



Greater Adelaide Regional Plan Submission

Introduction

Shelter SA is the peak body for housing in South Australia. Established in 1977 as an incorporated association, our vision is for all South Australians to have safe, secure, affordable and appropriate places to call home.

Shelter SA members include many of the major charities and not for profits in South Australia that provide human services and social housing with a smaller number of associate corporate members. Shelter SA is an independent, not for profit and registered charity, due to our connection with our members who work directly with citizens towards the benevolent relief of poverty.

Shelter SA constituents are people living on low incomes who are experiencing the greatest housing need and are at risk of, or experiencing homelessness. A low income household is defined as being in the lowest household income quintile of \$30,000 per annum or below.

During the last two years, Shelter SA has written multiple submissions to government consultations and inquiries, that have relevance to this submission to the Greater Adelaide Regional Plan and these are referenced at the end of this document.

We also refer the Commission to the recommendations report from the Taskforce on Older Women and Housing Security (the Taskforce), which is relevant to this review, and is awaiting publication by the South Australian Government.

Background

The right to adequate shelter is a basic human right and housing is a social determinant of health. When South Australians do not have a home, they are denied their human rights and the opportunity to develop to their full potential.

A lack of access to housing results in homelessness for many people. Last year there were almost 20,000 South Australians who received homelessness services and many more who were turned away or did not have their short, medium or long term housing needs met. An alarming 40% of clients are children and young people. It is no coincidence that the number of people receiving services matches two other numbers - over the last twenty years, South Australia has sold approximately 20,000 public housing properties to the market and the social housing waiting list is almost 20,000 applicants (not individuals). These numbers give some indication of the size of the issue.

In addition to experiences of homelessness, thousands of South Australians live with housing stress, that is when low income households are paying more than 30% of their income on housing. Charities are overwhelmed with people seeking assistance, who cannot afford to feed their families.

The organisations are forced to undertake fundraising activities as government funding does not adequately reflect community need. This situation is unacceptable and must be rectified.

The Commonwealth Government funds South Australian specialist homelessness services at an amount of \$71 million a year, yet the scale of housing outcomes that are needed to relieve homelessness cannot be attained. For the proportion of people experiencing homelessness who have high and complex support needs, private rental is rarely an option as they require significant support and supported accommodation to thrive.

Private rental has been unaffordable for people living on low incomes for many years and now South Australia has one of the lowest vacancy rates in the country, the available, accessible housing outcomes have narrowed significantly. Nor does South Australia have enough crisis accommodation to meet the daily needs of people who have no shelter.

The Terraces, managed by Unity Housing Company, provides an example of a gold standard of supported accommodation. The Terraces is a purpose built rooming house, that provides self contained, secure, supported and affordable accommodation. Each region of Adelaide and rural region should have similar accommodation.

Inclusionary Zoning

An increase in the supply of social housing is critical to achieving the principles and aims of the Greater Regional Adelaide Plan. One aspect of achieving increased supply is to address the use of public land and quarantine it for social housing. To this end, Shelter SA has long advocated for a review of the Inclusionary Zoning Policy to adopt a mandatory scheme that produces social housing instead of affordable housing at a market discount.

When the affordable housing mandate was introduced, it was intended to include 10% affordable housing and 5% for high needs housing, however, to our knowledge high needs housing has never been an outcome and that aspect of the original policy intention has disappeared from the policy. When the policy commenced it was more effective as house prices were relatively low compared with today's prices. The policy is no longer relevant to low income households and should not be marketed as such.

When land is rezoned and immediate increases in value result, especially when there are public land sales, considering social housing as infrastructure creates an imperative to use the value uplift to provide a social good. Like the way we insist on open spaces, there should be an imperative to contribute to social equality and diverse housing that is placed above maximising profit making. There is little point in producing discount to market house sales for the middle classes and the discount should be directed to subsidising social housing. The Discussion Paper refers to the "missing middle" and unfortunately does not have a focus on the households living with the greatest housing need.

If the South Australian inclusionary zoning policy was changed to mandate a proportion of social housing instead of affordable housing, the recent largest land releases in South Australia's history would not represent a missed opportunity to increase the supply of social housing, without a cost to government. Shelter SA supports the introduction of a Mandatory Inclusionary Zoning framework as produced by the Constellation Project¹.

¹ https://theconstellationproject.com.au/wp-content/uploads/2020/07/2020-05-15-MIZ_Brochure_20200318_v6.pdf

Housing as Essential Social Infrastructure

While we continue to place social housing in a welfare context, we will never reduce or end homelessness. Your postcode should not determine your life outcomes or doom you to social inequality. If the planning system seeks true social equality, the provision of low cost rental housing, market rental housing and social housing must be considered as essential social infrastructure – a concept that is omitted in the discussion paper. Transport, employment and health care are important, however without including housing as essential social infrastructure, the importance of having a secure foundation for people to live their lives is overlooked.

Social housing rentals are the only current option that is affordable for low income households. State Government commitments to increase the supply of social housing are welcome however do not meet current or future projected need, without the development of additional and alternative housing products and sources of investment.

