



St Vincent de Paul Society
NSW *good works*



A FAIRER NEW SOUTH WALES.

**Strengthening communities,
transforming lives.**

NSW 2023-24 Pre-Budget Submission

August 2023

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1. Summary of recommendations

The St Vincent de Paul Society NSW recommends that the NSW Government provide for the following measures and policy initiatives in the 2023-24 budget:

Affordable, healthy and accessible homes

Restore the social housing safety net by:

- 1) Investing in a social housing fund to deliver an initial 5,000 new or upgraded social homes this year, along with additional tailored supports, with the view to bringing social housing up to 10% of all dwellings in NSW by 2040.

Increase the delivery of affordable rental homes through the planning system by:

- 2) Mandating affordable housing targets of at least 15% in private residential developments, and a minimum of 30% affordable housing on surplus government land. Land and Housing Corporation residential developments must be subject to substantially higher targets and deliver significantly more social and affordable housing with no net loss of public land.
- 3) Requiring affordable housing dwellings to be affordable in perpetuity and managed by a not-for-profit community housing provider.

Regulate for healthier, accessible homes by:

- 4) Introducing minimum energy efficiency standards for rented homes, and
- 5) Requiring all new homes to comply with silver level accessibility standards, in line with the National Construction Code.

A fair go for renters

Make renting fairer in NSW by:

- 6) Introducing laws that set fair limits on residential tenancy rent increases.
- 7) Adequately resourcing and empowering the new NSW Rental Commissioner to deliver, implement and enforce rental reform.

Support for people experiencing homelessness

Support people experiencing homelessness get the services they need by:

- 8) Funding the SHS sector an additional \$100 million over the two-year contract extension to meet current service levels.
- 9) Investing \$50 million in an SHS Operating for the Future Fund to cover back-office, research and innovation and organisational support.
- 10) Committing to a Housing First model with wrap-around supports by funding a two-year extension of the Together Home program, with a view to establishing an ongoing program through the recommissioning process.

Support women and children on temporary visas fleeing domestic and family violence by:

- 11) Removing permanent residency and citizenship requirements to access social housing and other housing and homelessness services and supports.
- 12) Providing stimulus brokerage funding for integrated case management to support the delivery of services to people seeking asylum and other women on temporary visas.

Energy affordability

Make energy rebates more equitable by:

- 13) Revising the Low Income Household Rebate to be a fixed percentage of a person's energy bill, instead of a flat rate and undertake a review of all rebates to ensure that they are equitable, accessible and adequate.

Make the EAPA scheme equitable and accessible to people in crisis by:

- 14) Reviewing the adequacy of the EAPA payment, including making the payment 'fuel neutral' and available to embedded network consumers.
- 15) Streamlining the EAPA application process so that it is quick and simple to access.
- 16) Promoting EAPA to ensure eligible people are accessing it, including people with low literacy and culturally and linguistically diverse communities.

Improve the energy efficiency of social homes by:

- 17) Co-investing with the Commonwealth government to leverage the \$300m Household Energy Upgrades Fund and improve the energy performance of NSW social housing, including through energy audits, efficient electrical appliances, and thermal efficiency upgrades for homes.

Transport affordability and access

Make transport more affordable and accessible in NSW, particularly in rural and regional areas, by:

- 18) Expanding current NSW transport concessions to people with a Commonwealth Health Care Card.
- 19) Increasing funding for more regular and affordable community transport options for people who experience disadvantage, including those displaced by natural disasters.

Education and digital inclusion

Target full education participation and digital inclusion for students of families in need by:

- 20) Increasing the NSW Back to School voucher to reflect the average cost of school essentials, including digital infrastructure such as a basic laptop, and targeting eligibility to low-income families experiencing hardship.

Community sector grant indexation

Provide certainty and consistency for community service delivery by:

- 21) Applying a transparent, systematic approach to annual indexation funding that is evidence based and takes into account inflation, wage, superannuation and other legislated increases.

2. Introduction

St Vincent de Paul Society NSW (the Society) makes this submission to the NSW Government to outline our funding and policy priorities for the 2023-24 state budget and forward estimates. Our recommendations follow targeted engagement and consultation with the Society's members and volunteers, frontline services and peak organisations and a review of Society data with respect to the assistance we provide.

People in NSW are doing it tough after years of natural disasters, a pandemic, and spiralling bills. But it is low income and disadvantaged people who have suffered the greatest burden of these events and who continue to be disproportionately impacted by the worsening cost of living crisis. As a 'first responder' to this crisis, the Society saw a one-third increase in requests for assistance in the last financial year, with many people coming to us for the first time. Again and again, we hear stories of people with jobs forced into homelessness due to unaffordable rents, families unable to afford food or school essentials for their kids, and older people who cannot pay their electricity bills and keep warm.

As the NSW Government works to support the people of NSW while also managing spending, we urge the government to prioritise measures targeted towards those people most in need. We commend the government's recent decision to means-test the Active Kids vouchers which exemplifies how existing support can be better targeted. While we recognise some of our recommendations require additional expenditure, many of these will result in associated cost savings through reduced service use and productivity gains. But most importantly, these recommendations will strengthen our essential social safety net and create a fairer, stronger NSW.

This Submission is set out in five parts. These are:

- 1 - Summary of recommendations
- 2 - Introduction
- 3 - Severe cost of living pressures
- 4 - Targeted cost of living relief areas, and
- 5 - Conclusion.

The Society has identified 21 recommendations across seven priority areas:

- 4.1 - Affordable, healthy and accessible homes,
- 4.2 - A fair go for renters,
- 4.3 - Support for people experiencing homelessness,
- 4.4 - Address the energy affordability crisis,
- 4.5 - Transport affordability and access,
- 4.6 - Education and digital inclusion, and
- 4.7 - Consistent and evidence-based indexation for service delivery funding.

3. Severe cost of living pressures

3.1. The cost of living is rising

The past three years have been difficult for the people of NSW due to unprecedented extreme events like fires and floods and the COVID-19 pandemic. Combine these events with the economic fall-out of the highest interest rates in 20 years¹, energy price hikes and a 30-year high inflation rate² and with significant rises in the costs of housing, rental, education, food and health services, and it is not surprising that many in our community are feeling the economic pinch.

But for those people on the margins and those who were already struggling to make ends meet, the rising cost of living has dire consequences. Higher food prices are leading to families skipping meals. Higher energy costs mean that older people cannot afford to heat their homes and stay safe in the winter. Higher rental prices are forcing thousands of people into homelessness. The higher cost of living affects everyone – but it does not affect all of us equally.

3.2. Who is most affected by the rising cost of living?

New research shows nearly one million people in NSW are living in poverty, and an additional 100,000 slipped into poverty over the five years to 2021 as housing costs rose and incomes failed to keep up with the cost of living.³ Concerningly, there is deepening inequality across the State. Children comprise one-quarter of those living in poverty and have the highest rate of all groups (15.2%), whilst older people experienced the biggest increase in poverty levels. Around one-fifth of renters are living in poverty and more than one-quarter of people living in poverty have a job but are now the ‘working poor’ as cost of living pressures grow and wages decline in real terms.

The Society bears witness to the fact that low income and disadvantaged members of our community are disproportionately impacted by the rising cost of living. They comprise among the highest levels of people experiencing poverty in NSW.⁴ Almost all the people we assist rely on income support payments and almost all are renters of public or private accommodation or are homeless. Almost half of the people we assisted in 2022-23 experienced housing stress.⁵ For these individuals and families who were already struggling to get by, there is now no money left in the bank and no more fat in the weekly budget to cut.

