

Submission to the Tasmanian Housing Strategy Discussion Paper



**MISSION
AUSTRALIA**

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About us

Mission Australia is a national Christian charity motivated by a shared vision of an Australia where everyone has a safe home and can thrive. Since 1859, we have been standing alongside people in need across Australia, offering real hope that has lasting impact.

In the 2021-22 financial year, we supported nearly 148,000 individuals through 465 programs and services across Australia. This included over 23,500 individuals in Tasmania supported through services including community services (children and families), early learning, employment solutions, housing and disability services (Local Area Coordination and Early Childhood Early Intervention).¹

In 2009, Mission Australia established Mission Australia Housing (MAH), a Tier 1 Community Housing Provider. In 2013, we took over the management of a portfolio of 500 social homes for Housing Tasmania in Clarendon Vale and Rokeby and this year a further 690 social housing homes were added to the portfolio in Warrane, Mornington, Risdon Vale, Chigwell, Midway Point, Sorell, Orford, Triabunna, Swansea and Bicheno.

We know that great communities thrive where there are connections, opportunities and engagement across the economic spectrum. We know that individual service responses are not sufficient to address the challenges of deep and persistent disadvantage. That is why we use a place-based model which manages tenancies; co-ordinates support services; targets intergenerational disadvantage through education and employment and supports people with disability to access mainstream services within their local community as well as specialist support through NDIS packages when needed. We use a research and evidence-based approach to our work and services, so we can measure our impact and demonstrate program outcomes.

Summary of recommendations

- Targets are adopted by the Government across Tasmania to drive work and accountability on meeting affordable housing supply needs and ending homelessness.
- Create the environment for First Nations Peoples to exercise self-determination in addressing the unique housing and homelessness issues they face.
- Implement a policy of Housing First approach to ensure people can access housing when they need it and that wraparound support be provided where required.
- Implement build-to-rent affordable housing to address housing affordability and provide security of tenure.

¹ Mission Australia, 2022. Annual Report 2022, <https://www.missionaustralia.com.au/annual-report-2022>

- Invest in targeted housing models for older women at risk of homelessness.
- Introduce increased private rental financial assistance and independent support plans into private rental market subsidy programs, using the NSW Rent Choice program as a model.
- Expand tenancy support programs to cover those at risk of homelessness in social and private housing.
- Adopt mandatory inclusionary zoning to help boost the supply of social and affordable housing and support the development of strong communities.
- Adopt strategic commissioning approaches with minimum seven-year funding contracts, to maximise allocative efficiency, realise the full benefits of programs and initiatives and give certainty to service providers, staff and clients.

Adoption of targets to drive action

Recommendation: Targets are adopted by the Government across Tasmania to drive work and accountability on meeting affordable housing supply needs and ending homelessness.

The Tasmanian Government has the target to grow the population to 650,000 people by 2050 in its *Tasmania's Population Growth Strategy*. To make this a sustainable goal and avoid exacerbating housing unaffordability there must be underlying targets developed for affordable housing supply and ending homelessness.

The Strategy provides the opportunity for establishing detailed targets which reflect the different housing needs across the state to alleviate the dysfunctional and fragmented approach to meeting supply and providing everyone with a safe home. Targets should be ambitious and have firm and clear language so there is common understanding among accountable parties. Mission Australia proposes the following targets as examples of what the strategy should aim for:

- reducing homelessness, including a commitment to:
 - Housing First principles
 - zero street sleeping
 - no exits into homelessness from institutions
- reducing the number of low-income people living in rental stress
- transferring management of public housing to the community housing sector by 2050.

Once clear targets have been set and accountable stakeholders identified, it will help drive solutions to meet them. These solutions could include the introduction or scaling up of the following:

- an audit of all government-owned land to increase potential affordable and social housing supply options

- discounted sales of public and council owned land for social or affordable housing purposes or long-term ground lease arrangements to support build-to-rent schemes
- restrictions on short-term letting in constrained rental markets
- planning and tax changes to incentivise build-to-rent schemes.

This work should be supported through developing an action plan backed with funding arrangements and targeted initiatives that will support its implementation.

Self-determination for First Nations Peoples

Recommendation: Create the environment for First Nations Peoples to exercise self-determination in addressing the unique housing and homelessness issues they face.

