



RESPONSE TO DISCUSSION PAPER ON NSW SOCIAL HOUSING IN NSW

The Glebe Society, 17 February 2015

BACKGROUND

The Glebe Society welcomes this opportunity to respond to the NSW Government's *Social Housing in NSW: a Discussion Paper for Input and Comment*.¹ The Glebe Society is a community organisation formed in 1969 to protect Glebe's heritage, environment and community. We work with our local community and other organisations to maintain Glebe's heritage, character and community cohesion.

Social housing is integral to Glebe and of vital interest to Glebe residents and hence to the Glebe Society. Around 4,000 people live in public housing in Glebe – about one third of Glebe's population. The number of public housing dwellings in Glebe is estimated to be 1,424, which is 18% of public housing in the City of Sydney.² Glebe as a community is committed to public housing, including the Glebe Estate which is fundamental to Glebe's built and social character.

In our submission last year to the *Inquiry by the NSW Legislative Council Select Committee on Social Public and Affordable Housing*,³ we outlined concerns about threats to the viability of social housing in Glebe and to tenants' quality of life. These concerns included: the sale of properties; poor maintenance of properties; insufficient support services; dislocation arising from relocation; lack of community consultation; and lack of affordable housing in Glebe. We also highlighted the value of existing services for tenants in Glebe; for example, Glebe Youth Services and the Glebe Community Development Project. Similar concerns were expressed by the Forest Lodge and Glebe Coordination Group (FLAG),² of which the Glebe Society is a member.

The *Social Housing in NSW* discussion paper identifies three 'pillars' of the social housing system in NSW and calls for comments with a particular emphasis on 'successful models, innovations or practices', to help the government to meet the objectives for the social housing system.¹ We will address the questions posed in the discussion paper, with a focus on practical solutions.

PILLAR 1: A SOCIAL HOUSING SYSTEM THAT PROVIDES OPPORTUNITY AND PATHWAYS FOR CLIENT INDEPENDENCE

Question 1 from discussion paper: *Given tenants living in social housing often experience disadvantage which is disproportionate to other areas of the community, what measures are required to provide tenants of social housing with pathways to opportunity and independence?*

Like everyone else, social housing tenants need to be socially connected to a diverse and supportive community, to have a home that supports their health and wellbeing, as well as opportunities to better their circumstances.

MAINTAINING SUPPORTIVE COMMUNITY CONNECTIONS

People benefit most from social housing that is located in areas that provide:

- access to employment, education and training; access to shops and transport; and access to health and social services;
- a strong, supportive and diverse community that provides social connectedness and a sense of belonging.

Many social housing residents do not have the benefit of living in communities with good access to opportunities and services. Because tenants in social housing account for 20% of all people experiencing 'deep and persistent social exclusion in Australia', it is imperative that these people are not isolated in marginal areas where few social services are available. Public housing clients who do live in areas that, like Glebe, have established community connections and access to such services, should be enabled to stay in those communities and to make the best use of those local opportunities. The Glebe Society is therefore opposed to reducing social housing in Glebe. Glebe residents have access to high quality educational opportunities, health and social services. It would be counter-productive to dislocate Glebe social housing residents into areas with fewer opportunities.

Despite being well located, Glebe residents still experience significant social disadvantage, and we agree with the discussion paper's observation that the government should strengthen products and services 'that connect tenants with employment, education, training and other community engagements'.¹ Some services for the Glebe community are threatened and some new ones are needed. Many services face funding insecurity.

A specific suggestion is to build childcare centres close to social housing complexes. As 23% of people on the public housing waiting list of 59,500 are single parents and their children, a policy to build childcare centres next to social housing, as per the Canadian model, could potentially free up people to get work, and in so doing open up pathways to independence. This could prove a valuable adjunct to existing programs such as Grants for

Graduation, Tools for Success, Transitional Housing Plus and Employment Related Accommodation, and reduce dependence on Centrelink incomes for many one-parent families. Also needed are products to assist these tenants such as links to training, Newstart Allowance, Private Rental Subsidies for priority clients at risk, Private Rental Brokerage Service for clients with complex needs, TSEP and others should ideally be extended to better support these people.

The 'wrap around' services provided by some Community Housing Providers give evidence of this happening that may be adapted to public housing. This should ideally include advocacy for tenants, as undertaken by the Tenants Union and the Redfern Legal Centre.

Social housing tenants, like everyone else, benefit from social connectedness and a sense of belonging. Research shows overwhelmingly that social dislocation and social isolation lead to poor health, social and economic outcomes. To prevent disconnection from community, social housing should support and not damage social bonds that have developed within a community.