Overall, in FY2022-23 the Society assisted more than 40,500 primary people with food, material items and assistance for energy and other bills, totalling \$13.4m. This represents a nearly 60% increase in the value of assistance provided from the previous year.⁶ Concerningly we saw the number of new people requesting assistance for the first time increase by one-third. This suggests that cost of living pressures are now impacting a

¹ <https://www.abc.net.au/news/2023-06-06/interest-rates-rise-june-2023-rba-philip-low/102445526>

[As at 13/6/2023]

² <https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/latest-release> - peaking at 7.8% in December 2022 [As at 31/7/23]

³ National Council of Social Sciences and National Centre for Social and Economic Reporting (2023), University of Canberra, *Mapping Economic Disadvantage in NSW*, p8. See <https://www.ncoss.org.au/policy-advocacy/policy-research-publications/mapping-economic-disadvantage-in-nsw/> (Mapping Economic Disadvantage Report (2023))

⁴ Mapping Economic Disadvantage Report, pp14,16-17.

⁵ See also the Australian Council of Social Services, ACOSS Media Release, 10 May 2023, https://www.acoss.org.au/media_release/acoss-response-to-measures-in-the-federal-budget/ - people renting privately will still experience housing stress because JobSeeker and other income support payments have fallen so far behind rising costs of living.

⁶ A further 45,565 additional people in the household of the person were also assisted. Based on the Society’s Power BI data system which collects data from the Society’s interactions with people we assisted in NSW for the period July 2022 - June 2023, accessed at 17 July 2023.

growing number of people in our community and there is a need to better assist people to survive and thrive through this difficult economic period.

The Society calls on the NSW Government to implement immediate targeted cost of living relief measures prioritising low income and disadvantaged people in NSW. Below, we set out recommendations that could make a real difference to the lives of people doing it tough in our communities.

4. Targeted cost of living relief areas

4.1. Affordable, healthy and accessible homes

4.1.1. Invest in more social homes

Housing is by far the greatest cost of living. Social housing is an essential safety net for people who cannot afford or sustain housing in the private rental market. However, there is a severe shortage of social housing compared to need. More homes are desperately needed across the state to get people off the housing waitlist and into affordable and secure homes.

More than 57,500 households, over 125,000 people, are on the NSW social housing waitlist, which increased by 15% last year.⁷ Yet the true extent of housing need is much greater. Estimates range from the 'conservative' figure of 132,600 households⁸ to 221,500 households⁹ with unmet housing needs in NSW. Based on household growth projections, there will be 320,700 households with unmet housing need in NSW by 2041.¹⁰

Even for applicants approved as eligible for NSW social housing, the average wait time is at least 5-10 years.¹¹ New research shows this protracted and distressing wait negatively impacts peoples' finances, employment and physical and mental health.¹² Yet at the government's current investment levels it will take at least 80 years for all of the people currently on the NSW housing wait list to get a home.¹³

The lack of social housing is contributing to high and growing rates of homelessness, domestic violence and poverty. In just the last twelve months, the number of people sleeping rough has increased by more than a third.¹⁴ Each year, an estimated 2,400 women return to live with a violent partner due to lack of an affordable alternative and another 2,400 become homeless.¹⁵ Inadequate social housing stock leads to additional demand pressures from

⁷ NSW Department of Communities and Justice, Expected Waiting Times (2022). Available at <https://www.facs.nsw.gov.au/housing/help/applying-assistance/expected-waiting-times> [As at 31 July 2023]

⁸ National Housing Finance and Investment Corporation (2023) *State of the Nation's Housing 2022–23*, Australian Government, 101. <https://www.nhfc.gov.au/research/state-nations-housing-report-2022-23> [As at 31 July 2023]

⁹ UNSW City Futures Research Centre, *Social and affordable housing: needs, costs and subsidy gaps by region*, December 2022.

¹⁰ UNSW City Futures Research Centre, *Social and affordable housing: needs, costs and subsidy gaps by region*, December 2022.

¹¹ NSW Department of Communities and Justice, Expected Waiting Times (2022). Available at <https://www.facs.nsw.gov.au/housing/help/applying-assistance/expected-waiting-times>

¹² Morris A (2023) *Waithood: The Experiences of Applying for and Waiting for Social Housing*, Institute of Public Policy and Governance, University of Technology Sydney (forthcoming).

¹³ Rachwani M (2023) *'I feel so abandoned': the 'safety net' overlooked in NSW election promises on housing*, article, The Guardian, <https://www.theguardian.com/australia-news/2023/mar/12/i-feel-so-abandoned-the-safety-net-overlooked-in-nsw-election-promises-on-housing>

¹⁴ NSW Department of Communities and Justice (2023) *2023 NSW Street Count Technical Paper*,

<https://www.facs.nsw.gov.au/reforms/homelessness/premiers-priority-to-reduce-street-homelessness/street-count>

¹⁵ Equity Economics (2021) *Rebuilding Women's Economic Security – Investing in Social Housing in New South Wales, Sydney*

low-income households in the private rental market.¹⁶ It also weakens community resilience in the face of climate disasters such as the Northern Rivers floods.¹⁷

Successive state and federal governments' investment in social housing has fallen well short of what is needed to meet existing and projected need. In NSW, social housing supply has fallen to 4.6% of total housing stock down from 5.1% in 2001.¹⁸ The social and economic costs of not providing enough social and affordable housing is estimated to be \$256 million per year, rising to \$445 million per year by 2036.¹⁹

We welcome the NSW Government's recent planning changes to fast-track an approval pathway for NSW Land and Housing Corporation and Aboriginal Housing Office projects. However, large scale and sustained investment in social housing is urgently needed to address high and growing levels of housing need, reduce homelessness, and create a more resilient housing system. Numerous NSW inquiries and bodies have recommended the NSW Government increase investment in social and affordable housing.²⁰

Investing in five thousand additional social housing homes per annum over ten years would cut the social housing waiting list by 75%, reduce the number of people experiencing homelessness by more than 16,000, and provide housing for more than 33,000 households experiencing housing stress.²¹ Other jurisdictions have recognised the benefits of additional social housing investment, with the Queensland Government recently doubling its Housing Investment Fund to \$2 billion to deliver 5,600 social and affordable home commencements by 2027.

NSW could build on its existing Social and Affordable Housing Fund (SAHF) model and leverage additional funding from the Commonwealth, including the Social Housing Accelerator Fund, to underpin the delivery of a further 5,000 social homes per year. A proportion of this new housing should be allocated to people assessed as requiring longer-term housing and tailored place-based support, including through the Together Home program. These additional dwellings must be part of a long-term plan to grow NSW social housing to 10% of housing stock in NSW by 2040, in line with international benchmarks.

Recommendation:

Restore the social housing safety net by:

- 1) Investing in a social housing fund to deliver an initial 5,000 new or upgraded social homes this year, along with additional tailored supports, with the view to bringing social housing up to 10% of all dwellings in NSW by 2040.

¹⁶ AHURI (2023) Housing Affordability Report https://news.anz.com/content/dam/news/articles/2023/May/PDF-housing-affordability-23/AU24823_Housing%20Affordability%20Report%2022_Digi_FA02B.pdf

¹⁷ van den Nouwelant, R. & Cibin, A. (2022) "The impact of housing vulnerability on climate disaster recovery: The 2022 Northern Rivers Floods" (Sydney: City Futures Research Centre)

¹⁸ Homelessness NSW, 'What do we know about Housing in NSW', *Housing Data for NSW*, Dashboard 5 [As at 31/7/2023] <https://homelessnessnsw.org.au/data/housing-and-homelessness-dashboard/>; and Groenhart, L. and Burke, T. (2014) *Thirty years of public housing supply and consumption: 1981–2011*, AHURI Final Report No.231. Melbourne, Australian Housing and Urban Research Institute: https://www.ahuri.edu.au/data/assets/pdf_file/0008/2042/AHURI_Final_Report_No231_Thirty-years-of-public-housing-supply-and-consumption-1981-2011.pdf.

¹⁹ Nygaard C. (2022) *Cost of inaction: Social and economic losses due to the social and affordable housing shortage*, Centre for Urban Transitions Swinburne University of Technology, <https://www.communityhousing.com.au/wp-content/uploads/2022/05/CHIA-Everyones-Home-Wider-Benefits-Analysis-31.3.2022.pdf?x70290>

²⁰ See: Regional Housing Taskforce, Independent Flood Inquiry, Infrastructure NSW and the inquiries into *Homelessness amongst older people aged over 55 in New South Wales*, and *Options to improve access to existing and alternate accommodation to address the social housing shortage*.

