

Bridge Housing Response to Supplementary Questions

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Chief Operating Officer

- a) How do community housing providers ensure that tenants don't have undisclosed assets or income sources when assessing their eligibility for affordable housing?**

Bridge Housing TA HomeGround Real Estate employs a comprehensive verification process to ensure that tenants do not have undisclosed assets or income, thereby maintaining the integrity of the affordable housing system. Initially, by requesting payslips, we can analyse both net and gross income to ascertain the expected earned income deposits in the applicant's bank accounts.

In addition to payslips, we thoroughly review bank statements for all accounts held by the tenant. We delve into details, looking for any irregularities or unusual cash deposits that could indicate undeclared income. We closely scrutinize statements for any offset accounts linked to loans or mortgages, including payments toward council rates, strata fees, or senior payments that might reveal hidden financial obligations.

To further bolster this assessment, we check the tenant's tax returns. By examining annual income as reported to the tax authorities, we can confirm that there are no side incomes that have gone unreported. This multi-faceted approach ensures that all financial fingerprints are accounted for—any recurring transactions will be investigated to determine their nature and legitimacy, whether they might be classified as income or payments for debts.

Moreover, we are diligent in examining linked accounts. We proactively request statements for accounts that are typically used together; for instance, accounts like the Westpac Choice and Westpac Esaver often indicate additional income streams. This thorough process also includes looking for any potential government benefits or dividend shares that might contribute to the tenant's financial profile.

By cross-referencing and triangulating the financial data from multiple sources, including RP data and detailed bank examinations, we can confidently assess the eligibility of applicants for affordable housing, ensuring that all financial backgrounds are transparent and fully disclosed.

2. What changes would be required to the rent setting in the NSW Affordable Housing Ministerial Guidelines to ensure that community housing providers can provide housing to essential workers in the Northern Beaches?

a) Increase Income Limits for Essential Workers:

The most impactful adjustment would be to raise the income limits specifically for essential workers. Currently, many essential workers—including nurses, paramedics, and police officers—find themselves disqualified from accessing affordable housing due to income thresholds that do not accurately reflect the financial realities of their roles. Many of these professionals earn slightly above the current limits set by the guidelines, despite their jobs being crucial to the community's well-being. By revising these limits, we can ensure that our dedicated essential workers have a fair chance of eligibility for affordable housing.

b) Adjust Rent Setting to Reflect Income Levels:

Due to the high rental market in the Northern Beaches, property developers often decide against pursuing affordable housing initiatives, as the anticipated rental prices would have to be discounted by 30% to 40% from current market rates. This significant reduction creates financial disincentives for developers, making it challenging for them to justify such projects.

To encourage the delivery of affordable housing, we propose that rental pricing be structured to be income-driven rather than simply based on a discount off market rent. By aligning rental prices more closely with the actual income levels of essential workers, we can create a more sustainable model that supports the financial viability of affordable housing projects. This approach not only benefits essential workers by providing them with housing that fits their income but also incentivizes developers to participate in creating much-needed affordable housing units.

c) Introduce Housing Reserve Funds:

Establishing a dedicated housing reserve fund to subsidize the housing of essential workers could also be an effective strategy. This fund could be financed through contributions from local businesses that benefit directly from the presence of essential workers in the community. By pooling resources, we can create a more sustainable solution to ensure that those who serve the community can afford to live and thrive in it.

d) Collaboration with Employment Sectors:

Engaging with sectors that employ essential workers can also lead to more tailored housing solutions. Community housing providers could collaborate with local healthcare facilities, schools, and emergency services to create workforce housing initiatives, ensuring that essential workers are prioritized in housing allocations.

By implementing these recommendations, we can create a robust framework that not only supports our essential workers but also strengthens the community as a whole. Ensuring affordable housing for those who serve us is an investment in both equity and stability for the Northern Beaches.

3. At the hearing, you noted the possibility of meanwhile-use projects as a means of delivering temporary essential worker housing in the Northern Beaches (uncorrected transcript, p 11). Can you provide any examples of current projects or opportunities?

Northern Beaches Women's Shelter are working with local community partners to deliver a meanwhile use project – Narrabeen House – which has a focus on housing for essential workers. Noting this is a short-term response and focused on women needing accommodation. The CEO of the NBWS is the best contact for further information.

4. At the hearing, you noted Bridge Housing's involvement with a modular housing project to deliver housing (uncorrected transcript, p 14).

a. Can you provide further details of this example?

In a previous role I was involved in delivering a modular construction approach to delivery of 4 small units at the rear of a residential block in Canterbury Bankstown. The units were for crisis accommodation and were designed as part of core and cluster.

b. What were the benefits of using modern methods of construction in this instance?

The benefits of modern methods of construction were the ability to design and build the majority of development offsite with very minimal disruption to the other residents. We avoided cost inflation that I note other projects experienced.

The project is still in the delivery phase. The approach provides flexibility if land is available temporarily and properties need to be relocated longer term, the most significant benefits are being able to activate land on existing sites – as a granny flat alternative – as well as part of larger builds to avoid significant disruption to neighbours and the local environment.