



Response to Draft North Coast Regional Plan 2041

Introduction

The St Vincent de Paul Society NSW (the Society) is a member-based lay Catholic organisation that has been assisting people experiencing poverty and disadvantage for 135 years. We seek to shape a more just and compassionate society by working to address the causes of poverty and injustice.

Across the Lismore Diocese (which extends from Tweed Heads to Port Macquarie/Laurieton) the Society has approximately 303 active members. In the last financial year, members distributed over \$1.5 million in assistance to almost 5,500 people. As a provider of social services, the Society also operates three homelessness drop-in services in Tweed, Ballina and Coffs Harbour, while in Coffs Harbour and surrounds we deliver settlement services to recently arrived refugees and eligible migrants.

The Society thanks the NSW Government for the opportunity to comment on the Draft North Coast Regional Plan 2041. We want to ensure the North Coast is the best region to live, work and play for people regardless of their income or background; we seek to shape a community that is inclusive of everyone, including the most vulnerable.

The Society therefore commends the Draft Plan for its emphasis on diverse and affordable housing. However, with thousands of families already unable to find a safe, secure and affordable place to call home, we believe the Draft Plan's response to current and projected need for social and affordable housing is inadequate.

The Society's submission focuses on Objective 2 – the provision of more affordable and low-cost housing, under Goal 1 – a liveable and resilient North Coast community. We outline the significant and growing housing need in the North Coast, share the perspective of our members, consider the impact of the 2022 floods, and highlight the importance of measuring progress. Based on the evidence we present, we provide key recommendations that should be considered in the updated plan for the North Coast.

As stated in the Draft Plan, “supplying enough affordable housing to meet people’s needs is a key government priority” (pg 5). The Society contends that the NSW government must significantly increase the supply of affordable and social housing in order to meet this priority.

Housing need in the North Coast region

New South Wales (NSW) is experiencing a housing crisis. This crisis is particularly acute in the North Coast where the cost of housing has sky-rocketed. In part, this is because the North Coast is already an attractive place to live, work and play – and a move to remote working arrangements has made regional living a more realistic option for more people. Ongoing efforts to continue to increase the attractiveness of the North Coast lifestyle must therefore be counter-balanced by a systematic approach to ensuring affordable housing options remain available to people on low and very low incomes.

Affordability

Across NSW, less than 1% of homes are currently affordable to people on low incomes, including single people working full time on minimum wage.¹ This lack of affordability particularly affects people on very low and low incomes including those whose main source of income is a government pension or allowance. On the North Coast, no homes are affordable for single people or couples on

¹ Anglicare Australia (2022) Rental Affordability Snapshot 2022.



the JobSeeker Payment, and in early 2022, only three listed homes were considered affordable for a couple on the Age Pension.² With the JobSeeker payment set too low and not appropriately indexed to key living costs – the rising cost of rent, together with the increased price of food, petrol and energy – means this cohort is increasingly unable to live in locations that provide access to opportunities for education, employment and social connection.

To put the problem in perspective - the weekly income for a single person in receipt of the maximum rate of both the JobSeeker Payment and Commonwealth Rent Assistance is \$394.25. The Department of Communities and Justice Rent and Sales Report for the March 2022 quarter states that the median rent price for a one-bedroom dwelling in Byron Bay is \$500 per week, \$360 per week in Ballina and \$340 per week in Tweed Heads.³

The lack of genuinely affordable homes for people on low incomes means they are now effectively excluded from many communities on the North Coast, and this is deeply concerning.

Social Housing Need

As of June 2021, there were more than 51,000 applicants – representing over 110,000 adults and children – on the waitlist for social housing in NSW. In the North Coast, the social housing waitlist is already unacceptably long, and it is projected to increase.

Across most housing allocation zones in the North Coast, wait times for studios through to 4+ bedroom homes are 5-10 years and in many parts of the region they exceed 10 years. In Tweed Heads alone there are 827 approved applicants for social housing and 131 applicants on the priority waitlist. These numbers are similar in Port Macquarie and Coffs Harbour.