²¹ Writer, T., Barnes, E., Hartley, C., Wearing, A. [Social Housing in New South Wales: Report 2 Future Impact](#), (2022), Sydney: Centre for Social Impact

4.1.2. Use planning levers to deliver more affordable homes

A growing number of people in our community are unable to live in secure and affordable homes that are close to their family, work, school, and services. Around half of all low-income renters are in rental stress.²² People earning the minimum wage are being pushed into the urban fringe and regional areas only to spend hours commuting each day. Others have resorted to living in their cars.

The impact of the housing affordability crisis is not just financial. It is affecting people's ability to afford other essentials such as food and healthcare, causing stress and harming mental and physical wellbeing, impacting children's education, damaging relationships within people's homes and fracturing communities.²³

While the construction boom of the previous decade saw significant growth in new dwellings,²⁴ it did not result in more low-cost housing. Most of the new supply has been in the mid-to-high price segments and has not produced a 'trickle down' effect whereby households buying new housing free up vacancies in the established housing stock.²⁵ Government intervention is needed to deliver housing that is affordable and appropriate for very low-income earners, including key workers.

The NSW Government can facilitate more low-cost housing by using planning system levers and mandating affordable housing targets in all new developments. In the United States, inclusionary zoning policies are in place in approximately 500 cities. In San Francisco, about 12 per cent of annual housing completions are affordable as a result.²⁶ In the UK, 9,640 new affordable dwellings were delivered in 2015-16 alone. Research suggests that the cost-benefit ratio of investing in more affordable housing is double the cost outlay, which means that every \$1 invested yields \$2 in benefits on average.²⁷

The Society welcomes the NSW Government's recognition of the need for more affordable housing with its pre-election commitment to 30% social, affordable and universal housing on developments on surplus public land. We would like to see this commitment strengthened by setting separate targets for social and affordable housing tenure types to drive greater accountability in delivery, noting this is also supported by many local governments.²⁸

We also acknowledge the NSW Government's recent announcement to incentivise residential housing developments that include at least 15% affordable housing in their plans. These commitments are a welcome start and should be strengthened to deliver quality affordable housing in perpetuity, with good local amenity and managed by a not-for-profit community housing provider.

²² Australian Bureau of Statistics (2019-20). *Housing Occupancy and Costs, Table 13.1 Rental affordability, lower income renter households, national housing and homelessness agreement basis*. ABS. <https://www.abs.gov.au/statistics/people/housing/housing-occupancy-and-costs/2019-20> [Accessed at 31 July 2023]

²³ Wright K (2023) *Housing crisis threatens health of most vulnerable*, InSight, Issue 20, 5 June 2023, <https://insightplus.mja.com.au/2023/20/housing-crisis-threatens-health-of-most-vulnerable/>

²⁴ Gurran N (2022) *Why building more won't make houses affordable*, University of Sydney. <https://www.sydney.edu.au/news-opinion/news/2023/06/01/why-building-more-will-not-make-houses-affordable.html>

²⁵ Ong, R., Dalton, T., Gurran, N., Phelps, C., Rowley, S. and Wood, G. (2017) *Housing supply responsiveness in Australia: distribution, drivers and institutional settings*, AHURI Final Report No. 281, Australian Housing and Urban Research Institute Limited, Melbourne, <http://www.ahuri.edu.au/research/final-reports/281>

²⁶ Gurran, N., Gilbert, C., Gibb, K., van den Nouwelant, R., James, A. and Pibbs, P. (2018) *Supporting affordable housing supply: inclusionary planning in new and renewing communities*, AHURI Final Report No. 297, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/final-reports/297>, doi:10.18408/ahuri-7313201.

²⁷ SGS Economics and Planning (2022) *Give Me Shelter*, Housing All Australians, <https://sgsep.com.au/publications/insights/new-study-reveals-long-term-costs-of-underproviding-affordable-housing>

²⁸ Greater Cities Commission (2023) *What we heard - Consultation report*, p28 https://gsc-public-1.s3.ap-southeast-2.amazonaws.com/s3fs-public/Discussion%20Paper%20-%20What%20we%20heard_June2023.pdf?VersionId=dNkQYCHWrLRZMXsXJq2InEHuump9YRWt

These first steps must be built upon to consistently deliver more affordable rental housing for low-income households through the NSW planning system. We encourage the NSW Government to be ambitious in mandating affordable housing targets of at least 30% affordable housing in new residential developments on surplus state-owned land, separate and in addition to social housing targets, and at least 15% affordable housing in perpetuity on all privately owned land rezoned for residential housing uplift.

In new residential developments on state-owned land that is currently or intended to be used for public housing, there must be substantially higher targets. In these developments there must be no net loss of public land already ear-marked for social housing and significantly more social and affordable housing must be delivered.

Recommendations:

Increase the delivery of affordable rental homes through the planning system by:

- 2) Mandating affordable housing targets of at least 15% in private residential developments, and a minimum of 30% affordable housing on surplus government land. Land and Housing Corporation residential developments must be subject to substantially higher targets, and deliver significantly more social and affordable housing with no net loss of public land.
- 3) Requiring affordable housing dwellings to be affordable in perpetuity and managed by a not-for-profit community housing provider.

4.1.3. Regulate for healthy, safe and accessible homes

All too often low-income renters have no choice but to live in unsafe and unhealthy homes that are too hot in summer and too cold in winter, mouldy, or that do not meet their accessibility needs. Unlike other jurisdictions, NSW does not mandate energy efficiency rental standards nor housing accessibility standards. Poor quality, inaccessible homes built now will become the millstone of future low-income generations.

The lack of minimum energy efficiency standards has the biggest impact on people with the least capacity to pay. Rented homes are less likely to be energy efficient²⁹ which means renters typically spend more of their income on energy bills.³⁰ As energy costs rise, more people who rent will be unable to afford to keep their homes at a healthy temperature and are more likely to experience health issues including respiratory disease,³¹ heart disease,³² stress, mental health issues,³³ and excess deaths due to heat or cold.³⁴

The lack of accessible housing impacts people's choice about where they live, their social connections and quality of life. Inappropriate housing options means some people forego showering properly or must sleep in their living areas because bedrooms and bathrooms are not accessible.³⁵ Home modifications or retrofits can be expensive. Some renters have

²⁹ Best, R. & Burke, P. J. (2022) Effects of renting on household energy expenditure: Evidence from Australia. *Energy Policy* 166, 113022.

³⁰ Best, R. & Burke, P. J. (2022) Effects of renting on household energy expenditure: Evidence from Australia. *Energy Policy* 166, 113022.

³¹ Marmot Review Team (2011), *The Health Impacts of Cold Homes and Fuel Poverty*, www.foe.co.uk

³² Singh, A. et al. (2022) *Estimating cardiovascular health gains from eradicating indoor cold in Australia*, *Environmental Health* 21, 54.

³³ Public Health England, Institute for Health Equity, (2014) *Local action on health inequalities: Fuel poverty and cold home-related health problems*, Report 9/2014.

³⁴ Each year approximately 10,000 deaths are attributed to cold, and 3,600 to heat. Gasparrini, Antonio, Yuming Guo, Masahiro Hashizume, Eric Lavigne, Antonella Zanobetti, Joel Schwartz, Aurelio Tobias, et al. "Mortality Risk Attributable to High and Low Ambient Temperature: A Multicountry Observational Study." *The Lancet* 386, no. 9991 (2015): 369–75; Longden T, Quilty S, Haywood P, Hunter A, Gruen R, *Heat-related mortality: an urgent need to recognise and record*, *Lancet Planetary Health*, 2020 May; 4(5), E171. doi: 10.1016/S2542-5196(20)30100-5. PMID: 32442488.

