supported accommodation or crisis shelters, with floating support to sustain a tenancy if required for the duration of need. • Crisis shelters provide emergency accommodation with some short term transitional accommodation also available. • Brokered assistance into alternative emergency accommodation (such as hotels and caravan parks) is offered when no crisis beds or more secure homes are available.

Roles and responsibilities

The roles and responsibilities for providing housing and homelessness services are spread across the three tiers of government (federal, state and local) and a number of key stakeholders including the community sector, which is responsible for a broad range of services. These roles and responsibilities are summarised below:

Stakeholder	Role/Responsibility
Tasmanian Government	<ul style="list-style-type: none"> Jointly funds and sets policy with the Commonwealth Government to facilitate new supply and deliver housing and homelessness services. Regulates tenancy management, community housing providers, building, planning, land use, stamp duty and land tax. Delivers public housing and oversees social housing.
Commonwealth Government	<ul style="list-style-type: none"> Jointly funds and sets policy with the State Government to facilitate new supply and deliver housing and homelessness services. Regulates income support, Commonwealth Rent Assistance and taxation. Provides aged care programs including residential aged care. Administers the National Disability Insurance Scheme.
Local Government	<ul style="list-style-type: none"> Regulates statutory planning, building and land use.
Community Sector <i>(including providers of Community Housing, Supported Accommodation, Crisis Shelters and Housing Connect).</i>	<ul style="list-style-type: none"> Provides social housing. Provides specialist housing and homelessness support services. Delivers new social and affordable housing supply.
Building Industry (including developers)	<ul style="list-style-type: none"> Delivers new social and affordable housing supply. Releases land and residential subdivisions.
Private Landlords/Agents	<ul style="list-style-type: none"> Provide access into rental accommodation. Invests in development of new supply.
Advocates	<ul style="list-style-type: none"> Advocate on behalf of those in need of housing and homelessness services.

The roles and responsibilities of the Commonwealth and State Government are currently being reviewed as part of the Commonwealth's Reform of the Federation White Paper process, and are subject to change.

The range of roles and responsibilities set out above demonstrates that the influence of the Tasmanian Government is limited to areas within its control. This Strategy focuses its key reform directions on solutions for which the Tasmanian Government can be accountable.

Factors such as tax and welfare are largely a Commonwealth responsibility and are outside the scope of the reform directions outlined in this Strategy.



WHAT IS THE PROBLEM?

At a broad level, housing stress and the risks of homelessness can be reduced by adequate and appropriate supply of affordable homes.

The affordable supply problem facing Tasmania has three components: the need for new supply, inappropriateness of supply and poor access to supply. A lack of appropriate and affordable homes leads to subsequent demand for targeted early intervention and responsive actions to be taken by Government. These issues have been identified through research and consultations undertaken in developing this Strategy.

New Supply

More affordable homes for low-income households are required to address the current rates of Tasmanians experiencing, or at risk of, housing stress, housing crisis and homelessness. Housing stress impacts a quarter of the State's low income households.

Research indicates that Tasmania needs an average of 2 392 new dwellings a year to meet its long-term supply needs through to 2031. Of these new houses, it is estimated that 13 112 (27 per cent), or 656 per annum, need to be low priced affordable homes.³ These homes need to be developed by a range of sector participants.

A range of bedroom sizes is needed for affordable homes, with most demand being for three bedroom homes, priced at less than \$240 per week to rent or buy, and two bedroom homes priced at less than \$180 per week to rent or buy, at 2011 prices. Conversely, in public housing, most demand is for two bedroom homes to address the occupancy needs of elderly tenants and people living with disability.

Appropriateness of Supply

Affordable homes need to meet the housing needs of low income households. New supply needs to be located close to services and public transport and meet the health, safety and occupancy needs of households.

There is increasing demand for affordable homes appropriate to the needs of older persons. The proportion of the population aged 65 years and over is projected to almost double by 2062, with 31 per cent of the State's projected population growth over the period from 2013 to 2062 comprising of persons aged 65 years and over.⁴

There is also demand for appropriate housing for people living with disabilities. The National Disability Insurance Scheme (NDIS) will fund individualised packages of care and support which will enable people to live more independently. This is expected to drive an increase in demand for affordable housing in the private market and for social housing. The National Disability Insurance Agency (NDIA), which will administer the NDIS, is developing a funding mechanism to drive new and innovative supply.

Access to Supply

In the private rental market there is a significant proportion (39 per cent) of lower priced rental homes being rented to moderate and high income households who could afford higher priced properties⁵. These tenants represent less risk to landlords and it appears that they choose to pay low rents to reduce their living costs or to save for a deposit.

This market situation pushes low income households into housing stress as they are forced to lease higher cost rental properties that they cannot afford. If this rental mismatch did not exist, many low income renters would not be in housing stress. Addressing this issue would relieve pressure on the social housing system.



Gaps in current housing system

The current housing system provides a comprehensive range of housing and support options for low income and vulnerable Tasmanians, but there are gaps which result in poor housing outcomes.

The strategies in this document outline these gaps in further detail and seek to address them through key reform directions.

Remote and rural communities

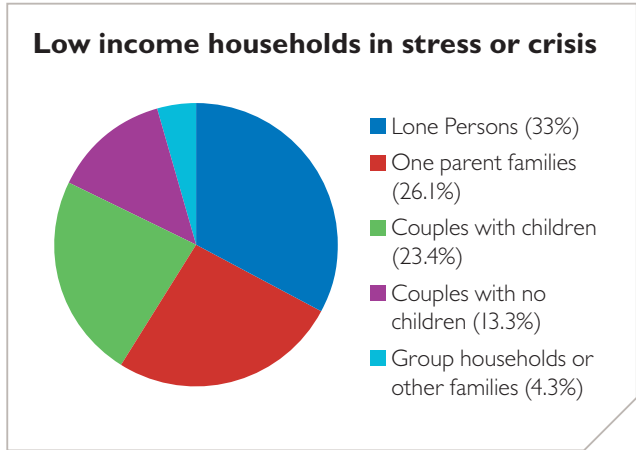
There are remote and rural housing variations across the whole of Tasmania. The key housing problems for these areas are a lack of affordable private rentals and high cost of new builds and upgrades, resulting in many derelict buildings and financial barriers into home ownership.