The impacts of inadequate housing on Aboriginal and Torres Strait Islander health and wellbeing are significant.²

Mission Australia believes that policy settings affecting the housing and homelessness outcomes of Aboriginal and Torres Strait Islander people should be developed by First Nations Peoples and organisations. It should also link into and support work on the Closing the Gap target of ‘People can secure appropriate, affordable housing that is aligned with their priorities and need’. We highlight the National Aboriginal and Torres Strait Islander Housing Association (NATSIHA) submission³ to the Productivity Commission’s review of the National Housing and Homelessness Agreement that urges the adoption of several principles to ensure an effective response to the housing needs of First Nations Peoples.

Investing to make a real difference for vulnerable groups

One in 82 people in Tasmania received homelessness assistance during 2020-21, higher than the national rate. During this period Tasmania also had a greater proportion of clients (94%) requiring accommodation than nationally (60%) and every day on average there were 46 requests for assistance that went unmet.⁴ Having a home is critical for mental and physical health, their education and employment prospects, and their ability to meaningfully participate in the community. A key focus of the Strategy therefore must be on adequate investment in social housing and supporting an affordable and sustainable private rental market.

We welcome the Government’s commitment to building or acquiring 10 000 new social and affordable homes by 2032. Social housing is an important piece of social infrastructure in Australia that serves both

² National Aboriginal Community Controlled Health Organisation, Aboriginal Housing for Aboriginal Health: NACCHO Policy Position Paper, <https://www.naccho.org.au/wp-content/uploads/NACCHO-Housing-Policy-Paper-SH-edits.pdf>.

³ https://www.pc.gov.au/__data/assets/pdf_file/0006/337560/sub055-housing-homelessness.pdf

⁴ Australian Institute of Health and Welfare, 2021, Specialist homelessness services 2020-21: Tasmania, https://www.aihw.gov.au/getmedia/c6e374d2-f9b6-4c69-a491-2a9e9857b441/TAS_factsheet.pdf.aspx.

a social and economic purpose and contributes to the effective functioning of society. Rolling out construction of social homes can help create jobs and stimulates the economy.

However, more investment is required to address the urgent shortage of housing for people on low and moderate incomes in Tasmania. Many Tasmanians are struggling, with 4,455 households waiting on the Housing Register for social housing as of August 2022.⁵ Similarly, people in the private rental market are facing increasing financial pressure. Across Tasmania, weighted median rents increased 10% from the year to June 2022, with the Northern region experiencing growth above the state average at 12.1%.⁶

Recommendation: Implement a policy of Housing First approach to ensure people can access housing when they need it and that wraparound support be provided where required.

People experiencing homelessness need effective responses to help them regain stable housing and, if necessary, access ongoing assistance with health, wellbeing, education, employment and other issues. Housing First approaches have demonstrated excellent housing outcomes and positive impacts on a range of health and wellbeing outcomes both in Australia and internationally.

The Housing First model respects the rights of all people to housing, no matter their personal circumstances, and evaluations have repeatedly demonstrated their value in housing retention over the long term (see, for example, the MISHA project in the breakout box below). For people with chronic histories of homelessness and more intensive support needs, Housing First is an economically and socially viable and personally valuable approach to addressing homelessness.

Case study: Michael's Intensive Supported Housing Accord (MISHA Project) NSW ⁷

The MISHA project was a successful Housing First model providing holistic care to men who were chronically homeless. It began in late 2010 with the aims of providing homeless men with support to enter and sustain permanent housing, ensuring access to mental and physical health supports, reducing social isolation and equipping clients to live successfully within the community.

As a result of services provided, 98% of clients were able to support their tenancy over a 12-month period. Research on the project from 2010-2013 demonstrated costs associated with use of health and justice services were more than halved over 2 years – delivering a saving to government of more than \$8,000 per person each year.

Overall financial savings to government attributed to the MISHA Project were estimated at close to a million dollars over two years, through fewer nights spent in hospitals, mental

⁵ Department of Communities Tasmania, 2021, Housing Dashboard August 2022.

⁶ Tenants' Union of Tasmania, 2022. Tasmanian Rents June Quarter 2022, <http://tutas.org.au/wp-content/uploads/2019/11/Tas-Rents-Jun-2022.pdf>.

⁷ See further: Mission Australia, From Homelessness to Sustained Housing, 2010 – 2013, MISHA research report, accessible at: <https://www.missionaustralia.com.au/documents/279-from-homelessness-to-sustained-housing-2010-2013-misha-research-report-2014/file>.

health facilities or drug and alcohol centres, fewer visits from justice officers, less police interaction and less time spent in detention facilities.