The Glebe Society is opposed to uprooting residents unless absolutely necessary. If, however, residents must leave their homes, they should be given the opportunity to stay within their own community. Community cannot be defined by fixed geographical or administrative boundaries. Communities are often of a small scale, even a few blocks, especially for people with mobility difficulties. Therefore, relocating clients within an area too broadly defined may impact negatively on social connections. The process should be managed on a case-by-case basis, taking account of individual needs.

Given the risk of social isolation arising from relocation, we believe that the most vulnerable residents should not be removed from their current homes and local community. Housing NSW has estimated that by 2021, over 50 per cent of all social housing demand will be from older people and from people with a significant disability.⁴ These people may have the greatest reliance on their local community and may have poorer outcomes if relocated.

Evidence indicates that the communities that are best for people are communities that are diverse. More specifically, housing estates with a 'social mix' provide better outcomes for tenants than estates with a more homogeneous make-up.⁵ The value of a mixed community is recognized in the NSW Housing legislation: 'The objects of this Act [include]: (i) to encourage social mix and the integration of different housing forms in existing and new communities' (*Housing Act 2001 - Sect 5*). This objective is often not met, since housing authorities focus on the 'urgent needs of priority clients', which limits social mix.⁶

As a suburb, Glebe is diverse. Within its diversity, the full spectrum of social demographics is represented. This is beneficial for all Glebe's residents. Glebe's social diversity has grown

organically over time, and this is the best way for social mix to be achieved: “In neighbourhoods where social mix has evolved ‘organically’ over time, social mix is more likely to be a positive phenomenon. In areas where it has been introduced through deliberate government intervention, unless there is adequate consultation with tenants and high quality urban planning, social mix usually has minimal impact and can severely disrupt the lives of residents.”⁵

The location of public housing in Glebe, therefore, has many benefits for public housing clients. The Glebe Society would not like to see it diminished in any way, and would like to see deficiencies addressed.

A HEALTHY LIVING ENVIRONMENT

For social housing tenants to have the personal resources to grasp opportunities, they need to live in safe and healthy environments, yet ‘public housing is ageing and increasingly not fit for purpose’.⁶ Of particular ongoing concern in Glebe is that maintenance work being delayed, thereby ‘fuelling a significant backlog’.⁴

Public housing in Glebe is becoming increasingly unfit for purpose. Most of Glebe’s public housing is located in the Glebe Estate. The Federal Government conserved this Victorian townscape for social housing in the 1970s; and after bringing its hygiene and housing quality to standard, handed the Glebe Estate to the NSW Government in about 1984. Since then the housing stock – of great heritage significance – has not been adequately maintained. We agree with the select committee’s recommendation 19 that: ‘NSW Treasury publicly identify what funding is required to address the maintenance backlog’.⁴

The maintenance and other amenity issues for public housing in Glebe have been brought to the attention of the NSW Government on numerous occasions, so we will not further elaborate here. However, we support the conclusion of the select committee that ‘given the extent of tenant dissatisfaction on [maintenance], it is essential that the NSW Government commission an independent review into the management of maintenance, focusing on improved transparency, accountability and responsiveness’.⁷

PATHWAYS TO OPPORTUNITY AND INDEPENDENCE

Question 1 of the discussion paper asks ‘what measures are required to provide tenants of social housing with pathways to opportunity and independence?’ We comment here on some roadblocks on the pathway from public housing, to affordable housing, private rental and – ideally – home ownership. Removal of these roadblocks requires a whole of government approach.

There are barriers to tenants being able to exit public housing. Security of tenure is important to many people in social housing; and is sometimes more important than choice.

⁸ Like everyone else, social housing tenants need some degree of certainty about their

future, if they are going to successfully transition out of public housing into other tenure types. It is particularly distressing for residents to be made to move into temporary accommodation. It is also distressing to be living in fear of losing their home. In Glebe, for example, residents were removed from the Cowper Street estate and told they could come back when the new development was completed. Yet three years on, no building has taken place, nor has a DA been submitted to Council. It is cold comfort to the tenants to hear from Housing NSW that 'there will be no loss of social housing on the site as a result of the redevelopment'.⁹ Such dislocation of the Cowper Street residents was presumably avoidable, as it seems their housing could have remained in place until closer to the redevelopment date – assuming planning had been properly conducted.

Another distressing outcome is for clients to be moved to temporary accommodation that is not fit for purpose, The Glebe Society understands that some residents displaced by the Millers Point sell-off were relocated to motels.

Part of the Cowper Street project is ear-marked for affordable housing. Although affordable housing provides a step towards independence for some, public housing tenants are unlikely to afford the rent in 'affordable' housing in Glebe, which can be set at up to 80% of market rent.