Future actions should consider the particular issues faced by remote and rural areas, such as the Bass Strait Islands or rural areas such as Circular Head or Break O'Day.

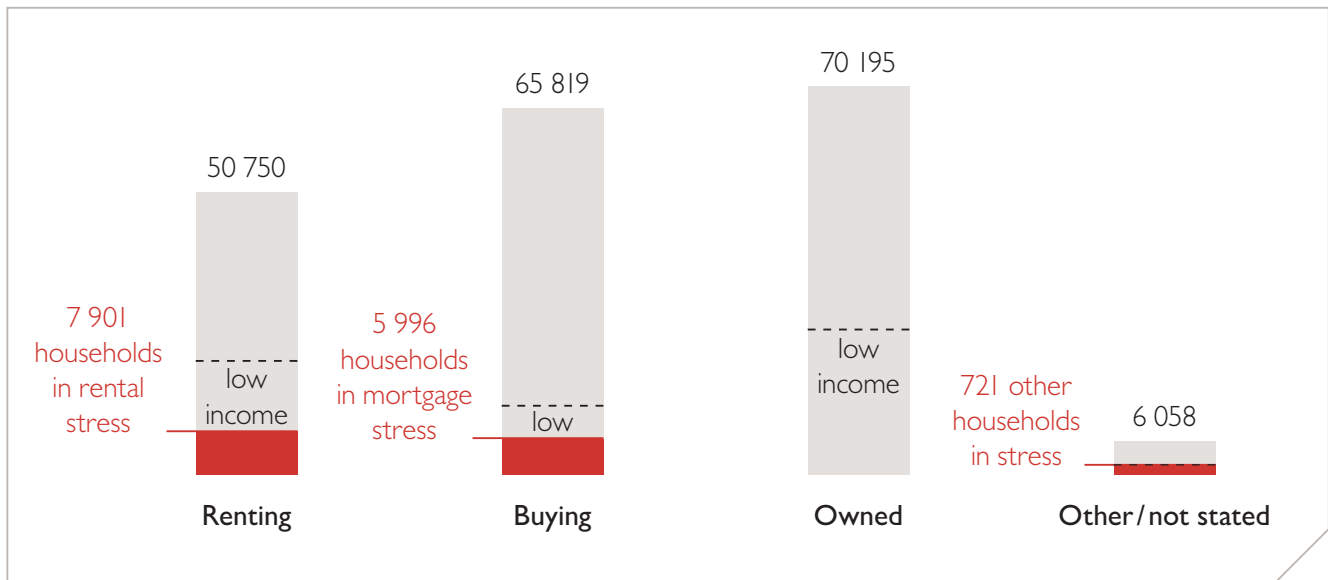
WHO IS MOST AT RISK?

Low Income Households

Tasmania has the nation's highest proportion of low income households with a third of households receiving their main source of income from government pensions and allowances⁶. Of these, almost one quarter or 14 618 low income households are in housing stress or crisis⁷. Households most likely to be in housing stress or crisis are lone person households, one parent families, and couples with children.



Housing stress affects both private renters and home buyers, with just over half or 7 901 low income households in rental stress and 5 996 households in mortgage stress (a further 721 households are in stress but their tenure is unknown/not stated)⁸. For low income renters, 39 per cent are in rental stress. For low income home buyers, 47 per cent are in mortgage stress.⁹



Homelessness


Tasmania has the lowest homelessness rate in Australia but the number of people experiencing homelessness has increased Australia-wide over the last decade¹⁰. In 2011, it was estimated that 1 579 people were experiencing homelessness in Tasmania (at a rate of 31.9 per 10 000 compared with the national average rate of 48.9)¹¹.

There is a widening cohort of homeless people that includes families and the working poor. Over half (55 per cent) of Tasmanians who sought homelessness assistance in 2013-14 cited affordability related issues as their main cause and a quarter (25 per cent) were escaping from family violence and relationship issues¹².

Vulnerable Households

Vulnerable households are often dependent on income support from the Commonwealth Government and have limited employment opportunities. Especially vulnerable households include women with children escaping family violence and people living with disability (or mental illness), youth and people who are ageing¹³.

Vulnerable cohorts	Current situation
People escaping domestic violence and relationship issues	In 2013-14, 25 per cent of people who sought assistance through Specialist Homelessness Services (SHS) cited escaping family violence and relationship issues. ¹⁴ This is an underestimate as not all people escaping family violence approach SHS.
People living with disability, poor health or mental health issues	In 2013, only 9 per cent of rental properties in Tasmania were affordable for a single person on the age or disability support pension, and just 20 per cent were affordable for a couple on the pension ¹⁵ .
Young people	Young people are over-represented among the homeless population, with 25 per cent of homeless Tasmanians aged between 12 and 24 ¹⁶ .
Ageing people	In 2011, 21.4 per cent of the 65+ year old population were in housing stress and 17 per cent of all households in housing stress were in that age group ¹⁷ .
People leaving institutional care (child protection, prisons, health or mental facilities)	<p>Annually an average of 55 young people left Ashley Youth Detention Centre over the period 2012-13 to 2014-15.</p> <p>Annually an average of 74 young people left child protection services over the period 2012-13 to 2014-15.</p> <p>Data is not available or is incomplete for people leaving prisons, health or mental health facilities.</p>



HOW CAN THE TASMANIAN GOVERNMENT BEST FOCUS EFFORT THROUGH THIS STRATEGY?