There were also savings generated to housing providers due to reduced evictions, estimated at \$1,880 per client, in the first 12 months of the client being housed. The total net saving to housing providers generated by providing tenancy support services to 74 MISHA clients over a one-year period was estimated at \$138,880.

Recommendation: Implement build-to-rent affordable housing to address housing affordability and provide security of tenure.

Build-to-rent housing is large-scale, purpose-built rental housing that is held in single ownership and professionally managed. It offers opportunities to avoid some of the uncertainty that can arise for people in private rental housing. The NSW Government has recently introduced build-to-rent housing into the NSW planning system. We recommend that the Government investigate build-to-rent schemes in other jurisdictions to help consider options for increasing the scale of social, affordable and private rental housing in Tasmania to help meet the increased forecast population projection demand.

Recommendation: Invest in targeted housing models for older women at risk of homelessness.

With an ageing population and growing levels of housing stress and homelessness in Tasmania, there is an urgent need to ensure people, as they age, continue to be housed in a way that accords them the dignity and respect they deserve.

Older women in particular are a growing group facing housing insecurity and at risk of homelessness. From 2011 to 2016, the number of women aged 55 and over experiencing homelessness in Tasmania increased by 24% and those in marginal housing (i.e. at-risk of homelessness) by 5%.^{8 9} This group face unique issues, often having had greater caring responsibilities than men throughout their life that impact employment and limited their financial opportunities, leaving many asset poor. They are also at risk due to changing housing needs and shifts in relationship status. Other precursors to homelessness are experienced more frequently in older age, such as disability and mental illness.

These unique circumstances require specific housing models that cater to the needs of older women. In NSW a partnership between the government and community housing providers has committed to delivering purpose-built housing for women who are either homeless or at risk of homelessness across several local government areas.¹⁰ The key features of this housing are:

⁸ Australian Bureau of Statistics, (2012). 2049.0 Census of Population and Housing: Estimating Homelessness_2011, https://www.abs.gov.au/AUSSTATS/subscriber.nsf/log?openagent&20490do001_2011.xls&2049.0&Data%20Cubes&4B192F075234A583CA257AB1001709B0&0&2011&12.11.2012&Previous.

⁹ Australian Bureau of Statistics, (2018). 2049.0DO004_2016 Census of Population and Housing: Estimating homelessness, 2016, https://www.abs.gov.au/statistics/people/housing/census-population-and-housing-estimating-homelessness/2016/20490do004_2016.xls.

¹⁰ See further: <https://www.dpie.nsw.gov.au/land-and-housing-corporation/greater-sydney/housing-for-women-in-need>

- it is medium density studio apartments in dwellings designed to integrate within the existing neighbourhood and presenting as large private market housing;
- dwellings are located close to public transport, services and amenities;
- an internal design with accessibility/liveable housing elements to facilitate ageing in place
- a balance of private and communal spaces with residents having their own private units but also access to communal lounges, kitchens, laundry facilities and gardens.

These elements of the model work together to provide modern, affordable and safe housing that supports community and social inclusion amongst the residents. Housing models that incorporate these elements should be prioritised for investment in Tasmania to reduce the number of older women experiencing homelessness.

Recommendation: Introduce increased private rental financial assistance and independent support plans into private rental market subsidy programs, using the NSW Rent Choice program as a model.

The Government needs to strengthen its approach to subsidising private rental market places for people on low incomes, and adopt a model similar to NSW's [Rent Choice](#). Rent Choice provides medium-term financial assistance for up to three years for low to moderate income households, to enable them to secure and sustain a tenancy in the private rental market. The program assists people to access support services, including training and employment opportunities, to build capacity to continue living independently after the Rent Choice assistance ends. It ensures that people are supported in their transition to sustainable independence.

In return they must express a commitment to sustaining a tenancy while receiving the subsidy and to transitioning to independent living. They must be willing to receive and continue with support services where relevant. For those with higher needs, a deeper subsidy is available which is paired with an Independence Support Plan (ISP) developed either with the Department, an approved Community Housing Provider or another service provider with whom they have a pre-existing support relationship. The ISP is a person-centred approach to coordinating 'wrap-around' services to support the client to build their capability to transition to housing independence at the end of the subsidy period.

Recommendation: Expand tenancy support programs to cover those at risk of homelessness in all forms of housing.

