



LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2016-17

MR BRENDAN SMYTH MLA (CHAIR), MR JAYSON HINDER MLA (DEPUTY CHAIR), MS JOY BURCH MLA, MR STEVE DOSZPOT MLA

COMMUNITY AND INDUSTRY REPRESENTATIVE GROUPS SURVEY

SURVEY OF COMMUNITY AND INDUSTRY GROUPS ON THE
ACT BUDGET 2016-17 PRESENTED BY THE ACT GOVERNMENT ON 7 JUNE 2016

If you wish to respond to this survey, please return it to committees@parliament.act.gov.au by **3.00pm Friday 10 June 2016**. If there is insufficient room for any of your comments, below, please append additional comments.

1. Full name of group/organisation:

ACT Shelter Incorporated

2. Name of contact person for this survey and their telephone number and email address:

Mr Travis Gilbert, Executive Officer, ACT Shelter
[REDACTED]

3. Please provide a brief overview of your organisation/group and its purpose.

ACT Shelter is an independent peak community organisation that provides strategic advice and advocacy on housing policy issues that affect people with no, or on low to moderate incomes. This includes people who are homeless or who are at risk of homelessness. Our role is to provide an informed voice on policy issues that impact on housing justice. This voice is informed by policy research, close collaboration, networking and consultation with housing consumers and community based organisations working on housing and related issues.

1. Has your organisation/group developed a written analysis of the ACT Budget that it would like to submit to the Committee?

Yes (If yes, please email it to the Committee Secretariat with your completed survey.)

No

2. Please list, in order of priority, your three key priority areas regarding the ACT Budget 2016-2017 (you can expand on these in Question 6):

- a. Housing affordability (rental and purchase)
- b. Public housing redevelopment, tenant relocation & urban renewal

- c. Homelessness prevention & response

3. Please provide detail of your views on the ACT Budget in relation to your three priority areas?

a. Housing Affordability: We welcome the continuation of reforms to Territory based housing and land taxation arrangements. We know stamp duty is a significant up-front cost facing First Home Buyers.

Economists are in general agreement it is an inefficient and unreliable revenue source. Housing advocates note it discourages upsizing and downsizing. ACT Shelter believes lowering stamp duty and replacing it with a broad based land tax as the ACT Government has outlined is, on balance, the right approach to drive improved purchase affordability for both First Home Buyers as well as people looking to downsize and hoping to purchase a less expensive home in order to bolster retirement savings. We understand the concerns of rate-payers particularly mortgage holders on average or below average incomes and we note the need for concessions to be applied to people for whom rates and land charges are a significant impost on overall living costs.

We cautiously welcome the 'Homes for Homes' seed funding but really need to see more detail about this measure.

We are really keen to prosecute the case for the inclusion in future budgets of new private rental assistance and shared equity products to assist Canberrans on moderate income who are not eligible for Centrelink, concessions or social housing because their income is deemed too high but who are not served well by a private rental market characterised by strong competition (in both purchase and rent) and in private rental, low vacancy rates and abysmal security of tenure provisions relative to social housing.

We want to see additional work undertaken with planners and the property industry to improve land release and supply practices. Land is expensive and it is locking younger Canberrans out of the home purchase market. The economic consequences of this will be significant if left unaddressed.

b. Public housing/urban renewal: ACT Shelter welcomes the record investment in public housing redevelopment and stock replacement. We work closely with our Government colleagues and community partners through the Linking into New Communities Taskforce. We anticipate this program will deliver improved quality of life for tenants, enhanced community safety for some people and reduced costs of living through lower utilities bills. We commend the ACT Government for taking advantage of the 15% incentive payment offered by the Feds through the Asset Recycling Initiative noting Housing ACT's property portfolio is the biggest asset on the balance sheet. We are concerned about the future sustainability of the system however noting it runs at a deficit and federal contributions to the ACT through the Affordable Housing SPP are inadequate providing only 1/3 of the dollars needed just to maintain the current stock and fund homelessness services.

We look forward to continuing to work with Government on the important renewal program and commit to jointly lobbying with the ACT Government should it wish to partner with us to secure a per dwelling subsidy through the National Affordable Housing Agreement, a growth fund on a per capita basis and the forgiveness of debts incurred by the ACT through the Commonwealth-State Housing Agreement.

We worry there is no growth finding to expand the social housing sector and no interest at a Federal level of incentivising growth.

c. Homelessness prevention & response: ACT Shelter has worked closely with CSD and community services industry reps on the Territory's homelessness reform program. We welcome new 3 year agreements (with a +2 option). This provides certainty for medium term planning.

We see significant risks to the viability of the sector going forward however. NAHA funding is woefully inadequate to deliver both public housing and homelessness outputs and outcomes. NPAH funding is only guaranteed until 30 June 2017 and there is no passion, vision or appetite at a federal level to prioritise reducing homelessness. The NDIS is placing huge budgetary pressures on community services industry providers – many of whom also deliver homelessness services.

Without exit points (social and affordable housing), homelessness services must accommodate and support people for long periods, stretching their budgets and frustrating clients.

First Point data shows there are up to 700 people in need of accommodation in any given month in the ACT.

Homelessness prevention is being done well by youth and Supportive Tenancy Services and this has been recognised which is pleasing.

We know the ACT Government is committed to reducing homelessness. We hear often our services should seek philanthropic help to find additional programs but money from the corporate sector is rarely forthcoming unless it is for public events like the CEO Sleepout. Services are not resources adequately to meet demand let alone transition people to independence.

We welcome current commitments but are worried about the sector's future and the health and wellbeing of Canberra's failed by the housing market.

Finally the family safety package is commendable and important and may reduce the instances of homelessness following DV through rapid access to the Bond Loan Scheme but more needs to be done to encourage landlords in the private market to take people who have fled a violent perpetrator as tenants.

4. Are there any other particular issues with the ACT Budget that you would like to bring to the Committee's attention?

Yes No

a. If yes, please comment/attach further details:

The need for shared equity products to be promoted, diversified and expanded.
The need for a full suite of private rental assistance products.
A growth strategy for community housing.
Stamp Duty & other concessions for non-faith based providers.
Occupancy rights for Canberrans in marginal housing.
Increased security of tenure for private renters.
Housing for people fleeing violence.

5. Did you provide a budget submission to the ACT Government?

Yes (go to question 9) No (go to question 10)

6. Do you think that the ACT Budget has addressed the issues raised in your submission?

Yes No

a. If yes, please comment

The ACT Budget addressed the following issues we raised:

The need to continue funding for public housing redevelopments and urban renewal.

Expanding energy efficiency and utilities concession measures to renters.

Continuation of property tax reform.

It did not address increasing the supply of affordable and social housing, expanding the community housing sector or helping renters in the private market.

7. Does your organisation/group wish to give its views in a Committee public hearing on Friday 17 June 2016, at the Legislative Assembly, London Circuit, Canberra.

Yes No

If you indicate yes, and the Committee selects you to appear at the hearing, the Committee Support Office will contact you by close of business Wednesday 15 June 2016 to confirm arrangements. Please note that the Committee may not be able to hear from all groups/organisations.

Thank you for contributing to the inquiry.

When returning their survey, ACT Shelter also provided its *Submission to the 2016/17 ACT Budget Consultation*. This document is available on the ACT Government website:

<http://www.budgetconsultation.act.gov.au/input-received>.