

SUBMISSION

Draft *Residential Housing Supply Bill 2018*

May 2018

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Introduction to Anglicare Tasmania

Anglicare is the largest community service organisation in Tasmania with offices in Hobart, Glenorchy, Launceston, St Helens, Devonport, Burnie and Zeehan and a range of programs in rural areas. Anglicare's services include emergency relief and crisis services, accommodation support, mental health services, acquired injury, disability and aged care services, alcohol and other drug services and family support. In addition, Anglicare's Social Action and Research Centre conducts research, policy and advocacy work with a focus on issues affecting Tasmanians on low incomes.

Anglicare Tasmania is committed to achieving social justice for all Tasmanians. It is our mission to speak out against poverty and injustice and offer decision-makers alternative solutions to help build a more just society. We provide opportunities for people in need to reach their full potential through our services, staff, research and advocacy.

Anglicare's work is guided by a set of values which includes these beliefs:

- *that each person is valuable and deserves to be treated with respect and dignity;*
- *that each person has the capacity to make and to bear the responsibility for choices and decisions about their life;*
- *that support should be available to all who need it; and*
- *that every person can live life abundantly.*

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Introduction to submission

Anglicare is supportive of the intention of the Tasmanian Government to address Tasmania's affordable housing crisis and we were pleased to participate in the Premier's recent Housing Summit.

Anglicare sees the draft Bill has some potential to accelerate the provision of affordable housing but we are concerned about the lack of details provided and suggest it could be improved in a number of ways, as follows:

1. *There needs to be a clearer definition of affordable housing.*
2. *The proportion of land to be released for affordable housing needs to be specified.*
3. *The Temporary Emergency Residential Planning permits (TERP permits) should either have their conditions precisely described or not be included in the Bill.*

Anglicare also has recommendations to increase the number of private rental properties that are affordable to Tasmanians on low incomes.

1. There needs to be a clear definition of affordable housing

Neither the *Land Use Planning and Approvals Act 1993* (last amended in September 2017) nor the *Homes Act 1935* (last amended in May 2016) provide definitions of “affordable housing”. Tasmania’s Affordable Housing Strategy 2015-2025 also fails to define “affordable”.

Anglicare views affordable housing as housing (public, social or private rental or private home ownership) that does not place the householder in housing stress, which means the lowest 40 per cent of income earners being required to pay less than 30 per cent of their gross income on housing costs (rent or mortgage payments).

The Housing and Community Research Unit (HACRU) of the University of Tasmania provide guidance about building costs for affordable housing, suggesting completion should cost \$180,000 or less at 2012 prices¹.

The lack of definition of affordable housing means there is no certainty that housing built through this initiative will serve Tasmanians on low incomes.

The draft Bill also fails to specify the length of time land released under the Bill would need to be retained for affordable housing.

Anglicare recommendations

Affordable housing built by initiatives arising from the release of Crown land be required to be built for \$180,000 or less at 2012 prices and rented or sold at a price so that the household is not placed in housing stress. Further, the duration that land released for affordable housing is to be retained for affordable housing must be specified.

¹ Verdouw J, Flanagan K, Gorter T, Habibis D 2015, *Affordable Housing Strategy Tasmania 2015-2025 Discussion Paper: Key Issues and Innovations*, Housing and Community Research Unit University of Tasmania, p. 8.

2. The proportion of land to be released for affordable housing needs to be specified

The draft Bill is vague in its statements about how much of the land released under the Bill should be used for affordable housing: statements such as “all or part of the area of land” (section 5 (2) (b)) and “at least some” (section 19 (5) (b)) fail to ensure the intent of the Bill, which is to provide rapid and effective affordable housing for people experiencing homelessness.

Tasmania’s Affordable Housing Strategy 2015-2025 identifies the need for 2,392 new dwellings a year with 27 per cent of these (656 per annum) needing to be “low priced affordable homes”². This contradicts the analysis provided to the Government by HACRU in their Affordable Housing Strategy Tasmania 2015-2025 Discussion Paper, with HACRU identifying that 61 per cent of new dwellings (1,455 of the projected annual 2,392 new dwellings) need to be low cost completions (defined as \$180,000 or less at 2012 prices)³.

Anglicare recommendations

A minimum of 60 per cent of land released be required to provide low cost builds, as per HACRU’s definition above, for the provision of affordable housing.

² Tasmanian Government 2015, *Tasmania’s Affordable Housing Strategy 2015-2025*, September, Department of Health and Human Services, p. 12.

³ Verdouw J, Flanagan K, Gorter T, Habibis D 2015, *Affordable Housing Strategy Tasmania 2015-2025 Discussion Paper: Key Issues and Innovations*, Housing and Community Research Unit University of Tasmania, p. 8.

3. The Temporary Emergency Residential Planning permits (TERP permits) should either have their conditions precisely described or not be included in the Bill

The current draft Bill lacks the specifications required to ensure TERP permits will be effective in providing temporary emergency accommodation to those in most need.

There are no criteria for assessing the appropriateness of land or buildings either already on the land or that may be placed on the land other than “it is safe for the land to be used” (section 23 (c)) and that redevelopment of existing structures or provision of new structures “may occur rapidly and appropriately so that safe and hygienic accommodation may be provided to persons in urgent need of residential accommodation” (section 23 (d)).

Anglicare is concerned that the TERP permits could lead to people being forced to endure inadequate “housing” in “structures” that, while “safe and hygienic”, are not required to meet the minimum standards of the Residential Tenancy Act. It would be inappropriate for the Government to force people into inadequate accommodation for the three years of a TERP. Appropriateness of rent charged, conditions of rent and choice of “tenant” are also unclear.

Anglicare is also concerned there is no model for support to be provided to people who take up TERP accommodation nor is it clear what the plan is for people who have been accommodated through TERPS once the three year permit expires. The relationship between taking up a TERP and the person's position with Housing Tasmania's waiting list also needs to be specified.

Anglicare recommendations

- a. *More details of TERP permits, including the model for support and exit planning, are provided before Parliament considers the draft Bill.*
- b. *At a minimum, a TERP Permit must refer to the minimum standards of the Residential Tenancy Act. There may be reasonable grounds for not meeting the minimum standards but these reasons must be publicly debated in Parliament.*
- c. *If the proposed TERPs system is unable to provide sufficient standards and support for tenants, they should not proceed.*

Further comments

Anglicare also notes the current action being taken by the Government and that new builds is only one component. The Government's Private Rental Incentives will make some vacant properties available as affordable rentals but fails to provide assistance to householders who might not be able to maintain their current tenancies.

Anglicare recommendations

- a. *The Government increases the number of properties that can be made available through the Private Rental Incentives so that supply of new rentals, new builds and temporary accommodation permits (if passed through Parliament) together meet the number of new homes that are needed annually as identified in the Affordable Housing Strategy.*
- b. *Private Rental Incentives provide guaranteed rent for a minimum of three years.*
- c. *Maximum rents under the Private Rental Incentives be based on what is affordable for the renters' income not on market conditions. This means rents should be no more than 30 per cent of the tenant's income.*
- d. *Incentives be offered to the 15,000 landlords who currently have tenants on low incomes and who are in housing stress or crisis to offer affordable rents for a minimum of three years.*