



## ▼ SOCIAL AND AFFORDABLE HOUSING

*Social housing, Mount Warren Park (Source: Department of Communities, Housing and Digital Economy)*



# SOCIAL AND AFFORDABLE HOUSING

## OVERVIEW

Social and affordable housing is an important part of our communities, as it provides a safe and secure home for many Queenslanders.

The pandemic has had wide-ranging impacts on the way we live and work, impacting housing demand, supply and affordability. Demand for housing rapidly increased due to a range of influences, including record low interest rates, fiscal stimulus, and shifts in preferences driving higher property and private rental prices. These changing market conditions extend beyond SEQ to include regional areas which are experiencing increased demand and impacts on the construction of new homes as a result of material and labour shortages. The increasing frequency and severity of natural disasters such as flooding and bushfires is also presenting significant housing challenges for impacted communities. It is now more important than ever to create better housing pathways and improve housing choice to provide every Queenslander with the opportunity to fully participate in social and economic life.

Social housing is critical for responding to individuals and households who don't have the opportunity to access and sustain appropriate housing options in their community. Queensland's state and community housing provider owned social housing portfolios exceed 74,000 properties.<sup>82</sup> With more than 64,500 of these under state ownership, this makes the government the largest residential lessor in the state. Social housing dwellings are managed directly by the government (public or Aboriginal and Torres Strait Islander housing) or by community housing providers and specialist homelessness services. Government-owned properties are also leased to specialist homelessness service providers and used to deliver a suite of other services.

Public housing, community housing and specialist homelessness service providers respond to the specific needs of a range of people, including:

- ▶ people requiring crisis support
- ▶ older people or young people experiencing or at risk of homelessness
- ▶ people with disability
- ▶ women and families experiencing or at risk of domestic and family violence
- ▶ Aboriginal and Torres Strait Islander peoples and communities.

The *Queensland Housing Strategy 2017–2027* seeks to ensure that every Queenslander has access to a safe, secure and affordable home that meets their needs, and is increasing the supply of social and affordable housing by almost 10,000 dwellings over the first eight years of the strategy.<sup>83</sup> The Queensland Government is committed to constructing a minimum of 50 per cent of new public housing properties aligned with the intent of the Livable Housing Design Guidelines gold and platinum standard. This aims to increase the supply of accessible and adaptable housing, responding to the needs of social housing clients and enabling tenants to more readily age in place.

The *Queensland Housing Strategy 2017–2027* is also implemented through the *Aboriginal and Torres Strait Islander Housing Action Plan 2019–2023*, which is delivering place-based, person-centred responses to improve outcomes for Aboriginal and Torres Strait Islander peoples across the housing continuum.

While the Queensland Government primarily plays a more direct role with social housing, it is also keen to work with others in supporting greater affordable housing. While affordable housing can mean different things to different people, it generally seeks to provide greater choice for low to moderate income households or accommodation for key workers. The state government supports this through a range of planning and economic development tools that assist local governments and the private sector to improve housing supply and diversity.

Partnerships at all levels are essential for improving broader housing outcomes like housing affordability. The state works collaboratively with other levels of government, the private sector and community housing providers to enable better social housing, affordable housing and other innovative housing solutions. The Australian Government, for example, has a greater capacity to improve outcomes through income support, taxation and other policy levers that would underpin the ability of all parties to improve housing supply and diversity.

## CURRENT KEY INITIATIVES

### ▼ Queensland Housing Strategy 2017–2027

A 10-year plan to deliver more social and affordable homes and to transform the provision of housing services. Key strategy outcomes are being delivered through the:

- ▼ *Aboriginal and Torres Strait Islander Housing Action Plan 2019–2023* – Investing \$67.1 million over four years to deliver tailored housing responses for Aboriginal and Torres Strait Islander Queenslanders by working together with local communities and the housing sector.

- ▼ *Housing and Homelessness Action Plan 2021–2025* is backed by \$1.908 billion over four years, and the establishment of a \$1 billion Housing Investment Fund to provide a funding stream to increase housing supply and deliver enhanced housing outcomes.
- ▼ Queensland Housing Investment Growth Initiative – delivering new homes through a coordinated and integrated capital program.



