



17 February 2016

Implications of the Future Directions in Social Housing Policy

The PSA is concerned about the impacts of planned housing reforms

On 24 January 2016 the NSW Government released Future Directions for Social Housing in NSW.

This new policy commits the Government to an expanded role for the community housing and private sectors:

- 23,500 new and replacement social and affordable housing dwellings. Minister Hazzard has said this comprises 17,000 replacement dwellings and 6000 new ones within 10 years.
- Increasing the use of private rental assistance products by 60 percent as an alternative to social housing.
- New communities with mixed social housing and private housing.
- Transferring management of up to 35 percent of social housing to community housing providers (this is to occur within 10 years), with longer-term leases to be determined on a case by case basis.
- 3,000 new social and affordable dwellings via the Social and Affordable Housing Fund.

The PSA believes the NSW Government should be responsible for providing public housing to those who are disadvantaged.

There are around 60,000 applicants waiting for social housing and it is not clear how the new policy will respond to the full level of unmet demand now and into the future.

The policy assumes that expansion of housing for the most vulnerable must depend on an expansion of community and private sector participation.

The latest Productivity Commission report on Government Services shows that the proportion of NSW low income tenancies paying more than 30 percent of gross income in rent was 1.5 percent for public housing and 7.6 percent for community housing. This is just one of the arguments for a robust public housing sector in NSW.

The PSA wants NSW Government funds prioritised for public housing including for the proper maintenance of stock.

The PSA is engaging with FACS on the implications of the new policy for members.

On 4 February 2016 the PSA requested a meeting with Paul Vevers, the Deputy Secretary, FACS Southern Cluster Districts and Housing State-wide Services to consult on the new policy. PSA staff and delegates met with Mr Vevers on 11 February 2016.

He advised:

- There are around 140,000 social housing dwellings and approximately 28,000 of those are currently managed by Community Housing providers (CHPs). Currently 20 percent of properties are CHP managed.
- To get to the 35 percent target around 22,000 public housing properties will need to be transferred to community housing management.
- Another 800 properties left over from earlier transfer programs will also go to CHPs so that nearly 23,000 existing public housing properties will be affected overall.
- There will be a six-year focus on the transfers and the 'geography' of the transfers is still to be worked out.
- The transfer program has links to the accelerated redevelopment of public housing with 23,000 new properties planned over 10 years. Of these, around 6000-6500 will be new properties.
- Additional provision of affordable housing is planned under the policy but the above numbers exclude this and only relate to social housing.

- Personal Support Plans, which are proposed for 'opportunity' group tenants who would access public housing as a transitional step, would likely be contracted to providers with expertise in transitions into study and work.
- The changes may mean Housing NSW staff have different types of conversations with clients. There would be new work on housing relocations which would likely involve Housing NSW staff and possibly, contractors. Selection of staff to work on relocations would be via a proper recruitment process.
- It is not possible to estimate detailed impacts of the new policy on housing staff at this point, but reassignment of Housing NSW staff and some transfers to CHP providers are possible.
- Tracking of the outcome of the policy for public and CHP dwelling numbers will be via the Budget process and also FACS annual reports.
- FACS has agreed to ongoing consultation on the implications of the policy.

The PSA noted consultation and discussions on particular impacts of the reform are likely to be required. Consultation on the specific impacts of the policy for members in Housing NSW, the NSW Land and Housing Corporation and the Aboriginal Housing Office will be a priority.

The PSA will keep members informed of developments regarding this important matter.

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