³⁵ Ovens, S as cited by Heagney, M (2022) *Jacob is looking for his next home, but worries he'll have to compromise more than most*, *Sydney Morning Herald*, 22 July 2022

reported requesting a modification only to be evicted by their landlord without reason and left with nowhere else to go.³⁶

Only 5-10% of new homes meet voluntary standards and yet over 90% of homes are expected to require access by someone with limited mobility.³⁷ Around one in six people have a disability and another one in five people have a long-term health condition.³⁸ By 2031, one in three people in NSW will be aged 50 years or older.³⁹ Without more accessible housing, demand will continue to exceed supply resulting in a growing number of people unable to safely age at home.

While NSW urgently requires more housing, the need for increased supply must not come at the cost of quality and amenity. Regulations are needed so that all housing is energy efficient and accessible, including for those people who rent their homes. Fortunately, we already have guidance as to what these should be.

The [Community Sector Blueprint for Minimum Energy Efficiency Rental Requirements](#) sets out how standards might be introduced to deliver the best outcomes for renters and ensure compliance, while the National Construction Code Silver Level accessibility standards set out minimum requirements to ensure a more inclusive housing system that meets everyone's needs.

Introducing minimum energy efficiency standards for rental housing would improve the health and liveability of rented homes. It would ease the cost-of-living pressures on low-income renters from rising energy prices and reduce carbon emissions. Upfront investment in universal design would contribute to a more inclusive housing system that can better accommodate each of us as our needs change across life's many stages.

Recommendations:

Regulate for healthier, accessible homes by:

- 4) Introducing minimum energy efficiency standards for rented homes, and
- 5) Requiring all new homes to comply with silver level accessibility standards, in line with the National Construction Code.

4.2. A fair go for renters

Renting in NSW is becoming increasingly expensive and competitive. Median rent across NSW has increased by more than 10% in 12 months,⁴⁰ well above inflation and wages growth. Some Local Government Areas have seen rent increases of more than 30% in the past three years.⁴¹ Anglicare Australia's 2023 Rental Affordability Snapshot found less than 1% of properties were affordable for single people on the minimum wage, and virtually no properties - less than 0.1%, were affordable for people on JobSeeker, Youth Allowance or Parenting Payment Single.⁴²

³⁶ Convery S (21 July 2023) *Sydney renter receives no-grounds eviction notice after requesting shower rail under NDIS*, The Guardian, <https://www.theguardian.com/australia-news/2023/jul/21/renter-evicted-ndis-shower-rail>

³⁷ Australian Network for Universal Housing Design, Submission by Australian Network for Universal Housing Design to the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability (2019), <https://aduhdblog.files.wordpress.com/2019/12/anuhd-submission-to-the-disability-royal-commission.finalnen.pdf>

³⁸ Australian Institute of Health and Welfare (2022) Prevalence of disability, *Reports and Data*, <https://www.aihw.gov.au/reports/disability/people-with-disability-in-australia/contents/people-with-disability/prevalence-of-disability>

³⁹ NSW Ageing Strategy 2016-2020

⁴⁰ *What can we do about skyrocketing rents?* Tenants Union NSW, <https://www.tenants.org.au/blog/landlords-hiking-rents-what-can-we-do> [As at 31 July 2023]

⁴¹ National Housing Finance and Investment Corporation (2023) *State of the Nation's Housing 2022-23*, Australian Government, <https://www.nhfc.gov.au/research/state-nations-housing-report-2022-23>

⁴² Anglicare Australia (2023) *Rental Affordability Snapshot, National Report 2023*, <https://www.anglicare.asn.au/wp-content/uploads/2023/04/Rental-Affordability-Snapshot-National-Report.pdf>

At the same time, rental vacancy rates across the state are at a record low, below 1 per cent in most areas.⁴³ This means renters often have little choice but to pay more when they renew their rental agreement because of the scarcity of alternative accommodation. Where lower income older people once relied on social housing, a greater proportion now have little choice but to rely on expensive and insecure private rental housing due to the proportional decline in social homes over the past decade.⁴⁴

High and rising rents mean that more than one-third (35%) of renters⁴⁵ and around half of all low-income renters⁴⁶ are in rental stress.⁴⁷ High rental stress leaves people without sufficient money for essentials, such as food, energy bills, or fuel. Many are forced to move away from their communities, schools and jobs or settle for poor quality housing that does not meet their needs. More renters are also being pushed into homelessness.

“The main cause of homelessness is not being able to afford a place in which to live.”
Productivity Commission⁴⁸

The Society acknowledges and welcomes the NSW Government’s commitment to improving the rental system in NSW, including introducing reasonable grounds evictions, establishing a portable bonds scheme and making it easier to keep pets, along with appointing the state’s first Rental Commissioner. It is essential that the NSW Rental Commissioner is empowered and adequately resourced to deliver tangible improvements for the state’s 2.4 million renters, including for enforcement and compliance.

As the next step, the NSW Government must make renting a viable, long-term option for people in NSW by regulating fair limits on rental increases. Housing is an essential service not just an income generation asset. While the price of other essential services such as energy or health is regulated, housing is not. Introducing stronger protections in NSW tenancy law against excessive rent increases during a tenancy would ease the financial pressure renters are currently feeling due to skyrocketing rents.

Recommendations:

Make renting fairer in NSW by:

- 6) Introducing laws that set fair limits on residential tenancy rent increases.
- 7) Adequately resourcing and empowering the new NSW Rental Commissioner to deliver, implement and enforce rental reform.

⁴³ Domain Research House (2022 September 2) *Vacancy rates: August 2022*, Domain, <https://www.domain.com.au/research/vacancy-rates-august-2022-1164176/> [As at 31 July 2023]

⁴⁴ Faulkner D et al (2023) *Inquiry into housing policies and practices for precariously housed older Australians*, AHURI, <https://www.ahuri.edu.au/sites/default/files/documents/2023-07/AHURI-Final-Report-406-Inquiry-into-housing-policies-and-practices-for-precariously-housed.pdf>

⁴⁵ National Housing Finance and Investment Corporation (2023) *State of the Nation’s Housing 2022–23*, Australian Government, 85, <https://www.nhfc.gov.au/research/state-nations-housing-report-2022-23>

⁴⁶ Australian Bureau of Statistics. (2019-20). *Housing Occupancy and Costs*, Table 13.1 *Rental affordability, lower income renter households, national housing and homelessness agreement basis*. ABS. <https://www.abs.gov.au/statistics/people/housing/housing-occupancy-and-costs/2019-20>

⁴⁷ Rental stress is defined as those people in the lowest 40% of income brackets who are paying more than 30% of that income in rent.

⁴⁸ The Productivity Commission (2022) *In need of repair: The National Housing and Homelessness Agreement*, Study report, Australian Government, 26. <https://www.pc.gov.au/inquiries/completed/housing-homelessness/report/housing-homelessness.pdf>

4.3. Support for people experiencing homelessness

4.3.1. Adequately resource the SHS sector to meet need.

People who are homeless in NSW are not getting the support they need to be safe, housed and well. More than 35,000 people are homeless in NSW⁴⁹ and the number of people sleeping rough increased by 34 per cent in the last year.⁵⁰ As more people face homelessness, demand for homelessness services has surged. In just four months to March 2023, demand for homelessness services rose 10.2% in NSW amid soaring rents and record low vacancy rates.⁵¹

People experiencing homelessness are among the most socially and economically disadvantaged in our society.⁵² Homelessness affects people's mental and physical health, their ability to participate economically and socially in the community and their security and safety.⁵³ The cost of homelessness increases the longer a person remains homeless, with associated accommodation, health and justice system costs.