Three broad strategies and related key reform directions are identified in this section. These are:

1. New Affordable Supply – Prevention;
2. Better Access – Targeted Early Intervention; and
3. Rapid Assistance – Response and Recovery.

As outlined earlier in this Strategy, while the Tasmanian Government has a role in prevention (Strategy 1) by ensuring an adequate and appropriate supply of affordable homes, its primary role is in targeted early intervention and responsive actions (Strategies 2 and 3). This is where substantive effort will be focussed.

The purpose of the Strategy is to provide high level direction and a clear framework for action and investment over the next ten years. Specific actions and initiatives are set out in *Tasmania's Affordable Housing Action Plan 2015-2019*. Future Action Plans will be developed in subsequent years to accompany this Strategy.

Each of the key reform directions will require collaboration across the sector and strong buy in from both direct and indirect stakeholders. Key players, and their roles in relation to the Key Reform Directions, are outlined on the following pages.



NEW AFFORDABLE SUPPLY – PREVENTION

What is the goal of prevention?

To ensure an adequate supply of affordable homes for low income Tasmanians to prevent them from falling into housing stress and insecurity.

The Tasmanian Government can facilitate the supply of new affordable homes – for both private rental and home ownership – in well serviced areas with liveability and universal design features. Over time, adequate supply of affordable homes will reduce pressure on the social housing system and homelessness services.

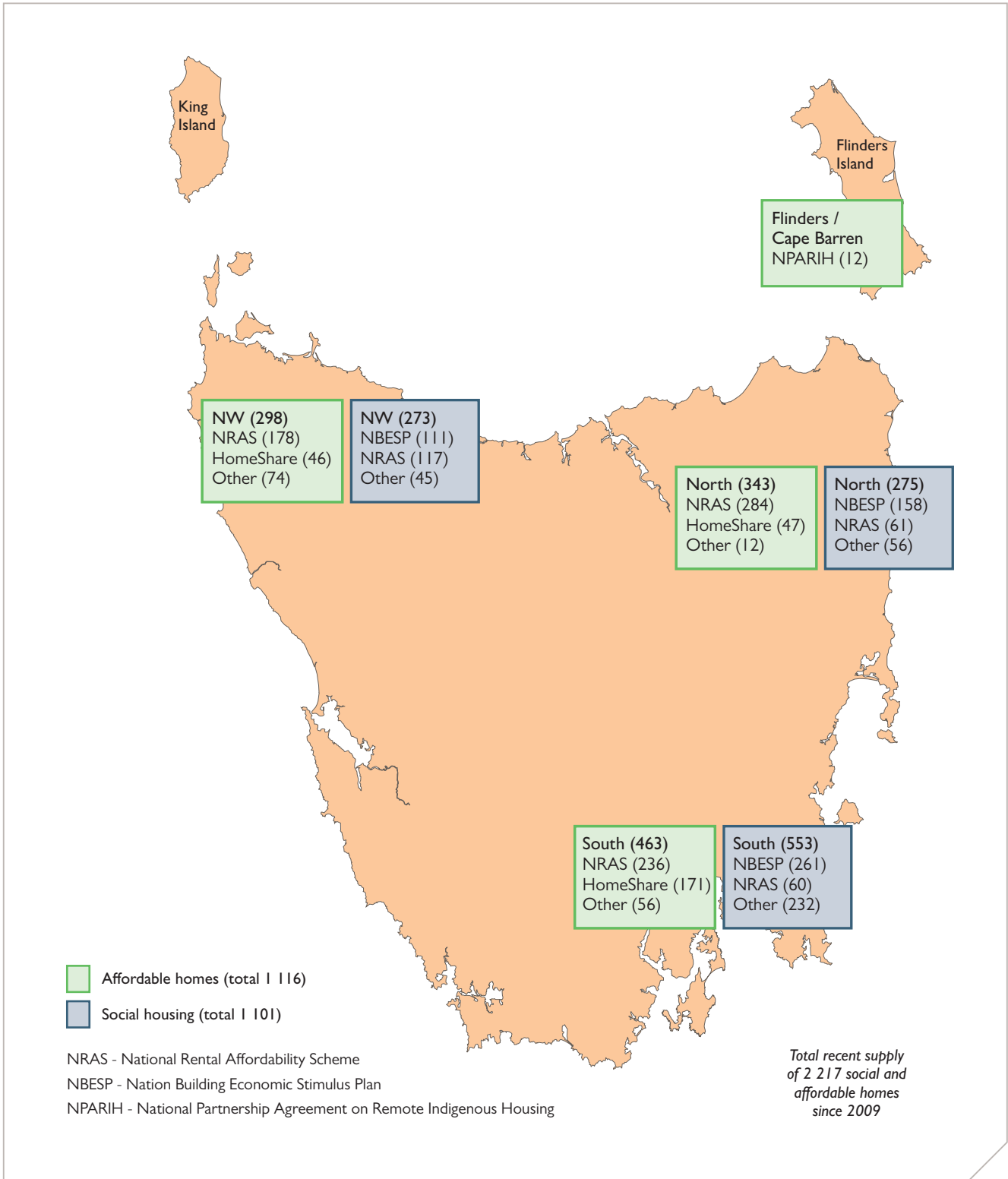
Preventative strategies include the broad supply of affordable housing. In contrast, the supply of social housing is included in Strategy 2, because of the targeted tenant profile for this form of housing supply.



What are we currently doing?