With the population of NSW projected to grow by 40% in the next forty years - requiring 1.7 million new homes across the state - the need for social housing is also expected to increase. The City Futures Research Centre's modelling suggests that NSW (not including Greater Sydney) will need 72,000 new social housing properties and 27,700 affordable housing properties by 2036.⁴

The population is not only growing, it is also ageing. The Draft Plan states that by 2041, “over 33% of the North Coast population will be aged 65 or older” (pg 23), an 8% increase from 2021. With fewer people able to afford to buy a home, more older Australians will require assistance with housing in retirement. NSW Treasury's 2021-22 Intergenerational Report predicts that if the decline in home ownership continues in line with historical trends, this will result in additional demand of 24,000 social housing homes for people over the age of 65 by 2041.⁵

Despite well-documented evidence that demand for social housing will increase, there has been a decline in social housing as a proportion of total housing stock over time. At 4.71%, it is now at its lowest rate since 2011.⁶ The planning system must play an active role in arresting this decline and seek to support a significant increase in the number of social housing dwellings.

² Anglicare Australia (2022) Rental Affordability Snapshot: Regional Reports/April 2022.

³ Department of Communities and Justice (2022) Rent and Sales Report – Median Weekly Rent March 2022 Quarter. Available at https://public.tableau.com/app/profile/facs.statistics/viz/Rentandsales_1556512794310/Rent

⁴ Troy, L. van den Nouwelant, R. and Randolph, B (2019) Estimating need and costs of social and affordable housing delivery. Available at [Modelling_costs_of_housing_provision_FINAL.pdf \(unsw.edu.au\)](https://www.treasury.nsw.gov.au/sites/default/files/2021-06/2021-22_nsw_intergenerational_report.pdf)

⁵ Treasury NSW (2021) 2021-22 NSW Intergenerational Report: Towards 2061 – planning for the future. Available at https://www.treasury.nsw.gov.au/sites/default/files/2021-06/2021-22_nsw_intergenerational_report.pdf

⁶ Barnes, E., Writer, T., Hartley, C. Social Housing in New South Wales: Report 1 Contemporary analysis, (2021), Sydney: Centre for Social Impact



Homelessness

Across the State there were 37,000 people experiencing homelessness as at the 2016 census.⁷ Of these people, 1,494 were in the Northern Rivers. The Northern Rivers is also home to 345 of the State's 1141 rough sleepers according to the NSW Government's 2021 street count.⁸

Although homelessness data from the 2021 census will not be available until 2023, service providers report a noticeable increase in the number of people presenting to homelessness services, with a wider cohort of people now being impacted including many for purely economic reasons. These observations are borne out in specialist homelessness services data collated by the Productivity Commission, which shows that 48.2% of people who asked for accommodation assistance did not receive the help they requested, compared with 37.2% of people five years ago.⁹

Of those people experiencing homelessness, women aged 55 and over are the fastest growing cohort. With women less likely to have an adequate financial safety net due to a lifetime of lower average earnings,¹⁰ and unpaid breaks from work due to caring responsibilities, access to low-cost subsidised housing must be improved to avoid further increases in homelessness amongst this cohort.

2022 floods

The above evidence primarily describes housing need in the North Coast prior to the 2022 floods. This disaster has now had a major impact on the community of the North Coast who are still in the process of recovery and will be for years to come. In Lismore alone it is estimated that over 10,000 homes were damaged, and 4,000 homes were completely destroyed.¹¹

The Society played an active role in responding to the flooding events in Northern NSW, providing financial grants to people directly impacted. Of the 2,180 households we assisted in the weeks immediately following the disaster, just under 1 in 5 reported that their homes had been destroyed, while 60% said their homes had been damaged.