NSW Specialist Homelessness Services (SHS) are struggling to meet growing demand, and respond to the increasing complexity of client need, due to a lack of growth funding over successive years. The result is that people with nowhere to live are going without help. Half of all people who approached a homelessness service needing accommodation in 2021-22 did not get it – more than 22,300 people.⁵⁴ Of those turned away, 80% were women and children, and 31% were under 18.⁵⁵

Last financial year, Vinnies housing and homelessness services saw an 80% increase in the number of people that we were unable to assist, despite our services supporting 5% more people than the year before.⁵⁶ And these figures do not capture those people in need of homelessness support who did not seek it out, estimated to be around two-thirds of people experiencing homelessness.⁵⁷

While the Society welcomes the NSW Government's commitment to five-year funding contracts for the SHS sector, additional funding is needed to meet growing unmet need in the community and enable more innovative service delivery.

The NSW government must fund a non-recurrent 10 per cent increase to SHS providers for the contract extension period, equivalent to \$50 million per annum for two years, to meet the growth in clients accessing SHS services since the start of the year.⁵⁸ Additional funding of

⁴⁹ Australian Bureau of Statistics. (2021). *Census of Population and Housing: Estimating Homelessness*. ABS; <https://www.abs.gov.au/statistics/people/housing/census-population-and-housing-estimating-homelessness/latest-release> [As at 31 July 2023]

Equity Economics (2020), *A Wave of Disadvantage Across NSW: Impact of the Covid-19 Recession*, A Report Prepared for the New South Wales Council of Social Service, Sydney. <https://www.ncoss.org.au/policy-advocacy/policy-research-publications/a-wave-of-disadvantage-across-nsw-impact-of-the-covid-19-recession/>

⁵⁰ NSW Department of Communities and Justice (2023) *2023 NSW Street Count Technical Paper*, <https://www.facs.nsw.gov.au/reforms/homelessness/premiers-priority-to-reduce-street-homelessness/street-count>

⁵¹ Homelessness Australia (2023) *Overstretched and overwhelmed: the strain on homelessness services*, 2, <https://homelessnessaustralia.org.au/wp-content/uploads/2023/08/HA-Overstretched-and-overwhelmed-report-v03-1.pdf>

⁵² Australian Institute of Health and Welfare (2021) *Australia's welfare 2021: Homelessness and Homelessness Services*, <https://www.aihw.gov.au/reports/australias-welfare/homelessness-and-homelessness-services>

⁵³ Productivity Commission (2022) *In need of repair: The National Housing and Homelessness Agreement*, Study report, Australian Government, 26. <https://www.pc.gov.au/inquiries/completed/housing-homelessness/report/housing-homelessness.pdf>

⁵⁴ Productivity Commission (2023) *Report on Government Services*, Part G, Section 19: Homelessness services — Data tables, Table 19A.7 - Proportion of clients with unmet need for accommodation or services other than accommodation. <https://www.pc.gov.au/ongoing/report-on-government-services/2023/housing-and-homelessness/homelessness-services>

⁵⁵ Homelessness Australia (2023) *Overstretched and overwhelmed: the strain on homelessness services*, 4, <https://homelessnessaustralia.org.au/wp-content/uploads/2023/08/HA-Overstretched-and-overwhelmed-report-v03-1.pdf>

⁵⁶ St Vincent de Paul (2023) *Operations Report 2022-23, Housing and homelessness*, Data refreshed 19/07/2023.

⁵⁷ Australian Institute of Health and Welfare (2021) *Specialist homelessness services annual report 2020–21, Unmet demand for specialist homelessness services*, AIHW, Australian Government, accessed 27 September 2022.

⁵⁸ Email Joshua Greenwood, Partnerships & Governance, Homelessness NSW to Solange Frost, St Vincent de Paul Society NSW, 31 July 2023.

\$50 million is also required to allow organisations to invest in processes and systems that support the backbone of their organisations, including human resources, ICT and transport.

As part of the recommissioning process, SHS providers' recurrent baseline funding must be substantially increased to respond to the growing numbers of clients unable to access a service and for those services operating above funded capacity.

Recommendations:

Support people experiencing homelessness get the services they need by:

- 8) Funding the SHS sector an additional \$50 million per annum during the term of the two-year contract extension to meet current service levels.
- 9) Investing \$50 million in an SHS Operating for the Future Fund to cover back-office, research and innovation, and organisational support.

4.3.2. Extend the Together Home Program

Homelessness is not inevitable, but when it does occur it can be brief and non-recurring when there is collaborative action and adequate funding for person-centred, integrated supports. During COVID, the NSW Government's rapid response in partnership with other agencies, along with funding for the Together Home program, led to a significant, although temporary, decrease in the numbers of people sleeping rough in NSW.

The Together Home program is an evidenced based program that demonstrates how combining a Housing First approach with wrap-around support services can help end homelessness. The Program supports people, often with high and complex needs, who have been chronically homeless to maintain stable, long-term tenancies. Early evaluations have demonstrated the program's positive effects⁵⁹ and high levels of tenancy retention. But Together Home's ongoing impact is limited by a lack of long-term housing options and insecure program funding.

Both CHIA NSW and Homelessness NSW have recommended extending the Together Home program for a further 2 years as an effective way of supporting people who are experiencing homelessness. The NSW Government should consider embedding the Together Home program as part of the homelessness service system through the forthcoming recommissioning process, subject to the final program evaluation.

Recommendation:

- 10) Commit to a Housing First model with wrap-around supports by funding a two-year extension of the Together Home program, with a view to establishing an ongoing program through the recommissioning process.

⁵⁹ CHIA NSW (2022) *Addressing rough sleeping and changing lives*, <https://communityhousing.org.au/wp-content/uploads/2023/03/Together-Home-Addressing-rough-sleeping-and-changing-lives.pdf>; and AHURI (2022) *Together Home program evaluation Early Findings and progress update*, DCI, https://www.facs.nsw.gov.au/data/assets/pdf_file/0004/841324/Together-Home-program-evaluation-early-findings-2022.pdf

4.3.3. Equal access to homelessness services regardless of visa status

Domestic and family violence is the primary reason women seek support from specialist homelessness services and refuges.⁶⁰ Yet with SHS providers at capacity, one in three women and children escaping family violence are missing out on essential services.⁶¹ Because of a lack of refuge spaces and other affordable housing options, women are often left with a tough choice: stay with a violent partner or become homeless.

For women and children on temporary visas fleeing violence in the home, there is a further lack of safe accommodation options. Specialist homelessness services face challenges providing housing pathways for temporary visa holders because they lack access to income support and are not eligible for NSW social housing, Medicare or other services. The Society's homelessness services have reported women and children staying in a refuge for up to two years due to a lack of exit options.

Women on temporary visas and their children who are experiencing violence have equal rights to a safe place to live. In line with recommendations from the national inquiry into family, domestic and sexual violence⁶² and the 2022 Blueprint for Reform,⁶³ the NSW Government must provide access to financial support, brokerage funding and more sustainable accommodation options for all women and children experiencing domestic and family violence, regardless of their visa status.

Recommendations:

Support women and children on temporary visas fleeing domestic and family violence by:

- 11) Removing permanent residency and citizenship requirements to access social housing and other housing and homelessness services and supports.
- 12) Providing stimulus brokerage funding for integrated case management to support the delivery of services to people seeking asylum and other women on temporary visas.

