



## TASMANIAN HOUSING STRATEGY

# Provide your feedback on the Tasmanian Housing Strategy Exposure Draft

JUNE 2023

We encourage you to read the Tasmanian Housing Strategy Exposure Draft (draft Strategy) prior to responding to the following questions. You may choose to respond to some or all questions. Completed documents can be uploaded using the submissions drop-box on the website: <https://tashousingstrategy.homestasmania.com.au/consultation>.

**Question 1: 'Our way forward' identifies several levers for achieving a more equitable housing system for all Tasmanians. Are there additional or alternative more important levers that you believe should be addressed?**

Provide your response here.

We have reviewed the levers and we consider that within the strategy the levers are discussed at too high a level to make them measurable. We feel that the important part of the strategy will be how it is implemented and the lack of an implementation plan or an action plan with measurable outputs and outcomes impacts on what we can say about the adequacy of the levers. At the level of the strategy the levers seem adequate, but we consider there needs to be emphasis on some additional areas at this high level. In particular, we consider that the area of cooperative housing has been over-looked in the strategy. We consider, that especially for older Tasmanians who may be seeking a change from an owner/occupier house and do not wish to move to either a retirement village or into aged care the option of cooperative housing may be an alternative. To deliver an improved base for cooperative housing, more consideration needs to be given to land use planning issues which we can separately comment upon. We also consider that the whole area of philanthropy within the housing context has been overlooked and the role it could play in accelerating housing development. Other states, particularly WA and SA have elements of their strategy based around increasing philanthropic contributions in the housing space. While the strategy has a focus on social and affordable housing we consider that those who just miss out on meeting the conditions for such access have been again forgotten. It is this group on around or just below median income levels who miss out. Something in

the strategy to focus on this group and particularly how they can be assisted into owner/occupied dwellings is important. We also have concerns around some of the discussion relating to standards. Housing must be durable and we consider that many standards don't result in durable homes. Rather houses are built down to the standard. Finally, we recognise the importance of an owned dwelling as people age particularly those on median and below incomes. Our current retirement income system is based around a home which is either fully owned or has a minimal mortgage. The strategy does not cover this element of ageing and we have concerns that the emerging focus within the housing sector of build to rent will not provide either the long term security nor the cash flow benefits which are built into our retirement income space. We also consider that the strategy could include the concept of home sharing. Home sharing is quite different to share house living and provides a viable means for utilising spare space in houses and delivering not only accommodation for those in need, but also support to enable older Tasmanians to more effectively age in place. More on Home Share can be found here:

<https://www.hanza.org.au/>

Based on the included definitions provided within the document, there is no commitment to either retain or increase public housing stock, maintain or upgrade existing stock to meet current living standards.

There is a lack of time frames around the implementation of the strategy and its related action plans. Without these, there is no clear reporting mechanism and therefore a lack of accountability for the document. We don't get a sense of when and how the strategy will be reviewed or changed over time.

## Question 2: Theme one identifies the need for 'more homes, built faster'. Are there additional or alternative objectives you recommend for consideration?

Provide your response here.

Within urban areas lot size is often inadequate to promote more dense forms of housing. As a result a developer must either find a lot of suitable size, or go through the process of purchasing adjacent lots and then embarking on gaining planning approval for development across those lots. We consider there is a role for government/council in packaging lots for desired development and as a result speeding up easing the approvals process. It is our consideration that moves to reduce red tape which have the aim of speeding up the process frequently end up with additional red tape and less accountability. This then falls back on the consumer. As part of the measurable outcomes from the strategy we consider that in addition to measures associated with the number of dwellings constructed there is also a need to reduce the time associated with housing development. At present timeframes and red tape costs are increasing, and a measure aimed at reducing timeframes would identify opportunities for expanding construction further within the same resource base.

## Question 3: Theme two centres on 'affordability in the private market'. Are there additional or alternative objectives you recommend for consideration?

Provide your response here.