Affordable Housing

## TRENDS



### HOUSING AFFORDABILITY continues to be a challenge, exacerbated by sharp INCREASES IN PROPERTY AND RENTAL PRICES

throughout the COVID-19 pandemic. This creates issues, particularly for first home buyers and those trying to enter the housing market<sup>84</sup>



### PEOPLE ON LOW AND MODERATE INCOMES are finding it harder to afford to LIVE IN THEIR COMMUNITIES, OR NEAR THEIR WORK<sup>85</sup>

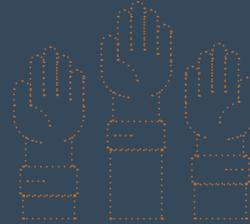


# SOCIAL AND AFFORDABLE HOUSING

## CHALLENGES

### Addressing increasing demand for social housing

Social housing is under pressure. Our growing population and dramatic increases in private housing prices are putting home purchases out of reach of low-and moderate-income earners. This is exacerbated by rising private rental prices and very low vacancy rates.<sup>86</sup> Almost three quarters (72 per cent) of Local Government Areas have private rental market vacancy rates below one per cent as at December 2021, including Queensland's most populous cities and regional centres (a market is considered 'tight' below 2.5 per cent).



### Competing with the private market

The COVID-19 recovery stimulus, and increased private and industrial market activity, has contributed to accelerated demand for land and construction. This is creating a more competitive market to deliver timely, appropriate social and affordable housing in the right place, at the right price. This is more pronounced in some regional markets where labour markets are small or more remotely located.

The market is delivering new housing supply and diversity, but this can be limited in the locations and at the prices required by lower income households who are seeking more affordable housing. This is also influencing a shift from owning to renting.



### Meeting contemporary housing needs

A portion of ageing social housing stock is not ideally suited to the needs of residents and is less able to support the diverse needs of a range of cohorts. For example, accessible homes suited to people with disability or smaller homes that are more suitable for single occupant households.



### Many people seeking housing assistance have other needs

Many Queenslanders seeking housing assistance have complex circumstances and engage with multiple human and health services and providers. For example, almost half of applicants for social housing have at least one person with disability in the household, and one in 10 have experienced domestic and family violence.



### Housing in Aboriginal and Torres Strait Islander communities

Social housing is the predominant form of housing tenure in Queensland's 16 Aboriginal and Torres Strait Islander Local Government Areas. Available land for the construction of new social housing to meet the demand and address overcrowding is limited.



## OPPORTUNITIES



### Maximising benefits from national, state and local initiatives

The Queensland Government is actively advancing its social housing policy objectives through a range of initiatives at all levels of government. This includes local government planning schemes, state planning mechanisms (such as regional plans), key strategic agreements such as City Deals, and major infrastructure developments such as urban renewal sites and new community growth areas.



### Expanding the range of alternative assistance options

Innovative delivery of affordable housing includes the Build to Rent pilot project, where government partners with the private sector to deliver affordable homes for rent at a discounted rate as a component of large-scale developments. Up to 240 dwellings across two Brisbane developments will be offered at a discounted rent, helping to retain key workers in inner city areas. Two further transactions under the pilot project are underway, with successful completion expected to deliver more affordable housing to the Brisbane area. These projects will provide secure, long-term rental accommodation for tenants who don't necessarily qualify for access to social housing, but may struggle to live close to where they work.



### Strengthening the community housing sector

The Queensland Government supports community housing providers to deliver place-based, person-centred housing support through innovative funding opportunities and partnerships across government and private industry. This is central to the success of the Queensland Housing Investment Growth Initiative.

Under the *Aboriginal and Torres Strait Islander Housing Action Plan 2019–2023*, the Queensland Government has partnered with Indigenous Community Housing Organisations to improve housing outcomes. In 2021, this established a new not-for-profit organisation that is the professional peak representative body for Aboriginal and Torres Strait Islander housing providers in Queensland.



### Investing in new social housing supply

*The Queensland Housing Strategy 2017–2027* is increasing the supply of social housing to meet demand in areas of high need, while creating jobs across the state. The strategy's Housing and Homelessness Action Plan 2021–25 is delivering new housing and upgrading existing homes to develop a more diverse mix of property types that better suit the needs of vulnerable households.



### Supporting inclusive communities

Queensland's Housing Principles for Inclusive Communities were developed to promote rights, choice, control, accessibility and inclusion in housing to improve the lives of people with disability and older people who face greater barriers in accessing safe, accessible and affordable housing across all housing tenures. In line with these principles the Queensland Government continues to promote inclusive housing design and service delivery responses for all Queenslanders.



# SOCIAL AND AFFORDABLE HOUSING

## PRIORITY ACTIONS

### 1 Increasing social housing supply (DCHDE, DEPW, QT)



Deliver a coordinated program of capital works and capital grants that optimise the use of public housing assets, revitalise social housing precincts and work with our partners to increase the supply of social housing.

Redevelop high value sites to maximise yield and promote a range of options for housing with support.

### 2 Leasing and purchasing properties from the private housing market to meet emergent need (DCHDE)



Access properties from the private market through headleasing and spot purchases.

### 3 Supporting growth, sustainability and innovation in the community housing sector (DCHDE)



Work in partnership with community housing peak and industry bodies to promote growth, sustainability and innovative place-based responses.