The loss of housing is impacting the entire region, with many people moving out of affected areas into other parts of Northern NSW. Towns not directly impacted have seen an influx of people from Lismore, Broadwater and Woodburn to other less severely impacted areas such as Yamba. This has exacerbated the existing lack of housing and pushed rent prices even higher: the Tenants Union rent tracker indicates there was a 17.5% increase in rental prices in some areas of the North Coast between June 2021 and June 2022.¹²

The needs of people who rent are not being prioritised in the rebuilding process, and the Society is concerned that many people who rent are now living in damaged homes that have not been properly cleaned or repaired but are reluctant to complain for fear of upsetting their landlords and risking eviction.

To help better understand the current situation and potential responses, the St Vincent de Paul Society, together with a consortium of other service providers, has undertaken a research project on housing needs in the Northern Rivers region following the floods. The research will identify gaps in the current suite of housing support interventions, ways to address medium-term challenges to the

⁷ ABS (2016) Census of Population and Housing (Cat. No. 2071).

⁸ Department of Communities and Justice (2021) NSW Statewide Street Count 2021: Technical Paper. Available at https://www.facs.nsw.gov.au/_data/assets/pdf_file/0003/808428/Technical-paper-NSW-Statewide-Street-Count-2021.pdf

⁹ Productivity Commission (2022) Report on Government Services 2022: Homelessness Services

¹⁰ Workplace Gender Equality Agency (2022) Australia's Gender Pay Gap Statistics. Available at

¹¹ Sydney Morning Herald (2021) After the flood: Lismore's future in doubt with 4000 homes uninhabitable. Available at <https://www.smh.com.au/environment/climate-change/after-the-flood-lismore-s-future-in-doubt-with-4000-homes-uninhabitable-20220318-p5a5ra.html>

¹² Tenants Union NSW (2022) Rent Tracker Postcode Tool. Available at <https://www.tenants.org.au/resource/rent-tracker-postcode-tool>



housing system, and actions to offer better mitigation and protections against future disasters for people experiencing hardship and injustice. We would be happy to provide the Department of Planning and Environment with this research report once it is finalised in September.

Members' perspectives

Members of the Society are deeply concerned by the housing crisis in the North Coast region and its impact on people in need of support. The failure to match increased demand for housing with an increased supply of social, affordable and crisis housing directly impacts the people they seek to assist.

Members of the Society provide financial and social support to people struggling to make ends meet or experiencing crisis. But their capacity to help people achieve lasting change has been challenged due to the ongoing lack of appropriate housing. The majority of clients our members assist are experiencing considerable rental stress and require regular financial or material relief. They have no choice but to routinely rely on food vouchers and other forms of short-term support. Previously, members supported people as they accessed and then maintained affordable or social housing. Now, however, they report that it is has become increasingly difficult to address people's fundamental need for an affordable place to call home and this makes it hard, or even impossible, for people to address other issues in their lives. The situation is also impacting members of the Society and others in caring professions who describe feeling disillusioned by the inadequacy of the supports they are able to provide.

Each day, Members of the Society also observe how the lack of access to housing compounds other forms of disadvantage. For example, one member of the Society recently supported a First Nations mother currently living in a caravan and struggling to cover her \$350/wk rent. Due to lack of space, one of her children is residing with another family member and is dislocated from their mother and siblings. Situations such as this are likely to have tangible impacts on Aboriginal children's cultural and kinship connections. Lack of access to appropriate and affordable housing also increases the likelihood of exposure to child protection services and increases the risk of children being removed from their families. As stated in the Draft Plan, the Aboriginal Housing Office forecasts "an average 30% increase in Aboriginal housing demand across the North Coast from 2021 to 2031, or an additional 4622 dwellings". While the plan recognises that there is a projected increase in First Nations housing demand, it does not include meaningful actions in response.

Recommendations

The Draft North Coast Regional Plan must include commitments aimed at significantly increasing the supply of social and affordable housing.

Currently, the Draft Plan only commits to housing affordability roundtables with key stakeholders. It also describes two innovative projects that respond to the housing needs of specific cohorts – older women through an affordable housing initiative in Bellingen, and young parents through the Ginda Barri Housing Program. While we welcome the Plan's recognition of the importance of projects such as these, dozens more similar projects are required in response to current and projected demand.

