

SUBMISSION - NSW Budget 2023-24

Faith Housing Alliance is the NSW peak body supporting the faith housing sector.

Member organisations – across Christian, Muslim, Jewish and other faith traditions – believe in social justice, compassion, respect, integrity, partnership and innovation, and are united by a common mission.

The faith housing sector includes:

- Faith-based organisations, including Community Housing Providers, many of whom have been providing support services to the community for hundreds of years. Just four of these members provided 65% of the homes delivered under the NSW Social and Affordable Housing Fund (SAHF)
- Places of worship across all faiths who want to use their land for housing justice
- Faith leaders of all denominations and religions who see housing as a critical component of social justice
- Any individual, organisation, foundation or program committed to housing justice.

Faith Housing Alliance is committed to partnering with the NSW government to address the urgent need for more social and affordable rental housing and the vital wrap-around support needed to sustain tenancies and break the cycle of homelessness.



Housing Policy Support Proposals

1. Rapidly scale up housing supply

The Proposal

Match the Commonwealth Social Housing Accelerator Fund, with a direct State Investment of \$610 million over two years, for additional Social Housing stock, delivered in partnership with not-for-profit community housing providers.

The Commonwealth Government has indicated that it is seeking leveraged funding from the States - we propose that an equivalent amount of leveraged funding would be a reasonable baseline, although we would always welcome more.

The Details

- Faith Housing Alliance's 'Not Just a Roof'³ policy priorities for the NSW State Election 2023 called for a rapid increase in social and affordable rental housing supply to meet comparable international benchmarks³.
- While the Housing Australia Future Fund bill is stalled, we welcome the \$2Bn national social housing accelerator packages, with \$610m for social homes in NSW over the next two years.
- Faith Housing Alliance welcomes the NSW Premier's commitment to stop the loss of existing social housing stock. Faith Housing Alliance's members stand ready to assist the government -to recycle existing social housing stock to provide even more social and affordable rental housing for communities in need.
- This investment may include accelerated investment in aging social housing stock to ensure that it is available for social housing and the establishment of a Climate Resilience Fund for properties managed by the NSW Government and NFP CHPs³.
- Faith Housing Alliance proposes at least \$610 million for additional stock to match the Commonwealth's recently announced \$610 million Social Housing Accelerator Fund, spread over the next two years.
- In delivering this housing, we call for a rigorous, evidence-based allocation strategy to prioritise critical needs, including women, domestic violence survivors, essential frontline workers and regional communities.

The Budget Impact

- \$305 million in FY 23/24 to deliver the Social Housing Accelerator (NSW State contribution)

2. Ensure extended tenant support

The Proposal

Implement an evidence-based Housing First model⁸ – to support housing outcomes through providing tailored wrap-around tenant support services – ensuring a best practice approach as part of all housing funding, including the Social Housing Accelerator funding.

Successful examples include:

1. The NSW Social and Affordable Housing Development Program (SAHF), delivered in partnership with NFP CHPs contained several innovative wrap-around service delivery features facilitating access to employment services, general and mental health support, and community-building programs.
2. The Together Home program, whose early findings demonstrated positive housing outcomes for some of NSW's most vulnerable people experiencing chronic homelessness, included the option to scale funding for 'high needs packages'². The design of this program provided wrap-around support service funding direct to CHPs to subcontract, helping to streamline clients' access to housing.

The Details

- Social and affordable rental housing alone does not address poverty, social exclusion, stigma and loneliness.
- A study commissioned by Faith Housing Alliance member, BaptistCare NSW & ACT, suggests that safe and secure housing combined with wrap-around services can deliver a threefold social return on investment associated with notable societal savings, including health, justice and unemployment¹.
- Our 'Not Just a Roof'³ policy priorities for the NSW State Election 2023 called for further rounds of a SAHF-type model to deliver expanded and sustained wrap-around support services paired with housing delivery to help tenants transition back to work and community.
- Faith Housing Alliance calls for the following key aspects to be built into wrap-around tenant support services:
 - Funding security, like the SAHF delivery model, included 25-year wrap-around tenant support services to tenants requiring long-term support.
 - Reducing bidding cost and complexity associated with SAHF 1 and SAHF 2.
 - Introducing more flexible participation options to allow smaller NFP CHPs to tender for distinct components of the delivery model (landlord/housing versus support services).
- In addition, we support a two-year extension of the Together Home program, as proposed by our peak partners and individual members, including Homelessness NSW and St Vincent de Paul Society, in their 2023/24 budget submissions.

The Budget Impact

- Included in the \$305 million in FY 23/24 to deliver the Social Housing Accelerator (NSW State contribution).
- \$25 million in FY 23/24 and FY 24/25 to extend the Together Home program for two years.

3. Integrated Planning Pathway

The Proposal

A minimum investment of \$2.5 million to establish a Planning Concierge and ensure that it, and the Housing SEPP, are both well-resourced. This will allow timely responses to manage the workload involved in scaling up social and affordable rental housing developments. The outcomes of this ask supports our members to deliver housing more efficiently.

Faith Housing Alliance's 'Not Just a Roof'³ NSW State Election 2023 policy priorities called for a State-led Integrated Planning Pathway to address the critical need for State oversight and coordination of the planning process associated with the accelerated delivery of social housing.

NSW's implementation of the State Environmental Planning Policy (Housing SEPP) in 2021 is a strong step in the right direction to address the bottlenecks associated with delivering accelerated social and affordable rental housing.

The Premier's further efforts to improve the planning system to incentivise residential housing developers that include at least 15% affordable housing in their plans are also welcomed.

The Details

Streamlining development assessment

- Implement a planning concierge for CHPs, to streamline the development assessment pathway.
- Investigate self-assessment pathways and/or a complying development code for NFP faith-based CHPs to rapidly scale up supply and support the impost on local government planners.
- Address other bottlenecks for compliant SSD developments by NFP CHPs for low impact, including the requirement for public notification.

Improving planning pathways

- Ensure inclusionary zoning requirements are designed to safeguard a sustained supply of additional social and affordable rental housing.
- Continue to investigate other accelerated planning pathways to incentivise broader participation in the investment, financing and delivery of social and affordable rental housing.
- Introduction of an affordable rental housing zone instrument.
- Piloting targeted affordable rental housing as a permissible use in zones that would not otherwise allow this type of housing.

Strengthen infrastructure contributions

- Mandating blanket waiver of Section 7:11 developer contributions for all NFP CHP social and affordable rental housing developments.
- Implement a Social Housing Levy for private sector development of sub-division of land with three or more dwellings to create a sustainable funding source for social housing.
- Investigate a pathway for the direct provision of social and affordable rental housing with faith-based organisations and developers to facilitate direct partnerships.

Design Quality

- Streamline heritage protections to protect heritage without unnecessary constraints on providing social and affordable rental housing on faith-based land.
- Consider commissioning the Government Architect to prepare guidelines for the conversion of religious sites to accommodate community uses such as social and affordable rental housing.
- Enforce minimum building standards for climate and accessibility on social and affordable rental housing.

The Budget Impact

\$2.5 million in FY 23/24 to strengthen Housing SEPP resourcing and to establish a planning concierge – FTE or Consultants.

References

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Additional Sources

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