4.4. Address the energy affordability crisis

4.4.1. Introduce percentage-based energy concessions

Many low income and disadvantaged people in NSW cannot afford to pay their energy bills. Utility bills are one of the most significant household expenses for people on low incomes, and a 2022 survey identified that one-quarter of people were unable to pay their utility bills.⁶⁴ Lower-income people spend a larger percentage of their income on bills and are less able to respond to energy price rises.⁶⁵ The Society acknowledges recent positive measures by State and Federal governments to make a difference to energy bills and current cost of living

⁶⁰ AIHW (2022) Clients who have experienced family and domestic violence, Specialist homelessness services annual report 2021-2022, <https://www.aihw.gov.au/reports/homelessness-services/specialist-homelessness-services-annual-report/contents/clients-who-have-experienced-family-and-domestic-violence>

⁶¹ The Salvation Army (2022) *Social Justice Stocktake – Taking Stock of Our Communities in NSW*, p12, https://www.salvationarmy.org.au/subscribe/sites/au/esalvos/files/social-justice-2022/NSW_TSA_SocialJusticeStocktake.pdf

⁶² Australian Government Response to the House of Representatives Standing Committee on Social Policy and Legal Affairs Report: Inquiry into family, domestic and sexual violence (2023)

⁶³ National Advocacy Group on Women on Temporary Visas Experiencing Violence, [2022, Blueprint for Reform: Removing Barriers to Safety for Victims/Survivors of Domestic and Family Violence Who Are on Temporary Visas](#)

⁶⁴ NCOSS (2022) Cost of Living Report, p65. https://www.ncoss.org.au/wp-content/uploads/2022/07/NCOSS_CostOfLiving22_FINAL_DESIGNED.pdf

⁶⁵ Institute of Public Policy and Governance, University of Technology (2022), [NCOSS Tough times, Hard Choices, Recommendations to NSW Government – struggling households and rising cost of living in NSW](#) (July 2022), p 4 (NCOSS Tough Times Hard Choices report)

hardship⁶⁶ but more needs to be done through other low and no-cost ways to improve energy equity and affordability.

The current system of energy concessions that are a fixed (or flat) amount rate is inequitable, particularly for low-income households.^{67,68} Households with high energy use due to household size, poor housing condition, or specific needs such as a chronic medical condition get less support than those with moderate and low usage because the fixed rate concession covers less of their total expenditure.⁶⁹ Combined with extremely low levels of awareness and uptake of energy rebates,^{70,71} with one report finding that more than one-third (35%) of eligible people in NSW did not receive them⁷², people are not receiving the assistance they desperately need. Some reasons why rebates are not fully utilised include that people are not aware of their entitlement, they fail to re-apply when a rebate expires and there are difficulties navigating between various State and Federal agencies (e.g. to prove concession entitlements).^{73,74}

The high cost of energy for low income and disadvantaged households is a 'hidden hardship' that people experience in order to afford their energy bills. The Society regularly encounters people who reduce energy use by not heating or cooling their homes, cooking less or taking fewer showers leading to serious health or social outcomes, which negatively impacts the individual, as well as our health system⁷⁵. Even when people limit their energy use, increasing energy prices mean ongoing bill payment difficulties and the stress of possible disconnections.⁷⁶

The National Consumers Roundtable on Energy's working group on energy concessions has identified principles that should underpin an effective energy concession scheme. These are that the scheme must be adequate, equitable, responsive, and easily accessible.⁷⁷ Percentage-based energy concessions are a fairer and more responsive approach than flat rate schemes. Such a concession "self-corrects" support relative to energy prices and household consumption that may fluctuate due to changing seasons, circumstances, or technology.⁷⁸

The NSW government should improve the affordability of energy bills by making the Low-Income Household Rebate a percentage-based scheme. Modelling shows that percentage-based concessions could be set at a rate that deliver similar or higher household payments and net savings on total concessions expenditure.⁷⁹ To assist households with very low

⁶⁶ This includes increases to the Energy Accounts Payment Assistance (EAPA) Scheme and State co-contributions to the National Energy Bill Relief Fund, the latter intended to benefit 1.6m households in NSW.

⁶⁷ [ACOSS Electricity Concessions Reform Report](#); *NCOSS Policy Platform 2023: Working Together for a Fairer NSW* (NCOSS Policy Platform 2023) accessed at <https://www.ncoss.org.au/policy-advocacy/policy-research-publications/ncoss-policy-platform-2023-working-together-for-a-fairer-nsw-2>; [SVDP Cost of Living Social Justice Statement](#)

⁶⁸ Analysis shows that current fixed rate energy concessions do not deliver equity between households with different energy usages. [ACOSS Electricity Concessions Reform Report](#), p9.

⁶⁹ [ACOSS Electricity Concessions Reform Report](#), p9. Noting that NSW does have a medical energy rebate which only applies to a limited category of severe medical conditions and for those with the requisite Services Australia Health Care Card or DVA card.

⁷⁰ NCOS Tough times, Hard Choices report cited in [NCOSS Policy Platform 2023](#), p.8-9

⁷¹ A recent EWON report focuses on how difficult it is for some customers to access rebates as rebate issues continue to be in the top 10 complaint issues to EWON - <https://www.ewon.com.au/page/publications-and-submissions/reports/EWON-Insights/ewon-insights-jan-mar-2023>

⁷² Hobbs, BM, Consumer Policy Research Centre (2022) [Mind the Gap – Identifying the gap between energy concession eligibility and concessions received](#), pp 10-11(CPRC Mind the Gap report)

⁷³ <https://www.ewon.com.au/page/publications-and-submissions/reports/EWON-Insights/ewon-insights-jan-mar-2023> [As at 28/6/23]

⁷⁴ [CPRC Mind the Gap report](#), p 15

⁷⁵ Alvis Consulting and Australian Council of Social Services (ACOSS), [Reforming Electricity Concessions to better meet need](#), p4 (ACOSS Electricity Concessions Reform Report)

⁷⁶ Public Interest Advocacy, (2022) [Case studies](#) on EAPA submission, p4. ACOSS Electricity Concessions Reform Report, p4.

⁷⁷ Alvis Consulting and Australian Council of Social Services (ACOSS), [Reforming Electricity Concessions to better meet need](#), p6 (ACOSS Electricity Concessions Reform Report).

⁷⁸ ACOSS Electricity Concessions Reform Report, p 13

⁷⁹ Alvis Consulting and Australian Council of Social Services (ACOSS), [Reforming Electricity Concessions to better meet need](#), p13 (ACOSS Electricity Concessions Reform Report).

consumption, an additional concession could be introduced to ensure that customers do not pay more in supply charges than they do for electricity usage because of the change.⁸⁰

In addition to implementing percentage-based concessions, community awareness and uptake of these concessions must be improved. The NSW government must update and prioritise awareness programs particularly for people with low literacy and culturally and linguistically diverse communities. Consulting with community sector organisations to identify communities and modes of delivery is important. This could be delivered together with an awareness campaign for the EAPA scheme (see below). Ensuring low income or disadvantaged households receive their full concession will improve energy affordability and mitigate payment difficulties or disconnection.⁸¹

Recommendation:

Make energy rebates more equitable by:

- 13) Revising the Low-Income Household Rebate to be a fixed percentage of a person's energy bill, instead of a flat rate and undertake a review of all rebates to ensure that they are equitable, accessible and adequate for those who most need it.

4.4.2. EAPA reform

The Energy Accounts Payment Assistance (EAPA) scheme is an important means by which low-income or disadvantaged people can obtain energy bill relief when they are experiencing an emergency or crisis situation, such as a job loss, illness or natural disaster. While the Society welcomes the NSW government's recent temporary increases in the maximum payment limit, the scheme's current complexity, rigidity and low awareness are limiting the potential benefits of EAPA for the people who need it most.

An emergency relief scheme must be quick, simple and easy to use given its purpose.⁸² The Society, along with other peak bodies, has identified several concerns with the EAPA scheme. These include the lengthy and complex application processes, low awareness and uptake, and that payments are not 'fuel neutral'. Further, embedded network customers, such as tenants in some strata properties or caravan parks, are not able to access the EAPA scheme.

The Society is aware that the EAPA scheme is currently under review and welcomes forthcoming improvements to make the scheme more accessible and available to people in emergency or crisis circumstances. These improvements should include reducing the application steps including for re-applications, developing easy to read documentation, improving the support provided by energy providers and implementing a comprehensive awareness campaign using multiple channels and targeting low-economic areas, First Nations communities and culturally diverse households.⁸³ For example, a mobile Community Energy Hub could connect communities to energy experts independent from energy companies, to receive trusted information in their own language as well as other 'wrap-around' community services.⁸⁴

⁸⁰ Alvis Consulting and Australian Council of Social Services (ACOSS), [Reforming Electricity Concessions to better meet need](#), p14 (ACOSS Electricity Concessions Reform Report).