If public housing shrinks in Glebe, tenants who wish to remain living in Glebe may be forced to consider the private rental market, which is likely to be beyond their means. Any reduction in public housing stock in Glebe will likely result in residents leaving their community.

Once again, a whole of government approach is needed so that private rental accommodation is becomes more affordable and more available. This could include examination of factors driving higher rental prices, including negative gearing.

PILLAR 2: A SOCIAL HOUSING SYSTEM THAT IS FAIR

Question 2 from discussion paper: *The social housing system is often difficult to access for those most in need. What measures are required to create a system which is fair for those already in social housing, those on the waiting list and others who may need assistance?*

A great threat to the fairness of social housing is that so many people who need it cannot access it. The Auditor-General estimates that, in NSW, social housing only meets 44 percent of need.'

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The inadequate supply of social housing impacts not only on wait-listed people, but also on those who are able to downsize to more suitable accommodation. Often, more suitable smaller dwellings are not available, and the tenant is unable to move. The potential to free

up a dwelling for another tenant is lost. A means of addressing this lack of smaller properties would be to subdivide existing properties where possible. It is noteworthy that 60% of tenants are singles and 49% of people on the waiting list are also singles, but 40% of three and four bedroom premises are underutilized. As only 25% of public housing is studio or one bedroom apartments, it would make better economic sense to utilize funds from sales of property to renovate three and four bedroom premises which are located near to employment opportunities, than to build new premises in greenfield locations where employment opportunities do not exist. Renovations would ideally convert three and four bedroom premises in inner suburban locations into one and two bedroom apartments. This could have the additional benefit of boosting independence of tenants; one of the three priorities of FACS/Housing, and may provide tenants with pathways to independence by raising their incomes.

In Glebe, a step towards ensuring that there are sufficient assets to meet need would be to ensure, as a matter of urgency, that social and affordable housing is built on the Cowper Street site.

There is a recognized problem with dwellings remaining vacant for unacceptable periods of time, which is unfair to people on the waiting list. Ideally, any solution to this problem would permit tenants to locate into accommodation within their own community. The London model permits tenants to bid for vacant properties advertised by local government authorities in their areas. Allocations are made on the basis of needs. Such a model could be considered for NSW as it could facilitate the provision of fairness and reduce social disruption, particularly for tenants already embedded in the local community, rather than having them offered houses at remote locations.

The problem of tenants behaving badly is raised in the discussion paper as a fairness issue: "The NSW Government seeks to move from a system with relatively few expectations of tenants to one with clearer expectations and recognition of responsible tenant behaviour." The subsequent discussion considers means by which problematic tenants can be removed, including a 'three strikes' policy. The Glebe Society believes that a more positive approach is needed to the problem of difficult behaviours by clients. This approach requires providing clients with adequate support. Rather than punishing vulnerable people by ending their leases – potentially leading to homelessness – a more positive approach will be required. Given that 'the negative life experiences of many of these people have led to apathy and dependence, it is important to give them the confidence and skills to influence their circumstances.'⁸ Furthermore, tenants are more likely to act responsibly in relation to their property if they perceive that housing authorities are committed to maintaining that property – this is often not the case at the moment.

PILLAR 3: A SOCIAL HOUSING SYSTEM THAT IS SUSTAINABLE

Question 3 from discussion paper: *Creating a sustainable social housing system is an essential step in providing fairness, opportunity and pathways to client independence. What measures are required to create a sustainable social housing system?*

We note that the discussion paper indicates the NSW Government is considering how to 'efficiently manage' the social housing system within the Government's 'existing funding envelope'.

The lack of a social housing strategy is reflected in a lack of clear policy direction, with the effect that 'tenant and asset management activities have sometimes been inconsistent and short-term'.⁶ A lack of clear strategy and long-term planning is evident in Glebe; the Cowper Street development being a prime example.

The lack of strategy has led the Auditor-General to recommend that the Government: 'develop a clear direction for a sustainable social housing sector that can function within the available funding'.⁶ We agree with this recommendation. The Glebe Society believes that an all-of-government strategy with effective reporting processes should be developed jointly with the community.

A housing strategy should mandate that appropriate economic modeling and social impact assessments are conducted before decisions are made about changes to the social housing system in an area. The Millers Point properties were sold without any economic modeling and little apparent thought given to its social impact. Should such a sell-off be contemplated for Glebe public housing, we would expect that decisions would be made in consultation with affected tenants, and more broadly with the local community.

