

SOCIAL AND AFFORDABLE HOUSING FACT SHEET

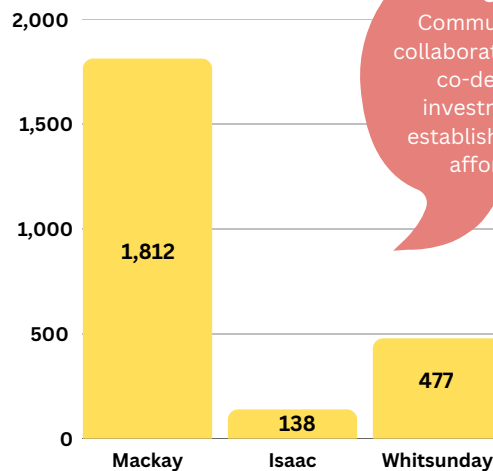
The source of all the data below is the Greater Whitsunday Housing Playbook unless another source is quoted.

How do we solve for social and affordable housing: renewal and accessing funding schemes; including reducing layers of cost



Key findings:

Social Housing Provision



OPPORTUNITY IDEA
Community Housing Providers, in collaboration with other stakeholders, co-developing a local housing investment opportunity, such as establishing a local housing trust or affordable housing project.

2,427 social homes in the region; 68,511 in Queensland; 1.3% of population for both.

There is low supply of social housing and a significant wait list, with greatest demand for smaller product types (1 and 2 bed).

Social housing applications in the Mackay, Isaac and Whitsunday region have tripled from 372 applications in 2017 to 1,003 applications in 2022 (within the SA4 area).

Single persons social housing applications increased in 2018.

Wait periods more than doubled for social housing in the Greater Whitsunday region, from an average of 7.9 months in 2017 to an average of 19.4 months in 2022.

Mackay experienced overwhelming social housing applications compared to Isaac and Whitsunday region and 1-bedroom mostly requested.

More than 1,200 persons had inadequate housing in 2021 and Mackay recorded the highest homelessness rate.

At median house price, 42-52% of households need to pay more than 30% of income for purchasing. Figures predicted to worsen if interest rate rises in next 6-12 months.

An average of 30-35% of households are classified as 'low income' (50% lower than median household income).

There are high levels of mortgage and rental stress in the region forcing many out of the private market.



HOUSING NEED IS INCREASING

1,650 people waiting for social housing

An increasing demand for social and affordable housing is exacerbated by insufficient housing stock, unaffordable home ownership, and an overly competitive rental market.

1,200+ people homeless or in inadequate housing

There are increasing numbers of 'working homeless' residents – people who earn an income and can pay for housing but cannot access housing due to current market conditions.

- The Greater Whitsunday Housing Playbook found that there is a shortage in social and affordable housing across all 13 precincts analysed.
- The need for social housing is increasing with all housing delivery and support services seeing an increasing demand for their services. Homeless women (especially over 55 yrs) and youth have been identified as a particularly vulnerable and growing cohort.
- Housing support services are finding it increasingly challenging to support tenancy sustainability due to the complexity of needs of those prioritised for social housing.
- Renewal of social housing stock is a regular theme from discussions with stakeholders.

Private market assistance:

Mackay HSC

- 283 National Rental Affordability Scheme (NRAS) dwellings assisted over the life of the program to 30 June 2020
- 653 households received a Bond Loan in year ending 30 June 2020
- 2,043 households were assisted through the Home Assist Secure program in year ending 30 June 2020

Queensland

- 10,229 National Rental Affordability Scheme (NRAS) dwellings
- 21,523 households received a Bond Loan
- 38,208 households were assisted through the Home Assist Secure program

1.6% of the population in Greater Whitsunday region needed private market support vs 0.9% of the population across Queensland.