⁸¹ CPRC Mind the Gap report, p 15

⁸² See generally - Public Interest Advocacy Centre, (2022) [Case studies](#) on EAPA submission

⁸³ [NCOSS Policy Platform 2023](#), p1.

⁸⁴ Sydney Alliance, Voices for Power – a roadmap to clean and affordable energy - <https://www.sydneyalliance.org.au/our-roadmap> [As at 28 June 2023]

Recommendations:

Make the EAPA scheme equitable and accessible to people in crisis by:

- 14) Reviewing the adequacy of the EAPA payment, including making the payment ‘fuel neutral’ and available to embedded network consumers.
- 15) Streamlining the EAPA application process so that it is quick and simple to access.
- 16) Promoting EAPA to ensure eligible people are accessing it, including people with low literacy and culturally and linguistically diverse communities.

4.4.3. Energy efficiency upgrades to social housing

People living in social housing have little control over the energy efficiency of their home. Some of NSW’s social housing stock is old and of poor quality with low thermal performance and inefficient fixtures. Social housing tenants have limited financial capacity to modify their homes to make them more energy efficient or to upgrade old, polluting and inefficient appliances.⁸⁵ Yet they also have the least capacity to pay high energy bills that result from draughty and poorly insulated homes.

Making social housing more energy efficient will help low-income and disadvantaged people to save money and reduce their energy bills, improve their health and manage the risks of the energy market transition to net zero emissions.⁸⁶ Energy efficiency upgrades in social housing would have multiple benefits – reducing energy use, reducing poverty, saving lives, addressing the climate crisis, and creating jobs and sustained economic outcomes.⁸⁷

The Commonwealth government announced \$300 million for a Household Energy Upgrades Fund in the 2023-24 budget. The Public Interest Advocacy Centre (PIAC) has identified and costed energy efficiency upgrade options for NSW to leverage Commonwealth funding. These include replacing inefficient water heating and space cooling and heating systems and upgrading the thermal performance of social housing homes with audits, improving insulation and draught sealing.⁸⁸

The Society’s [Home Energy Efficiency Program](#) in partnership with the ACT Government is an example of a successful program making a real difference to people’s homes and to their energy usage and bills. The program supports low-income households by undertaking energy efficiency audits, delivering education on energy usage and providing simple energy efficient measures to homes such as draught sealing, curtains, heat blankets.

The NSW government must take the opportunity to leverage Commonwealth funding and upgrade the energy performance of our state’s social housing stock and maximise support for low-income households struggling with high energy costs. Modest funding co-contributions can achieve greater outcomes as demonstrated by the NSW Government commitment to match the National Energy Bill Relief Fund providing \$500 energy bill relief to many low-income households.

Recommendation:

- 17) Co-invest with the Commonwealth government to leverage the \$300m Household Energy Upgrades Fund and improve the energy performance of NSW social housing, including through energy audits, efficient electrical appliances, and thermal efficiency upgrades for homes.

⁸⁵ [NCOSS Tough Times, Hard Choices report](#), p4.

⁸⁶ [ACOSS Electricity Concessions Reform Report](#), p11.

⁸⁷ [ACOSS, Brief Proposal and implementation plan for National Low income Energy Productivity program](#), September 2021 - <https://www.acoss.org.au/wp-content/uploads/2021/08/Brief-Proposal-and-implementation-plan-for-National-Low-income-Energy-Productivity-Program-September-2021.pdf> [As at 31 July 2023]

⁸⁸ Public Interest Advocacy Centre, Letter to Minister Jackson dated 7 June 2023.

4.5. Transport affordability and access

Transport insecurity is growing within NSW. People on low incomes are less able to respond to transport price increases as they focus on essential costs like rent, food and utility bills.⁸⁹ In a 2022 cost of living survey, just under one-third (28%) identified transport as the household expense under the most pressure.⁹⁰ Rising transport costs are a significant barrier to social, economic and civic participation for people on low incomes.⁹¹

People who are particularly vulnerable to transport disadvantage include older people, First Nations people, people from non-English speaking backgrounds, young people and people on unemployment payments.⁹² People in rural and regional areas and those dealing with the consequences of natural disasters also experience challenges accessing transport.⁹³

Community transport plays an important role in providing accessible and inclusive transport for people vulnerable to transport insecurity. However, the Community Transport Program (CTP) administered by Transport for New South Wales, is only available for people who are disadvantaged owing to physical, social, cultural and/or geographic factors, excluding for the purposes of education and employment.⁹⁴ Research has identified that a lack of community transport was a factor limiting communities' recovery after the Northern Rivers floods.⁹⁵ This severely impedes peoples' economic independence and social mobility.

Not being able to access or afford transport limits peoples' social connections, education and employment options, and medical access. The Society's members report that people in regional areas go without prescribed medication and health care in response to rising costs. Others displaced by the Northern Rivers floods find travel costs prohibitive for getting to work⁹⁶ or for buying groceries. A taxi roundtrip from South Ballina to Ballina to buy food costs over \$200. The lack of available and affordable transport options compound disadvantage, and can lead to and exacerbate unemployment, ill-health, mental illness and poverty.⁹⁷

Communities are stronger when they have affordable transport that is available and accessible to people who are transport insecure. The Society supports the NSW government's vision of a well-functioning road network and public transport in regional NSW to ensure our local communities thrive. However, public transport must be affordable for people on low incomes and community transport must also be strengthened to meet the needs of people vulnerable to transport insecurity.

To improve transport equity and security, the NSW government must expand the transport concession scheme to include Services Australia Health Care Card holders and make family travel more affordable in line with 2020 IPART recommendations.^{98,99} Any changes to the concession scheme must go hand in hand with an awareness program to ensure uptake by those people who most need assistance with their transport costs. The CTP program must

⁸⁹ Following the trend of increases to other essential items, transport costs have also increased in the 12 months to March 2023 by 4.3% with minimal change to the June 2023 quarter - <https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/mar-quarter-2023> [As at 31 July 2023]

⁹⁰ [NCOSS Tough Times, Hard Choices report](#), p66

⁹¹ Community Transport Organisation (2023) *Position Statement 2 – Inclusive Transport for all people in NSW*, p3. <https://www.cto.org.au/wp-content/uploads/2023/02/CTO-Election-2023-Position-Statement-2-Inclusive-Transport-NSW.pdf>

⁹² Community Transport Organisation (2023) *Position Statement 2 – Inclusive Transport for all people in NSW*, p5. <https://www.cto.org.au/wp-content/uploads/2023/02/CTO-Election-2023-Position-Statement-2-Inclusive-Transport-NSW.pdf>

⁹³ Community Transport Organisation (2022) *Future Strategy for Community Transport in Regional, Rural & Remote NSW*, <https://www.cto.org.au/wp-content/uploads/2022/10/CTO-RRR-Strategy.pdf>

⁹⁴ Community Transport Organisation (2023) *Position Statement 2 – Inclusive Transport for all people in NSW*, p5. <https://www.cto.org.au/wp-content/uploads/2023/02/CTO-Election-2023-Position-Statement-2-Inclusive-Transport-NSW.pdf>

⁹⁵ [City Futures Report](#), p 37.

⁹⁶ Van den Nouwelant, R & Cibirin, A. (2022) *The impact of Housing vulnerability on climate disaster recovery: the 2022 Northern Rivers Floods* (Sydney: City Futures Research Centre) (City Futures Report) p. 31, 24.

⁹⁷ [NCOSS Tough Times, Hard Choices report](#), p 5.

⁹⁸ Based on a desktop review of available concessions on the Transport for NSW website.

⁹⁹ IPART Fact Sheet (2021), [Review of Rural and Regional Bus Fares](#), p2 – www.ipart.nsw.gov.au.

also be expanded to include transport for the purposes of employment and education, as recommended by the peak body.¹⁰⁰

Recommendations:

Make transport more affordable and accessible in NSW, particularly in rural and regional areas, by:

- 18) Expanding current NSW transport concessions to people with a Services Australia Health Care Card.
- 19) Increasing funding for more regular and affordable community transport options for people who experience disadvantage, including those displaced by natural disasters.