Housing Diversity

While we continue to build expensive, large homes on expensive, large land lots and experience delays in the supply of materials and labour shortages, a failure to innovate in housing supply and disrupt the current market will not result in an improved housing future for South Australians.

Shelter SA has researched and consulted at length the production of modular or pre-fabricated homes. There are multiple manufacturers across the State who could have the capacity to mass produce high quality dwellings at scale if there was a pipeline of work. Many are preoccupied with supplying worker camp-style accommodation and school buildings but could be encouraged to focus on residential supply if the right planning structures were in place. When produced with an economy of scale, smaller dwellings (two bedroom) with a smaller footprint and land use, can achieve savings in costs and reduce the time needed to complete builds. With the growth of single person households, two bedroom, smaller homes would be more suitable for singles and were endorsed as a suitable housing option by the Taskforce.

We were pleased to see an expression of interest by the South Australian Housing Authority inviting industry to provide their ideas about supplying modular dwellings as public housing at eleven locations across the State however, the outcomes of that process remain unreleased to applicants and the public, as far as we are aware. If spending commitments for public housing were to harness modular builds, potentially the number of houses built could be increased significantly.

South Australia has the highest cost of utilities in the country. Modular homes are highly energy efficient and therefore would also serve to alleviate cost of living pressures for low income households, with smaller footprints, and adequate heating, cooling and insulation.

Modern Villages

Thousands of South Australians are locked out of the home ownership market. If a new housing product was created that was affordable for low income households, it would ease the housing crisis, reduce the social housing waiting list and the need for social housing while providing the affordability, availability and security that people want and need.

Through harnessing existing legal structures such as retirement villages and residential parks, and producing lend lease communities, it is possible to build modern villages with alternative housing products as described above, if they can progress smoothly through the planning system.

The price point that is affordable for low income households is \$200,000 or lower, which would enable the household both to achieve a mortgage and affordable repayments. If homes could be supplied for \$100,000 and sold for \$200,000, with the land leased long term, there is a financially sustainable model for private and public finance and land holders. The land holder can benefit by retaining the ownership of their land, avoiding the cost of subdivision, capturing capital growth and achieving cash flow with a choice available to own and operate the development, sell it or outsource its management. Assisting Shelter SA in developing this sustainable financial model were workshop participants at an event held with the Town of Gawler.

There are existing residential parks throughout the State with differing levels of amenity. The Shelter SA modern village concept is guided by a set of principles to ensure that villages are places that people aspire to live in, and the homes are attractive and of high quality and amenity. The concept does not describe a social housing option to group together people with high and complex needs but aims to achieve a social mix of incomes and family types to attain a diverse community, with communal spaces that can be enjoyed by residents.

Smaller, modular dwellings situated on the same site are also suitable for crisis and short term accommodation for families who are currently offered motel accommodation which is not suitable for children, nor financially sustainable for government.

Allowing smaller minimum land lots also has the potential to improve affordability. Modern villages are one of the recommendations from the Taskforce.

Aboriginal People

Homelessness, housing stress and overcrowding are experienced disproportionately by Aboriginal people in South Australia. While a commitment to the Uluru Statement from the Heart is mentioned in the Discussion Paper, to achieve social equality for Aboriginal people, social housing, housing diversity and alternative home ownership products have a critical role to play and only provide a greater imperative to adopt innovation and investment in these areas.

Not for Profit Land Holdings

South Australian not for profit and charitable organisations own significant land holdings, some of which are underutilised or contain buildings that are not fit for purpose. Not all these organisations have access to strategic land asset management advice, and Shelter SA has previously developed a proposal to develop a land asset database, to make such advice accessible to them, but does not have the resources to implement the concept.

Build to Rent

The current shortage of rental properties is causing an increase in homelessness in South Australia and people have no option but to live in caravan parks, tents or couch-surf, with families being forced to sleep in their cars. Rental supply must be increased as quickly as possible and Shelter SA is supportive of build to rent projects, especially when they are produced on public land, to prevent land sales to the market, with the proviso that low cost rentals are included, not solely luxury housing. State Government initiatives to encourage build to rent projects are welcome.

Granny Flats

Changes to the rules around renting granny flats to non relatives are welcome however it is not known if local governments are consistently up to speed on the changes and how easily supply can

be achieved. A pathway for granny flats to be added to large public housing and community housing lots could assist in easing the housing crisis and the demand for social housing.

Conclusion

South Australians must accept that if we are to achieve social equality and the housing that people need and can afford, higher density and alternative forms of housing are an essential part of our future in all our suburbs and regions. The planning system has an important role to play in facilitating both aims and we look forward to the outcomes of the review.

Please contact me if you require further information.

Shelter SA Submission References

[Modern Village Concept PowerPoint](#)

[Modern Village Concept Written Outline](#)

[Submission to Inquiry into Housing Availability](#)

[Election Platform](#)

[Moving On Report](#)

[Residential Tenancies Act Review Submission](#)

[Worsening Rental Crisis Submission](#)

National Housing and Homelessness Plan Submissions

[By National Shelter](#)

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