Tenancy support aims to deliver early intervention strategies when issues are identified to help stabilise a tenancy, prevent homelessness and build an individual's capacity to maintain a stable tenancy into the future, with the end goal of long-term tenancy sustainment. This is achieved through: integrated service delivery; facilitating access to appropriate housing and innovative programs that address the underlying and often complex issues that can cause tenancy loss and/or homelessness risk; provision of a collaborative, integrated, holistic service delivery approach that is tenant-driven, strengths-based and goal-focused.

Many community housing providers deliver or contract other independent support coordination providers to deliver this type of support. Common to the operating model of community housing providers is an additional layer of support for residents and their families and community development activities. At Mission Australia, tenancy support and coordination is funded by Mission Australia Housing but delivered by our Community Services teams through our Tailored Support Coordination Service (TSCS) program. We have been successfully delivering to approximately 1,050 tenancies in Coffs Harbour and to a further 1,250 tenancies in Tasmania.

The TSCS program works collaboratively with tenants and household members to identify support needs and develop a goal-based plan. It then connects them with relevant informal, specialist and professional supports. Where needed, the program will actively support people to navigate their connections and advocate alongside them, to ensure their needs are met. Strong connections are made to case management providers, specialist services (such as gambling counselling, DFV or financial management services), medical specialists, education and employment services and other social or expert supports.

This type of model could provide a basis for a state-wide program which could be expanded in Tasmania to support low-income households in private rental tenancies as well as tenants in social housing. In South Australia, Mission Australia is a consortia member of the Southern Adelaide Toward Home (homelessness) Alliance delivering a homelessness prevention service to people living in private rental dwellings using the TSCS model framework.

Boosting affordable housing supply

Recommendation: Adopt mandatory inclusionary zoning to help boost the supply of social and affordable housing and support the development of strong communities.

Mission Australia supports inclusionary zoning strategies that foster communities where all forms of housing are embraced. We recommend that the Government consider the work of The Constellation Project¹¹ on a National Framework for Mandatory Inclusionary Zoning (MIZ).

MIZ has not been consistently and coherently applied at a large scale in Australia. It has been taken up in pockets: for example, in NSW a form of MIZ has existed in designated zones in the City of Sydney for more than 20 years. However, because of their very limited application and small requirements, these schemes have yielded only 750 affordable rental homes over more than two decades.

What is really needed is a National Framework to coordinate the efforts of governments, developers and community housing providers to use MIZ to generate affordable housing at scale. This would bring a level of consistency and clarity to its application not previously seen in Australia. It is important to note

¹¹ The Constellation Project was founded in 2018 by the Australian Red Cross, the Centre for Social Impact, Mission Australia and PwC Australia, with a vision to end homelessness in a generation. It's now a thriving collaboration, combining the knowledge, resources, networks and influence of people from the business, research, government and community sectors. Constellation seeks to generate practical solutions, such as MIZ, to improve outcomes for people at risk of or experiencing homelessness.

that a National Framework does not mean identical implementation in all locations. The Australian planning system is intricate and nuanced across multiple jurisdictions. A National Framework needs to be flexible for regulatory, project and market context.

What we want to see arising from these efforts are communities where social, affordable and market housing are integrated together to provide a sustainable and inclusive neighbourhood for people from all walks of life.

Shift to strategic commissioning approaches for housing and homelessness services

Recommendation: Adopt strategic commissioning approaches with minimum seven-year funding contracts, to maximise allocative efficiency, realise the full benefits of programs and initiatives and give certainty to service providers, staff and clients.

Strategic commissioning approaches can advance service users' agency in service design and delivery, in particular through co-design and/or co-production to enable user voice to be reflected in need identification, outcome articulation and service design. It can also enable service providers to tailor service delivery to individual users' specific circumstances, needs and aspirations. In Mission Australia's experience, inflexible contracting is often a barrier to effective responses to users, while greater contractual ability to individualise responses produces better outcomes.

Effective strategic commissioning includes the consideration and application of various procurement methods and contract terms that are fit for purpose. Mission Australia strongly recommends a shift to long-term funding contracts to more effectively support organisations to develop and deliver services for individuals, families and communities experiencing disadvantage. Often programs and initiatives are funded on a short-term basis and while many produce promising outcomes, it may not result in lasting changes due to discontinued funding, or ad hoc extensions for as short as six to 12 months. This funding environment is detrimental to service delivery with implications for retaining/hiring qualified staff and continuity of care for clients. It is also highly inefficient, with avoidable waste of taxpayer funds in high frequency contract "churn" incurred by both government agencies and providers.