- **New Builds** – Tasmania has benefited since 2009 from the increased investment into new supply by the Commonwealth Government through the Nation Building Economic Stimulus Plan (NBESP) and the National Rental Affordability Scheme (NRAS). A total of 2 217 homes have been delivered since 2009 under a range of programs, for which funding has been contributed by both the Commonwealth and Tasmanian Governments. Delivery of the homes has involved partnerships with the private and community sector. Of these, approximately 1 116 are available as affordable homes in the private market (the remainder are targeted for social housing).
- **Better Housing Futures** – vacant land has been transferred under the Better Housing Futures (BHF) program with the aim to increase the supply of affordable homes and create a more balanced social mix in Tasmania's most disadvantaged communities.
- **North West Land Release** – the objective of this proposal was to provide infrastructure to facilitate the subdivision of vacant land owned by the Tasmanian Government in Yolla, Wynyard, Ulverstone and Sheffield. These subdivisions were undertaken to address a recognised shortfall in land available for housing in this vicinity and also target affordable land purchase options for low to medium income earners. The project facilitated the construction of new, well designed energy efficient homes for elderly persons over 55 years old.

Location of current supply 2009-2015
 (includes both affordable homes and social housing)



What can we do better?

- **More supply** – in the absence of any new supply initiatives by the Commonwealth Government, funding needs to be made available to facilitate more affordable homes. Proven success in generating supply has been demonstrated from recent land release programs with land sold to private developers for construction of affordable homes.
- **More well located and designed homes** – achieved through building to the liveability and universal design policy requirements of Housing Tasmania's *Minimum Standards for Social Housing*. New affordable supply needs to be located in well serviced areas close to transport corridors and employment and education opportunities to support inclusive residential developments, affordable living and ageing in place.
- **Better Housing Futures** – maximise the effectiveness of BHF to increase the supply of affordable homes on vacant land within their portfolios.



KEY REFORM DIRECTIONS

- **New Supply** – increase supply of affordable homes for low income households.
- **Appropriate Supply** – any new residential properties commissioned by Housing Tasmania are to meet the liveability and universal design policy requirements of Housing Tasmania's *Minimum Standards for Social Housing* and be well located close to services and transport.

What can the key players do?

- **State and local government** can release well located land for residential development ensuring a proportion of developments are affordable to low and moderate income earners. Local government planning schemes can ensure developments promote a mix of housing types to suit different household sizes at different life stages and promote the development of community infrastructure and amenity in larger residential developments.
- **Residential developers** should focus new residential developments close to primary transport corridors and build to universal design and liveability principles, where possible.

BETTER ACCESS – TARGETED EARLY INTERVENTION

What is the goal of early intervention?

To provide early interventions tailored to vulnerable cohorts.

Targeted intervention cannot occur without access to a suite of affordable housing options that meet the needs of tenants, including social housing and facilitated access into affordable private rentals and home ownership.

Better access into low priced homes in the private market can avoid housing stress that can lead to homelessness. Early support can prevent housing insecurity or evictions.



What are we currently doing?

- **New supply of social housing** – half of all new supply generated from Commonwealth and State Government investment since 2009 has been targeted and retained as long term social housing. Grant funding to private developers (under NBESP) or community organisations (under NRAS) has contributed to most of this supply.
- **Public Housing** – the public housing portfolio currently consists of 7 456 properties (June 2015) and provides subsidised rents at 25 per cent of income to many of Tasmania's most vulnerable households who cannot afford or are unable to access appropriate housing in the private market. Public housing targets a narrow cohort, with about 90 per cent of allocations being made to Priority Applicants, including households who are experiencing family violence, homelessness or extreme health or mobility risks.
- **Community Housing** – the growth of community housing in Tasmania has been driven by national reforms with a third of Housing Tasmania's public housing portfolio (almost 4 000 properties) being transferred to four registered community housing providers under the BHF program. Tasmania still retains smaller niche community housing providers that target specific cohorts. In total, the community housing portfolio currently consists of 5 780 properties (June 2015).
 - **Better Housing Futures** – BHF provides subsidised rents equivalent to public housing at 25 per cent of income and a supportive tenancy management approach. Importantly, tenants are eligible for Commonwealth Rent Assistance, which is reinvested by BHF into property upgrades and new supply within the community.

BHF has a broader tenant profile than public housing to strengthen its financial viability and to achieve a balanced social mix within Tasmania's most disadvantaged communities.

A Social Return on Investment (SROI) analysis is being undertaken in each BHF area to identify the broader impact on the community that is being achieved. An Outcomes Framework is also being established to measure how well BHF managers are performing against intended housing outcomes.

- **Housing Assessment Prioritisation System (HAPS)** – HAPS aims to better target public housing applicants in greatest need - Priority Applicants who are experiencing family violence, homelessness or extreme health or mobility risks. HAPS has led to other improvements including proactive management of the social housing waitlist. The system automatically prompts Housing Connect assessors to make contact with applicants to determine if their housing needs have changed over a six month period.
- **Housing Register** – a common web-based Housing Register for social housing applicants has been established to enable a single list of applicants from which housing providers can make allocations. Applicants are placed on the register following their assessment (by applying HAPS) by Housing Connect. The Housing Register is a good example of service integration and system efficiencies.
- **Private rental assistance** – private rental assistance is provided to help with bonds, arrears and removal costs. This is administered by Housing Connect with 3 666 households assisted into the private market during 2014-15.
- **Tasmania's Family Violence Action Plan 2015-2020** – the Tasmanian government has committed to a comprehensive suite of responses to address family violence. One of the initiatives is to provide funding to Community Housing Providers to secure 50 private rental properties around the state to facilitate fast access to secure housing.
- **Supported Accommodation Facilities**
 - Five supported accommodation facilities have been developed to provide 'street to home' accommodation for people experiencing, or at risk of, homelessness. These include a dedicated youth facility that connects residents into training and employment. Good client outcomes are being achieved through these facilities with 206 supported tenants during 2014-15. Two new youth facilities are also under development.
 - Disability: there are currently 122 group homes in Tasmania that provide integrated housing and intensive support for people living with disability.
- **Home ownership assistance** – the HomeShare scheme and Streets Ahead program helped 142 eligible households become homebuyers in 2014-15⁸. The programs target the same cohort of low to moderate income earners into home ownership in different ways. HomeShare is a shared equity program assisting people into home ownership, as they don't have to borrow more than 70 per cent of the purchase price. Streets Ahead provides deposit assistance to households able to raise home purchase finance. The State Government also provides assistance to first home buyers through the First Home Owners Grant and the First Home Builders Boost.