4.6. Education and digital inclusion

Quality education lays the foundation for better outcomes later in life. However, the rising costs associated with attending school, along with the impacts of school closures and remote learning during the pandemic and natural disasters, have made it harder for students experiencing poverty to progress their education.¹⁰¹

Families on low incomes and experiencing hardship need support to meet the costs associated with a child's full participating in school education, including digital inclusion. The Society's Homelessness and Housing Division reports seeing more families who are unable to afford digital devices, such as laptops, and connection to the internet and data services for their children. This means vulnerable children are missing out on being able to fully participate in school and learn like their peers, leading to educational disadvantage.

The Society welcomes the NSW government's commitment to supporting families secure a better future for their children, including the \$400 million Education Future Fund which will increase funding to public schools and establish an intensive literacy and numeracy program to help lift student outcomes. Evidence suggests small group tutoring is effective at improving student's academic outcomes, including for students from low socioeconomic backgrounds when delivered in appropriate settings.¹⁰²

Even with additional tutoring support, students from low income and disadvantaged families will continue to struggle to participate fully in their learning without ongoing access to laptops and other digital infrastructure, as most public schools require children to bring their own devices. The NSW Government can support students from low-income and disadvantaged backgrounds to fully participate in education by sustainably increasing the NSW Back to School voucher amount so that they have the same opportunities for success, through digital inclusion, as their peers.

Back to School vouchers are a mechanism to support families meet the costs associated with education, such as school uniforms, shoes, bags, and textbooks. However, at \$150 per child the vouchers are insufficient to cover the cost of a basic laptop.¹⁰³ They should be increased to reflect the average cost of school essentials, including digital infrastructure. In recognition of the state's current fiscal environment, eligibility for the vouchers could be means-tested, as with recent changes to the Active Kids voucher program. This will reduce

¹⁰⁰ Community Transport Organisation (2023) *Position Statement 2 – Inclusive Transport for all people in NSW*, p5.

<https://www.cto.org.au/wp-content/uploads/2023/02/CTO-Election-2023-Position-Statement-2-Inclusive-Transport-NSW.pdf>

¹⁰¹ Across NSW school students have missed out on up to 19 weeks face to face learning, and children from lower socio-economic areas were reported as most at risk of reduced educational outcomes, lost opportunities and consequential long term costs. Impacts Economics and Policy (2022), *Aftershock – Addressing the social and economic costs of the pandemic and nature disasters, Report Two – Domestic and Family Violence*, Sydney (Impacts Economic Policy (2022)) cited in [NCOSS Policy Platform 2023](#), p. 16.

¹⁰² Productivity Commission (2022) *Review of the National School Reform Agreement, Study report*, p22, <https://www.pc.gov.au/inquiries/completed/school-agreement/report/school-agreement-overview.pdf>

¹⁰³ A brief Google search identifies the cost of a basic laptop at a popular retailer is \$300 plus GST.

any overall impact on the state's budget while delivering fairer and more targeted support to those families who need it most so their children can reach their full education potential in this digital age.

Recommendations:

Target full education participation and digital inclusion for students of families in need by:

- 20) Increasing the NSW Back to School voucher to reflect the average cost of school essentials, including digital infrastructure such as a basic laptop, and targeting eligibility to low-income families experiencing hardship.

4.7. Consistent and evidence-based indexation for service delivery

Each year, non-government health and community services providers face funding uncertainty due to the lack of a consistent, evidenced-based approach to indexation of their grant funding from the NSW government. This makes it difficult for services to recruit and retain staff, to maintain existing service provision levels, and to plan and invest in the future capacity of the organisation.

The Society welcomes the NSW government announcement of 5.75% indexation to community services grants in the Health and Communities portfolios from 1 July. This is a much-needed recognition of the increased costs born by the sector- particularly the 5.75% minimum award wage increase and the 0.5% superannuation guarantee levy rise, and of the valuable role of community sector organisations in maintaining the social safety net.

South Australia has a transparent, systematic approach to indexation that services as a model to explore in NSW. Mandatory indexation applies to all multi-year funding agreements between the government and not-for-profit organisations. Indexation rates are published four years in advance, providing organisations with much needed funding certainty. Supplementary funding is applied when required to address higher service delivery costs associated with minimum Award outcomes and inflation pressures.¹⁰⁴

The NSW government must implement a consistent, transparent and evidenced based approach to community sector grant indexation to ensure the sustainability of the sector and ongoing provision of vital support services. Consistent indexation that keeps pace with the rising costs of running an organisation will provide greater certainty, support the more efficient delivery of programs and services each year and deliver greater stability for people working in the sector. Most importantly, adequate, transparent and consistent indexation will enable community sector organisations to better provide vital services to those who slip through the gaps - the most disadvantaged in our community.

Recommendation:

- 21) Provide certainty and consistency for community service delivery by applying a transparent, systematic approach to annual indexation funding that is evidence based and takes into account inflation, wage, superannuation and other legislated increases.

¹⁰⁴ Department of Treasury and Finance, *Indexation*, webpage, Government of South Australia, <https://www.treasury.sa.gov.au/Our-services/not-for-profit-sector-funding-and-contracting/indexation>.

5. Conclusion

In a tight fiscal environment, the Society urges the NSW Government to use the upcoming state budget to prioritise those people in our community who are most in need and impacted by the current severe cost of living crisis. We know everyone in our state is impacted by rising prices, but not everyone is impacted equally. People who have been doing it tough for years, and those who have been further impacted by the pandemic and natural disasters, now have no money left to absorb another rent hike or a higher energy bill. A growing number of people are coming to us for the first time, seeking help with their weekly groceries and bills so they can just afford to pay for a roof over their heads.

The recommendations we propose will help the NSW government to establish its social justice credentials and deliver a fairer New South Wales. **These proposals will have a long-lasting effect to reduce poverty and inequality by uplifting those in our community struggling to make ends meet and live in an affordable, healthy and accessible home. Helping people to improve their lives and increase their health and wellbeing has important economic benefits for our State; reducing the need for health and related services, improving productivity, and increasing rates of labour participation. Working together we can create A Fairer NSW.**

6. About the St Vincent de Paul Society in NSW

In 1833 in Paris, 20-year-old student Frederic Ozanam resolved to do what he could to bear witness to his Christian upbringing by assisting those less fortunate in the community. Together with a group of friends, he sought the advice of Sr Rosalie Rendu, who guided their approach towards one that affirms the dignity of each human being and invites a deep relationship of solidarity.

Declaring that no form of charity would be foreign to their work, the first 'Conference of Charity' has since grown into a worldwide movement that continues to seek out and address poverty in all its forms.

In NSW, the Society was established over 140 years ago. It now has over 3,500 members who offer material and financial assistance to people in their communities as well as companionship and social support. Members of the Society who visit people who need help in their homes, refer those at risk to our services, where we offer case management, support services, and referral to other agencies to help keep people at home. Specialist responses are provided for women and children wishing to leave family and domestic violence while retaining existing housing.

Professional services have been established in response to the needs of people at risk of or experiencing homelessness, people with disability, people seeking support in relation to alcohol and other drug use, and people experiencing other forms of exclusion. In 2022-2023, our specialist homelessness services supported more than 9,000 people. Overall, we provided \$13.4 million of assistance in NSW – an increase of nearly 60% on the previous financial year.

Through our community housing provider, Amélie Housing, we provide social and affordable housing with tailored support to meet the needs of the growing number of people locked out of the private rental market. Amélie Housing manages approximately 1,400 dwellings in NSW. We are inspired to create a more just and compassionate society and to offer a 'hand-up' to people experiencing the most disadvantage. We respect their dignity and encourage them to take control of their own destiny.

A FAIRER NEW SOUTH WALES.

Strengthening communities,
transforming lives.

NSW 2023-24 Pre-Budget Submission



St Vincent de Paul Society
NSW *good works*

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