A critical factor we consider has not been adequately addressed in the strategy is access to finance. We have noted that while the strategy has a focus on government provision of housing either in the social or affordable housing space, there is also the opportunity for government to enter the housing finance space. Perhaps in the same way the Housing Future Fund is providing capital for the construction of homes by government, a similar approach could be used to provide significantly discounted finance based around a person's ability to pay, permitting them to access housing in the private market and

become owner/occupiers and build a longer term ability to meet commercial lenders. Such funding could be both at a discount related to household income and perhaps even be time limited. This recognises that say a low income earner who may have difficulty meeting finance requirements in the commercial market today, would over time and as their income increased be better able to service a commercial loan for the same amount as originally borrowed. Such a scheme could be self funding over time with careful management and support for borrowers. It may be an appropriate way to permit older purchasers to access the private housing market as owner/occupiers. We also consider that the strategy should give greater consideration to frameworks which will incentivise investors to offer longer term rentals. At present the incentives are going in the opposite direction with lease periods getting shorter and shorter, the end point being increasing investment in short stay type accommodation and the loss of housing in the private rental market. This is particularly apparent in destination locations where there is a significant shortage of housing for those servicing those destinations.

#### Question 4: Theme three places 'people at the centre' of the draft Strategy. Are there additional or alternative objectives you recommend for consideration?

Provide your response here.

One element of this part of the strategy is safety. While there is a focus on women and families, crisis accommodation, particularly in the DV sector does not cater for families with male children which actually results in an inability to leave a DV situation or homelessness. We also have concerns that the strategy under this level does not adequately include those who are homeless, particularly those who find themselves homeless later in life. In this regard we recognise one of the most at risk groups for becoming homeless are older women as their ability to re-enter the housing market is constrained by many factors. We would be keen to further explore how the strategy can better meet the needs of the older people experiencing homelessness. We advocate for the introduction of 'Code Blue for homelessness' as a key health and safety measure across the state.

There is no focus on safe accommodation for people experiencing homelessness leaving health care facilities. This means that people who need would management services for a period after leaving hospital do not receive the care they need as health care workers are unable to find them on the street. There is an urgent need for regional recuperation crisis accommodation and services.

In this part of the strategy we also consider there is room for a housing first approach which recognises that it is important for people to be housed in order for them to connect with society. Seeking to connect with society from a position of homelessness is extremely difficult. Again, placing people at the centre bringing weight back upon longer term leases as the basis for providing security of tenure. This is particularly important for older Tasmanians. We also consider that the adversarial nature of the relationship between renters and owners must be replaced with an environment of mutual obligation, respect and understanding. Increasing red tape in this space helps no one and processes which result in a more mutually respectful relationship will, in our view, deliver better outcomes for both parties.

#### Question 5: Theme four highlights 'local prosperity' as a priority. Are there additional or alternative objectives you recommend for consideration?

Provide your response here.

We consider local prosperity needs to have a balanced community focus including a balanced housing market generally reflective of the wider community. As an example we consider areas such as West and North Hobart which have a wide mix of dwellings and a wide socio-economic provide an example.

We have concerns that suburbs with a virtual mono-socio economic structure do not deliver the best local prosperity. They may deliver wealth, or at the other end of the scale they may deliver a focus on poor socio-economic outcomes. However, a balanced community structure delivers both a vibrant community and sets in place aspirations across that community due to the mixing between socio-economic cohorts across age, wealth and ethnicity. To deliver such outcomes will require an appropriate mix of housing types, rather than the largely mono-cultural housing which dominates areas being developed at present. We consider that local prosperity, as we have defined it above, could be a feature of targeted inner city development such as is proposed by Hobart City Council within its identified inner city precincts. We further believe that with appropriate planning and land use classification and perhaps lot amalgamation housing could exist alongside the existing service industries which exist within the inner urban area of Hobart and the suburb of North Hobart. This would see a move from single dwelling structures and dedicated business structures to a structure type which can provide a mix of the two. This would place people close to their area of work and with appropriate planning also provide community spaces which are common across the world within more densely populated communities.