Across NSW, the St Vincent de Paul Society NSW has urged the NSW government to invest in more social housing with at least 5,000 new dwellings needed each year for the next ten years. The North Coast Regional Plan should better recognise current and projected demand for social housing and seek to support the delivery of new social housing at the scale required. Planning settings should also help ensure new social housing homes are located close to services, transport, and employment opportunities, and are climate resilient with enhanced energy efficiency, thermal performance and water use standards.



In addition, the Plan should provide for a significant increase in the supply of affordable housing. This should include clear and measurable targets for the delivery of new affordable housing dwellings, and support for planning mechanisms that can help stimulate an increased supply of affordable housing, including rigorous Affordable Housing Contributions Schemes and Affordable Housing Contributions Policies.

Recommendations

The Draft Plan should better recognise current and projected demand for social housing and seek to support the delivery of new social housing at the scale required.

The Plan should provide for a significant increase in the supply of affordable housing. This includes clear and measurable targets for the delivery of new affordable housing dwellings, and support for Affordable Housing Contributions Schemes and Affordable Housing Contributions Policies.

Alignment with other plans and policy objectives

The need for significantly more social and affordable housing has been recognised across a range of NSW Government policy processes:

- The Regional Housing Taskforce acknowledged that the planning system has significant scope to improve the delivery of new social and affordable housing in the regions, while recognising that sustained financial commitment is needed by Government.¹³
- The State Infrastructure Strategy 2022-2042 acknowledged that the lag in social housing supply and the misalignment in housing type, size and location remains ‘unfinished business’ and recommended that social housing supply and maintenance form a part of a committed future investment program.¹⁴
- The Independent Flood Inquiry recommend that additional State Government funding be invested to grow the stock of social and affordable housing, including a co-contribution grant funding program to accelerate investment by the community housing and private sectors.¹⁵

In addition, an increased supply of social and affordable housing would help achieve the Draft Plan’s stated desire to ‘Build Back Better’ following the 2022 Floods, establishing disaster ready and resilient communities. The State Infrastructure Strategy recognises that well-located social housing, and improved maintenance and upgrades, can help ensure tenants are safe and protected from shock events. Further, reduced pressure on the social housing system would increase Government’s capacity to respond more quickly when natural disasters result in large scale loss of housing.

Measuring progress

The Society contends that the Draft Plan should be accompanied by a commitment to clearly measure and report on progress against its objectives.

As with the current Draft Plan, the Regional Plan 2036 (released in 2017) similarly sought to deliver more opportunities for affordable housing (Goal 4, Direction 25). The sole publicly available report on progress against that plan (Monitoring Report 2019) does not provide any meaningful information on progress against this goal. The statistics outlined in this submission, however, suggest that the efforts to improve access to affordable housing have thus far failed.

¹³ NSW Department of Planning, Industry and Environment (2021) Regional Housing Taskforce: Recommendations Report.

¹⁴ Infrastructure NSW (2022) Staying Ahead: State Infrastructure Strategy 2022-2042.

¹⁵ 2022 Flood Inquiry (2022) Volume Two: Full report.



The lack of clear targets and a plan to measure progress against clearly defined goals make it hard for community members in the North Coast to believe that the revised North Coast Regional Plan will deliver on its promises. To ensure transparency and accountability, and help build trust, key indicators of housing affordability progress should be monitored and publicly reported. This is in line with the NSW Government's Regional Housing Taskforce recommendation to: "Improve monitoring of housing and policy outcomes and demand indicators".

Recommendation

The North Coast Regional Plan should include a plan to monitor and publicly report on key indicators of housing affordability and need.

Conclusion

Thank you for considering our response to the Draft North Coast Regional Plan 2041. Should you have any questions please contact Brian Cullen, Lismore Central Council Social Justice Representative at Lismore.socialjustice@vinnies.org.au or Rhiannon Cook, Manager Policy and Advocacy, at Rhiannon.Cook@vinnies.org.au