As well as appropriate planning, FACS should be transparent in its activities. The Auditor-General found that 'reporting is not sufficient to clearly assess performance in achieving the objects of the *Housing Act* 2001, particularly those that would show understanding and management of existing and future tenants' needs'.⁶

Relevant activities or projects of the NSW social housing system should be independently reviewed and the findings made public. Glebe residents would like to see a review of the Millers Point sell-off, including details of outcomes for residents, and breakdown of how the proceeds were spent, as well as the number of new public housing dwellings built with sale proceeds.

The Glebe Society is absolutely opposed to the proceeds of assets sales being used to fund Housing's operating costs such as maintenance. All sale proceeds should be used to create additional dwellings.

With regard to the sale of public housing stock, we note that targets have been set for the transfer of public housing to community housing providers (CHPs): 'these transfers are an extension of the targets committed to by the Federal Government and all State and Territory Governments, whereby up to 35 per cent of government social housing will be owned and/or managed by CHPs by 2014'.⁸ As the current social housing system does not receive sufficient funding to maintain existing assets let alone build new ones, it seems apparent that partnerships with the private sector and/or other organisations such as NGOs and the NDIS should be considered. The example given in the discussion paper of mixed-income communities being developed by the City of Atlanta, Georgia, with 20% government funding and 80% private investment appears to have merit, subject to the provision of strict requirements and a minimum number of social housing assets being produced.

The Glebe Society takes no position on the appropriateness of CHPs owning and/or managing a greater share of public housing, but we note that 'growing the not-for-profit housing sector (e.g. community housing associations) is a successful way of increasing the supply of low-cost housing stock.'⁸

If transfers of public housing to CHPs occur, we believe CHPs need to have the resources to provide housing of a sufficient standard and to provide needed housing-related services. Currently, CHPs 'are typically able to run at an operating surplus, however are unable to fully fund the acquisition of new stock or replenishment of end-of-life stock without government grants or alternative revenue streams.'⁴ In addition, a CHP should not be sold properties in such poor condition that the CHP is unable to afford to repair or maintain them. In Glebe, many private housing properties are currently in poor condition, and there is a risk of further deterioration.

Where the Land and Housing Corporation (LAHC) already owns property which is in need of redevelopment – especially in the inner suburbs where increased density is another government objective – it would make sense to implement such a mixed model. However, the case of the Cowper Street development brings this into doubt. The site was intended to be redeveloped along these lines, yet redevelopment has been stalled for three years. It seems that the political will to progress such a project is sadly lacking, or the expertise to manage such a project unavailable at LAHC.

The Glebe Society has as an objective to preserve heritage aspects of Glebe. We were deeply disturbed by the removal of heritage controls over properties sold-off in Millers Point. We note that the Millers Point sale went ahead despite a social impact assessment that it would result in a loss of 'important social history'.⁴ Heritage controls should remain in place if heritage properties are sold.

The social housing system in NSW is clearly not as efficient as it could be. Two areas in which inefficiencies have impacted on inner Sydney public housing residents are maintenance costs and relocation costs. Glebe public housing residents have identified maintenance activities leading to many inefficiencies. These were outlined in our submission to the select committee. It may be that a decentralised model for managing maintenance would be more effective, and may even provide employment opportunities for local residents. Unnecessary costs of temporary accommodation is another source of inefficiencies. A review of the effectiveness of the Miller's Point sell-off could identify the cost-benefit of temporary housing.

CONCLUSION

The Glebe Society supports the NSW Government's efforts to ensure that social housing is sustainable, managed fairly and fosters residents' independence. It is pleasing to see that the Government is taking steps towards developing a – long overdue – social housing policy.

Public housing in Glebe is, in many ways, a success story. This success can be attributed in part to the cohesiveness of the Glebe community and its proximity to employment, education and training opportunities as well as to critical health and social services. Changes to the social housing system that jeopardize these in Glebe are likely to result in negative outcomes for social housing residents, and for the suburb as a whole.

Despite the success of social housing in Glebe, steps must be taken to address significant problems impacting social housing residents. Such problems include:

- the deterioration of public housing stock and the ineffectual maintenance program intended to ameliorate this;
- tenant insecurity about the potential break-up of their community; based in part on their awareness of the plight of Millers Point residents and the failure of the Cowper Street affordable housing project;
- tenant insecurity about whether they will have access to public housing at all (if required in the future) – fuelled by the selling of public housing assets to fund departmental operating costs.

As we proposed in our submission to the select committee, 'the Glebe Project' could be established to audit Glebe's housing stock, review social indicators and social services, and consider the governance and financing arrangement of public housing in Glebe. The Society is willing to work with community, local and State Government agencies to this end. Glebe is a strong, well-organised community that is willing to work hard to make our village an example of what social housing can be.

REFERENCES

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