CASE STUDY – Brisbane Street Social Housing was built using \$8.5 million from the State Government Housing Fund. The project represents the development of new, well located supply using liveability and universal design principles. The project is located in inner Hobart close to retail outlets, health services, TasTAFE and the University of Tasmania. The development contains 35 residential units and features a central garden courtyard flanked by two buildings. There are 28 two bedroom units and seven one bedroom units, of which four are adaptable and suitable for people living with disability. The units are all energy efficient with units achieving a 7 to 9 star rating and this reduces the cost of living for tenants. The building opened for tenanting in 2013.



CASE STUDY – Hoblers Bridge Road Disability Housing Project was undertaken under the Shovel Ready Round of NRAS. The project comprised the construction of 20 purpose built disability units by the neighbouring disability service organisation, St Michaels Association Inc., which already provided accommodation, support and training services on their adjoining site. Tenants of the new units live under a supported care model with arrangements to provide affordable rental outcomes for 30 years. The Tasmanian Government contributed the land in Newstead on which the units were constructed, which ultimately transferred to St Michaels, with a cash contribution. The project was made possible through strong working relationships between St Michaels, the Tasmanian Government and the Launceston City Council.

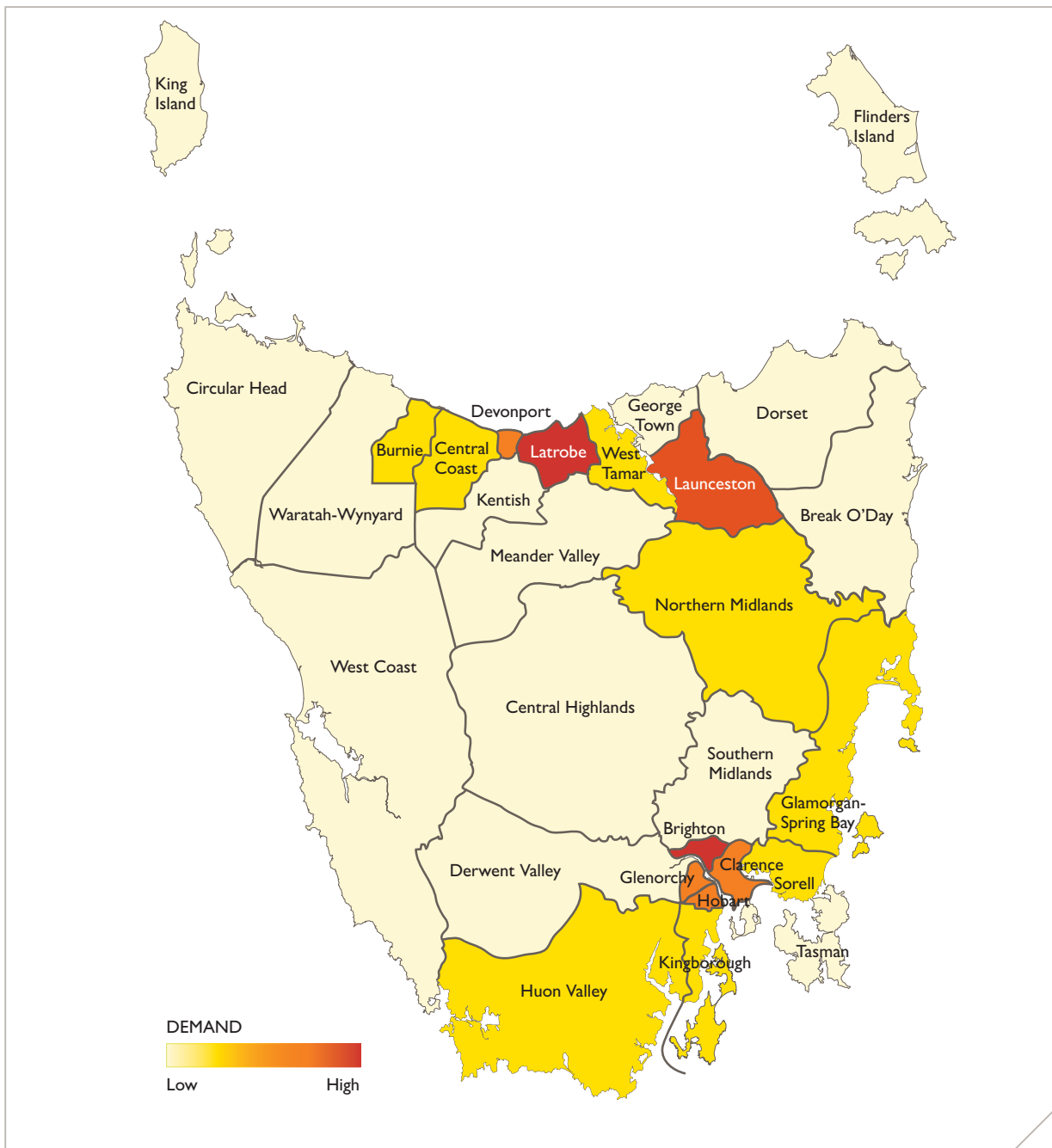


CASE STUDY – Thyne House Supported Accommodation is located in the central business district of Launceston. It accommodates youth aged 16 to 25 years who may have been or were at risk of homelessness. Support, education and training facilities are on site which aims to provide young people with an opportunity to engage with education or participate in the workforce. The property has 30 units. Each unit is self-contained. The property also has a range of communal areas, including a common kitchen and dining facilities, common BBQ and garden areas, as well as a shared laundry. Thyne House opened in November 2011.