### Question 6: Are there other ways the government could make its actions and progress to meet the proposed objectives more transparent and accessible?

Provide your response here.

We consider that at present there is perhaps too much focus on build to rent rather than build to own. As we have indicated Australia's retirement income environment does not adequately support rental as a housing option as you age. We have also outlined above the importance of clarity around the next steps in this process and perhaps incorporating some key next steps within the strategy. In this regard we consider that with the strategy and its associated action and implementation plan over lapping election cycles there is a risk that we end up in a never-ending round-a-bout as government come and go. In this regard the strategy and action plan must reflect bi- or tri- partisan support. Without such an approach we will forever see a revolving door of strategies and nothing on the ground. As such the strategy must map out the next steps clearly and demonstrate a medium to long term funding commitment to those steps and how the effectiveness of implementation will be measured.

### Question 7: Do you have any comment on what this draft Strategy does well?

Provide your response here.

The strategy outlines appropriate ideals for housing and provides appropriate analysis for the level of detail provided. The document itself is easy to read and well prepared. However, we consider that a companion document is required to provide the substance behind the document and to support managing implementation and tracking progress.

There also needs to be clearer references and links to associated documents contained within this overarching strategy.

### Question 8: Is there anything you think the draft Strategy does not cover but should, or that it mentions but could be highlighted more?

Provide your response here.

As we indicated above the strategy is very limited in respect to housing as we age. This is critical given Tasmania's ageing population. Entry into the housing market, as either a renter, owner/occupier or

investor is important. However, at the other end the structure of housing for ageing is just as important and the strategy should more adequately cover how older Tasmanians are intended to be supported as they age. Aged care and retirement villages are just one part of that mix. However just as important are alternative models and ensuring that our communities are structured to facilitate ageing in place. Given that retirement villages are an increasingly important housing option for an aging population, there needs to be greater focus on supporting regulatory change in this area and more support for advocacy in relation to these changes.

The strategy is also excessively focused on urban housing and fails to adequately consider housing for those who live outside urban areas, either permanently or on a seasonal basis. Supporting those who provide labour to our regional and rural areas is becoming more critical as we seek to develop destinations and industries across Tasmania.

A critical part of this is the ability of people to finance and get mortgages to build in extreme rural and remote areas of the state (King and Flinders Island) combined with the added transport costs. Banks will often refuse to provide housing mortgages in these areas because there is insufficient data available upon which to basis their risk analysis. This limits the availability of housing to attract key workers into these areas and underpin economic growth.

As we have stated above we believe that balanced communities should underpin how housing is developed in Tasmania. We do not see this as a strong element of the strategy.

The strategy is also limited in discussing how external factors can be leveraged to underpin the strategy. For example we know negative gearing has an impact on housing availability for both renters and owner/occupiers. Negative gearing can be both an opportunity and problematic.. As such the strategy needs to consider issues such as negative gearing and ensure that they deliver better housing outcomes across the community. We consider with some additional leveraging or external intervention could deliver significant outcomes locally. Work in this regard has been done by Dr Kay Petterson and can be found at the following link:

<https://humanrights.gov.au/our-work/age-discrimination/publications/older-womens-risk-homelessness-background-paper-2019>

We would also like to highlight our 2019 submission to the House of Assembly Select Committee on Housing Affordability which provides additional detail on a number of the issues highlighted in this response. A copy is attached to this response.

The definitions section contained within the document is not sufficiently comprehensive and often incorrect. E.g. 'fit for purpose housing' and 'stable housing' are not defined and 'Housing designed to cater for people of all ages and abilities, for example a home that is wheelchair accessible. The adaptability of housing is measured by the capacity of buildings to accommodate substantial change in terms of flexibility, convertibility and expandability' is not a measure of 'housing affordability' as it is not relative to income and expenditure.

Thank you for your feedback.