Funding opportunities:

State Government:

- **Housing Investment Fund (HIF):** Funding partnered projects to increase social housing and additional affordable housing supply through a \$2 billion investment by the State government based on an annual average investment of \$130 million a year. The HIF has also called for expressions of interest for private site opportunities to deliver social and affordable housing. The Housing Investment Fund specifically targets four housing supply priorities, being:
 1. Housing for the people experiencing homelessness and sleeping rough
 2. Diverse rental supply
 3. Housing choices for seniors
 4. Homes for large households
- **QuickStarts Queensland:** A \$322 million capital investment program to accelerate planned acquisition, new construction, and redevelopment opportunities to deliver new homes sooner with a target of an additional 500 social homes.
- **Help to Home:** A partnership with property owners, landlords and registered Community Housing Providers to deliver private rental outcomes to people who are eligible for social housing.

Federal Government:

National Housing Finance and Investment Corporation (NHFIC) is an independent corporate Commonwealth entity established to increase the supply of housing in Australia, with a focus on affordable housing. NHFIC is being delivered through the following five mechanisms:

- **National Housing Infrastructure Facility (NHIF):** A \$1 billion facility that offers concessional loans, grants and equity funding to finance infrastructure that enables housing.
- **Affordable Housing Bond Aggregator (AHBA):** Provision of low cost, longer tenor loans to registered Community Housing Providers to support provision of social and affordable housing. AHBA loans are funded by social bonds issued to the wholesale capital market, supported by a Commonwealth guarantee and involve a straightforward, five step application process.
- **Capacity Building Grants:** Grants to support Community Housing Providers to make applications for NHFIC finance. Consultancy services under these grants are delivered by the Community Housing Industry Association (CHIA).
- **First Home Loan Deposit Scheme (FHLDS):** A loan deposit scheme assisting first home buyers with their initial home purchase.
- **Housing Research:** In conjunction with state bodies, federal and state government, research institutes and market participants, undertaking research on the housing sector, including monitoring of housing demand, supply and affordability in Australia.

On 17 June 2023, the Federal Government announced a \$2 billion social housing accelerator fund will be distributed to state and territory governments within a month, with each jurisdiction being given \$50 million and the remaining amount being allocated on a per capita basis.

As well as the new \$2 billion social housing accelerator fund from the Federal Government (\$398 million of which is to come to Queensland), the State also announced a further \$322 million in its June budget to build a further 500 social homes on top of existing commitments. This amounts to \$720 million or approximately 1100 new social dwellings, which must have commenced in a two-year time frame.

The Northern Australia Infrastructure Facility is also a potential funding source for infrastructure relating to housing.

Considerations:

- State and Federal Government social and affordable housing funding schemes encourage Tier 1 CHPs to make applications because they build and “hold” the properties. There may therefore be opportunities to collaborate across CHPs already within the region, potentially create a Regional CHP or Trust, and partner with Tier 1 CHPs.
- The State and Federal Government encourage partnerships and collaborations in relation to social and affordable housing funding applications.
- QuickStarts Queensland program funds redevelopment opportunities.





Opportunities identified:

The Greater Whitsunday Housing Playbook recommended that we:

Prioritise, invest in and facilitate the delivery of social and affordable housing

- Facilitate Community Housing Provider access to State and Commonwealth funding, financing and capability building incentives and explore opportunities to enable Community Housing Providers to deliver or secure social and affordable housing outcomes in the short and long term.

Aligned opportunities:

- To form a **Regional Community Housing Provider** to achieve economies of scale in social and affordable housing delivery and management, as well as enabling improved identification and advocacy of regional level housing needs for those on no, low or moderate incomes.
- Investigate establishing a **Regional Community Housing Trust** to finance and sustainably deliver affordable housing in the long term.
- Secure agreement from a **Tier 1 Community Housing Provider** to deliver housing in the region.
- Explore the viability of delivering **rent-to-own, shared equity and housing cooperative schemes** and programs in the region.
- Identify opportunities to transfer **ex-worker housing** to social and affordable housing (either in-situ or for via relocation to highest demand locations).
- **Support and promote opportunities for Community Housing Providers to act as developers** and managers of short-term accommodation to fund and ultimately deliver social or affordable housing.
- Seek out **dis-used buildings** suitable for adaptive re-use as low-cost housing.
- Prioritise and facilitate funding applications for social and affordable housing that capitalise on current State and Commonwealth funding opportunities.
- Investigate and identify **surplus land suitable for housing** that can be used to enter into partnerships or be offered as an in-kind contribution for social and affordable housing delivery.