What can we do better?

- **More supply of social housing** – with an active waitlist as at 30 June 2015 of 2 587 public housing applicants and in the absence of any new supply initiatives by the Commonwealth Government, funding needs to be made available to facilitate more social housing. Proven success to generate supply has been demonstrated from the grant funding initiatives and innovative partnerships with both private developers and community organisations. New homes should target areas of greatest demand demonstrated on the map below.

Map of Public Housing Demand¹⁹





- **More appropriate public housing** – this can be achieved through major reinvestment to align the portfolio to its tenant profile. Priority should be given to households who are most vulnerable and require smaller homes in well serviced areas. There are not enough smaller, well located homes and many three bedroom homes are poorly located and under occupied²⁰.
- **Target public housing to those in most need** – the Tasmanian Government recognises the continued need to provide subsidised rents to Tasmania's most vulnerable households who cannot afford or are unable to access appropriate housing in the private market. The future public housing tenant profile is most likely to be elderly tenants with deteriorating health or mobility, people living with disability, formerly homeless youth, and women with children escaping from family violence. Where appropriate, Housing Tasmania also needs to promote pathways out of social housing for tenants into affordable private rentals and home ownership.
- **Develop a sustainable public housing system** – some success has been achieved in making the broadacre estates more sustainable under BHF but more effort is needed to improve the sustainability of the remaining public housing portfolio. Future funding arrangements for public housing and the roles for Tasmania and the Commonwealth Government are being considered in the context of the Reform of the Federation White Paper process. The outcomes of this process will inform decisions to improve the sustainability of public housing.
- **Better access to community housing** – this can be achieved by amending the *Residential Tenancy Act 1997* to enable community housing organisations to take incremental bonds, so applicants don't have to provide the full amount to access community housing.

- **Expand the Housing Register** – not all supported accommodation and community housing providers are using the Housing Register. This is an opportunity to expand existing housing options for applicants.
- **Facilitate access to private rental** – low cost private rental is often occupied by moderate and high income earners. Appropriate incentives are needed to encourage landlords to enter into secure leases with vulnerable tenants, while ensuring that any new supply of affordable rental homes is targeted to those who need them most.
- **Address mortgage stress and declining home ownership** – Tasmania has been characterised by very high levels of home ownership in the past, but there is now a discernible trend of declining home ownership and entry into homeownership at later ages²¹. In Tasmania 5 996 households are in mortgage stress²². By continuing our home ownership assistance programs, these trends can be addressed.
- **More supported accommodation**
 - Youth: are particularly vulnerable to housing stress and homelessness as demonstrated by the modal age of current public housing lead applicants being 19-24 years of age. Critically, 25 per cent of homeless Tasmanians are aged between 12 and 24 years old. Given the good outcomes being achieved by the current youth-based supported accommodation facilities, more is needed to help this vulnerable cohort to successfully transition to independent living.
 - Disability: most NDIS participants cannot afford, or will not be appropriately housed, in the private rental market or through home ownership. In order to support the intended outcomes of the scheme, the Tasmanian Government estimates that an additional 126 new group homes (four residents plus live-in carer), at a cost of \$110 million, are needed to house NDIS participants. Funding arrangements for meeting this housing gap are being considered by the Commonwealth Government in discussion with state governments.
 - Elderly: for the most part the Commonwealth Government has the primary role through aged care packages to provide appropriate modifications and support to age at home. An adequate supply of affordable residential aged care is needed for elderly persons no longer able to live independently who need to transition to supported accommodation. There is opportunity for the Tasmanian Government to collaborate with the Commonwealth Government to leverage aged care packages to deliver more supported accommodation and achieve shared outcomes.

KEY REFORM DIRECTIONS

- **Social Housing** (both public and community housing)
 - seek innovative partnerships with the private and community sector to better utilise and increase the supply of social housing for vulnerable households.
 - promote tenure pathways out of social housing for tenants suited to receive assistance into affordable private rentals and home ownership.
- **Public Housing**
 - upgrade and realign the public housing portfolio that is appropriate to a tenant profile of lowest income households and an ageing demographic, including home modifications for tenants living with disability or deteriorating health or mobility.
 - explore ways to improve the sustainability of the public housing portfolio to target lowest income tenants that cannot afford the private market.
- **Community Housing**
 - amend the *Residential Tenancy Act 1997* to improve capacity of the Rental Deposit Authority to accept incremental bond payments from social housing tenants.
 - evaluate the success of Better Housing *Futures* in reinvesting rent and sale revenue to upgrade properties and build new homes.
 - work with niche community housing organisations to improve the sustainability of their portfolios.
- **Private Rentals** – invest in a suite of new incentives and an awareness campaign, and explore other innovations such as head lease arrangements, to encourage landlords to provide secure lease terms to targeted low income households with facilitated access via Housing Connect into these affordable rental homes.
- **Home Ownership** – continue investment in Housing Tasmania’s home ownership assistance programs that target low to moderate income households.
- **Early Referrals** – improve early intervention for at risk tenants between Housing Connect and tenancy managers (both social housing and private rental market) and with broader services that identify housing problems for their clients.
- **Supported Accommodation** – more appropriate supported accommodation for homeless young people needing assistance to shift to independence and for low income people living with severe disability or deteriorating health who are unable to live independently.



What can the key players do?