### 4 Making use of state planning and economic development tools (DSDILGP, DCHDE)



Explore opportunities to deliver social and affordable housing using state planning and economic development tools. For example, affordable by design principles, planning incentives, inclusionary planning, and mandating social and affordable housing in Priority Development Areas.

### 5 Facilitating innovative funding, financing and service delivery options (QT, DCHDE)



Drive strategic partnerships between the state and a wide range of potential participants such as the Australian Government, National Disability Insurance Agency, local governments, community housing providers, private developers, institutional investors, and not-for-profit partners, either individually or as a consortia.

### 6 Working with regional councils to increase and diversify regional housing supply (DCHDE, DEPW)



Explore opportunities for alternative government and non-government investment and incentives in rural and remote communities. This would draw on local intelligence to support demand and supply analysis to guide social housing investment.

### 7 Strengthening housing outcomes for Aboriginal and Torres Strait Islander peoples (DCHDE, DSDSATSIP)



In partnership with Aboriginal and Torres Strait Islander communities, develop place-based, community led responses to local housing challenges and priorities through local housing plans, delivering new housing as agreed with communities. Explore opportunities to increase land supply for social housing.

### 8 Responding to land and housing demands in growth areas (DSDILGP)



Continue to work collaboratively with state agencies, local governments, utility providers and industry to better respond to the demands for land, and affordable and diverse housing, in SEQ. The Growth Areas Team will focus on systemic issues and processes affecting land and housing supply by facilitating improved partnerships between developers, local governments, utility providers and state government.

### 9 Enhancing social housing design (DCHDE, QGA)



Delivering new social housing in line with the targets set for Livable Housing Design Guidelines and enabling design-led, place-based and person-centred homes in line with the Social Housing Design Guideline-QCompanion document 2021<sup>87</sup>.

### 10 Partnering for inclusive housing with people with disability (DCHDE)



Develop a disability housing action plan to co-design housing responses with people with disability, peak and expert organisations; and work across government and the sector to deliver integrated housing responses and diversity of supply that promotes a person's rights, choice, control and inclusion.

## INFRASTRUCTURE OBJECTIVES



Encourage jobs, growth and productivity



Develop regions, places and precincts



Enhance sustainability and resilience



Adopt smarter approaches

## ▼ CASE STUDY

### Queensland Housing Investment Growth Initiative

Through the *Housing and Homelessness Action Plan 2021–2025*, the Queensland Housing Investment Growth Initiative (QHIGI) was introduced to tackle current and future challenges in social housing delivery with strong capital investment and a statewide focus. The initiative includes:

- ▼ Establishing the Housing Investment Fund through a \$1 billion investment to deliver 3,600 social housing commencements over four years. The total value of the fund will be maintained over time with returns used to fund new housing supply.
- ▼ Accelerated social housing construction through QuickStarts Qld, a \$1.813 billion investment to deliver 2,765 new social housing commencements across the state, including in the regions and in Aboriginal and Torres Strait Islander communities where homes will be delivered through local housing plans.
- ▼ Help to Home, which will priority source 1,000 private leases through a \$40 million investment over two years to respond to emerging and specific local need.

The three programs of the QHIGI each support specific elements of market need or respond to current or anticipated market challenges.

#### Housing Investment Fund

The Housing Investment Fund will facilitate a range of new opportunities for strategic partnerships between the state and community housing providers, private developers and institutional investors on an individual or consortia basis. The fund provides greater flexibility to deliver a mix of projects, including public, community and subsidised housing, homeless accommodation, and mixed-use developments that capture site specific opportunities.

It also provides a vehicle for co-investment in projects with consortia to leverage development opportunities and maximise funding and financing opportunities. This may be through shared financing, land contributions or other appropriate arrangements based on project need.

#### QuickStarts Qld

Investment through QuickStarts Qld accelerates planned capital investment to commence construction of social housing sooner in order to support evolving need across the state. A four-year pipeline of work will result in a mix of developments, from single family homes to multi-dwelling complexes. The investment may include strategic land or property purchases, and will help manage demand for homes in major population areas as well as support changing housing needs in regional cities and towns. The construction program will be delivered through partnerships with community housing providers and capital build projects delivered by the state government.

#### Help to Home

Help to Home provides housing stock to support immediate or emergent needs while other social housing options are developed. Through headleasing arrangements, the Queensland Government seeks to lease privately-owned properties that may be new to the market or not previously available, which can then be sublet to people in need. Supportive tenancy management by the state or community housing providers assists tenants to sustain their tenancies while a longer-term housing plan is developed.



Social housing, Logan (Source: Department of Communities, Housing and Digital Economy)