- **State government** can fund incentive and grant funding programs to stimulate new social housing supply and amend legislation to enable incremental bonds to be accepted by the Rental Deposit Authority to facilitate access to community housing. It can continue investment into supported accommodation and home ownership assistance programs and explore new ways for low income households to access affordable private rentals.
- **Community housing providers** have a key role in increasing supply, providing affordable housing and improving the communities where their portfolios are located.
- **Supported Accommodation Facility service providers** play a key role in providing integrated accommodation, support and assisting tenants to break the cycle of housing insecurity and homelessness. Alternative ways to diversify funds could be explored and any new properties designed to optimise safe, efficient and effective service delivery.
- **The private rental market** is an important part of the housing system. Enhancing access to low cost rental for low income households would have a significant impact on reducing housing stress, and reducing homelessness.
- **Housing Connect** is well positioned to build partnered arrangements with the private rental market. Creating greater awareness of Housing Connect by real estate agents and broader human services will lead to earlier engagement in tenancy support to prevent instances of homelessness.

RAPID ASSISTANCE – RESPONSE AND RECOVERY

What is the goal of rapid assistance?

To provide vulnerable households with quick access into secure homes, to restore normal living conditions and avoid crisis accommodation or other insecure housing.

Where people have entered crisis accommodation through appropriate triage they can be rehoused quickly into stable secure homes, with support if needed.



What are we currently doing?

- **Housing Connect.** Housing Connect assists homeless and vulnerable Tasmanians into secure homes. It also provides case management support to help maintain tenancies that may be at risk of ending. Floating support can be provided for the duration of need. It is tenure neutral meaning it does not end if housing circumstances change. It can apply to people in social housing, the private rental market and home ownership. The new model has experienced high demand since opening its doors in 2013, with over 11 000 Tasmanians receiving housing assistance in the nine month period of its first year (Oct 2013 - June 2014)²³.
- **Crisis accommodation.** There are 16 crisis shelters located around the state. Four of these are in the North, with four in the North West and eight in the South. Of the 16 shelters, five are specifically for women (with or without accompanying children) who may be escaping family violence, eight are for young people aged 13 to 20, two are for single men, and one is for men and women (with or without accompanying children). These shelters are funded to provide 115 beds, plus a further 13 overnight emergency beds. A total of 2 113 households were assisted by crisis shelters during 2013-14. The introduction of HAPS has improved exit planning for clients in crisis shelters. These clients are now prioritised into secure homes. Shelters are reporting an improvement with crisis beds being freed up allowing greater capacity to assist new clients.



CASE STUDY – The Housing Assessment Prioritisation System (HAPS) is the new way Housing Connect assesses people's need for housing assistance. HAPS commenced in June 2015. The old system was developed a number of years ago when Housing Tasmania was the only social housing provider.

While the old system had a points based system, it did not identify some housing applicants with urgent needs. The new system ensures that those with high needs are recognised and their level of housing need is assessed appropriately. The HAPS incorporates two specific categories: Priority Housing and General Housing. The new system ensures that Tasmanians with the greatest need are housed first, including those who are homeless or experiencing family violence or serious health and mobility issues.

Because a Housing Tasmania home isn't the only housing option, different housing options can be explored with Housing Connect at the time of assessment. This includes community housing, supported housing, private rental and short term housing options.

What can we do better?

- **Increase housing options** – the lack of affordable housing opportunities across the housing system is curtailing the capacity of Housing Connect to rapidly assist homeless and vulnerable people. A lack of housing options also limits the capacity of crisis shelters to exit their clients out of crisis. Creating better access into the private rental market and expanding access to the Housing Register will help.
- **Build the capacity of crisis shelters and support** – the capacity of crisis shelters needs to increase to address the numbers of unassisted turnaways, with 3 766 unassisted households reported during 2013-14.²⁴ There is a shortage of crisis beds to address gaps of unassisted cohorts, including young people, women (with or without children) and men with children. The most common reason why people cannot access emergency accommodation when they need it is because there are not enough beds available (82 per cent of unassisted households in 2013-14).

Some models operate inefficiently and safety upgrades are required where services are offered for the most vulnerable clients. The reconfiguration, replacement and acquisition of new shelters is needed to provide for more effective crisis accommodation in Tasmania. Research, and feedback from service providers over recent years,

identifies a mixed model of crisis housing as the preferred approach. The mixed model consists of a centralised or single crisis house, co-located independent living units and additional units within walking distance. In a mixed model, exit planning begins on service entry and is built on service user aspirations. This means early referral to Housing Connect out of crisis into secure homes and more flexible timing for exit arrangements.

- **Build greater service integration** – Housing Connect provides a base from which greater engagement can be achieved with human services and a range of housing options and crisis accommodation. This will lead to better outcomes for clients as their needs can be responded to in a coordinated manner.
- **Performance measures** – there is limited capacity to measure or influence how effectively homelessness services are assisting clients into secure and sustained tenancies. Improving the capacity of information systems and outcome-based performance and funding arrangements is needed.
- **Homeless Young People** – priority needs to be given to increase the capacity for services to prevent and respond to instances of homeless young people. Young people aged 18 years or less are considered most vulnerable to the risks of homelessness because independent living is neither considered a practical nor appropriate housing response.

During 2011-14, there was an average of 484 young people (15-17 years) who sought crisis accommodation each year: 215 received accommodation, 69 were referred to another provider and the remaining 200 were unassisted mainly due to lack of crisis beds.

A more appropriate response is to rapidly assist homeless young people into secure supported accommodation with adequate support services to assist the young people to achieve family reunification or more stable accommodation options.

KEY REFORM DIRECTIONS

- **Triage Response** – continue the role of Housing Connect as Tasmania's one stop shop for housing assistance and improve its capacity to triage applicants into the growing options for social and affordable homes.
- **Service Integration**
 - continue service integration under the Housing Connect model between the Front Door, specialist homelessness services, crisis accommodation, support accommodation facilities, Better Housing *Futures* and Housing Tasmania.
 - improve service integration between Housing Connect and broader human services providers to engage early in support for vulnerable households, while ensuring that Housing Connect is given the time and opportunity to reach its potential to provide housing services in an integrated human services model.
 - expand service integration between Housing Connect and the private rental sector to improve access into affordable rental homes and early engagement in tenancy support.
- **Crisis Housing and Support**
 - increase crisis beds to address gaps of unassisted cohorts, including young people, women (with or without children) and men with children.
 - provide flexible arrangements for the duration of crisis support with a streamlined process for assessments and case coordination to ensure that people in crisis are rapidly assisted into secure homes by Housing Connect with the support they need.
- **Young People** – in recognition that youth homelessness is Tasmania's most vulnerable cohort and that independent living for under 18 years olds is neither considered a practical nor appropriate housing response – prioritise a collaborative and responsive service model for vulnerable young people to prevent them from becoming homeless and to create more exits out of crisis.



What can the key players do?

- **State Government** can prioritise and coordinate a collaborative and responsive service model for vulnerable young people.
- **Crisis accommodation providers** play a key role in providing support and referring clients to Housing Connect for long term housing and access to support if required. Developing strong links with Housing Connect will enable crisis accommodation providers to access the most appropriate and timely responses to assist vulnerable people into appropriate housing options with the support they need for the duration of that need.
- **Housing Connect** can play a pivotal role as a 'one stop shop' to an integrated housing assistance and support response. Continuing this role, and developing its capacity to triage applicants into a range of housing options, will deliver more appropriate and timely interventions. Further integration with the broader human services system will also significantly benefit clients to reduce housing insecurity and the risk of experiencing homelessness. Developing partnerships with the private rental sector will enable Housing Connect to expand the housing options available to applicants, and take some of the pressure off crisis and social housing.

MEASURING SUCCESS

Governance

The delivery of *Tasmania's Affordable Housing Strategy 2015-2025* will be overseen by the Minister for Human Services. The Minister will oversee the development of a series of Action Plans, with actions to deliver each of the strategies. Continued collaboration and consultation with key stakeholders will be essential to deliver each action.

The first *Tasmania's Affordable Housing Action Plan 2015-2019* will be launched concurrently with this Strategy in September 2015.

Implementation and Reporting

The Department of Health and Human Services will deliver and monitor progress against the Action Plans. We will continue to engage with stakeholders and the community in the development of specific actions.

The Department of Health and Human Services will coordinate an annual progress report to Cabinet on the effectiveness of the Action Plans. The report will outline achievements and identify future priorities for action.

Monitoring and Evaluation

By undertaking evaluation and monitoring progress we will determine whether the actions and longer term strategies are delivering the desired outcomes. We will continue to adapt and improve our actions, taking into account any lessons learned through the monitoring and evaluation process.

In addition to tracking the success of actions in the Action Plans, there are two key outcomes which will be measured over ten years to track the success of the Strategy. These are:

- a decrease in the proportion of low income Tasmanians experiencing housing stress; and
- a decrease in the proportion of Tasmanians experiencing homelessness.

We know that at the time of the last Census in 2011 it is estimated that:

- 14 618 or 22.8 per cent of low income Tasmanian households were experiencing housing stress; and
- 1 579 or 31.9 per 10 000 Tasmanians were experiencing homelessness.

These outcomes will be tracked using data from the ABS Census. The 2016 Census data will establish a baseline for measuring progress against the 2021 Census.

Proxy indicators will also be measured each year to track success at more regular intervals. These are:

- a decrease in the number of social housing applicants expressed as a proportion of the total social housing portfolio, compared with the national average;
- a decrease in the theoretical time to house all social housing applicants;
- a decrease in the proportion of low priced rental homes being rented to moderate and high income households; and
- a decrease in the proportion of Tasmanian households unassisted by crisis shelters.

We know that at June 2015 it is estimated that:

- the number of social housing applicants represents 20.2 per cent of the social housing portfolio in Tasmania, which equates to 31 percentage points below the national average;
- theoretically, it will take 2.8 years to house all social housing applicants;
- 39 per cent of low priced rental homes are being rented to moderate and high income households; and
- 3 766 or 64 per cent of Tasmanian households that sought assistance were unassisted by crisis shelters during 2013-14.

GLOSSARY OF KEY TERMS



Affordable Housing: refers to rental homes or home purchases that are affordable to low income households, meaning that the housing costs are low enough that the household is not in housing stress or crisis.

Community Housing: refers to housing stock that is either owned by the government or non-government organisations, and is delivered/managed by non-government organisations.

Housing Stress: is defined as the lowest 40 per cent of income earners who pay more than 30 per cent of their gross income on housing costs. This is known as the 30/40 rule and is the benchmark measure of housing affordability in the Strategy.

Housing Crisis: is defined as the lowest 40 per cent of income earners who pay more than 50 per cent of their gross income on housing costs.

Homelessness: The ABS statistical definition states that when a person does not have suitable accommodation alternatives they are considered homeless if their current living arrangement:

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

The ABS definition of homelessness is informed by an understanding of homelessness as 'home'lessness, not 'roof'lessness. It emphasises the core elements of 'home' in Anglo American and European interpretations of the meaning of home as identified in research evidence (Mallett, 2004). These elements may include: a sense of security, stability, privacy, safety, and the ability to control living space. Homelessness is therefore a lack of one or more of the elements that represent 'home'.

Low income households: are those households whose income is in the lower 40 per cent of Tasmania's income distribution and earn less than \$760 per week (as at 2011).

Public Housing: refers to housing stock both owned and managed by the government.

Social Housing: is a broad term used to capture both housing provided by the government (public housing) and non-government organisations (community housing) with below-market rent prices.

Tenure: describes the legal status under which people have the right to occupy their accommodation. The most common forms of tenure are home-ownership (this includes homes owned outright and mortgaged) and renting (this includes social rented housing and private rented housing).

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