



Legislative Assembly Select Committee on Essential
Worker Housing 3 December 2024

Response to Supplementary Questions

Question 1: In your experience, are essential workers eligible for affordable housing managed by the Housing Trust? If not, what are the barriers to their eligibility?

As stated in the opening remarks at the hearing in Bomaderry on 3 December 2024, Housing Trust believes that everyone who participates in work is an essential worker and deserves access to a safe, secure and affordable home.

Sixty-nine percent (69%) of Housing Trust's Affordable housing portfolio has land use zoning restrictions to provide housing for older people or people living with a disability, influencing the overall data findings. For this response we have excluded these properties from our analysis, focusing only on general non-targeted affordable rental housing. When considering these households, seventy-seven percent (77%) of tenants are engaged in employment, with their main source of income being salaries or wages. Seventy-nine percent (79%) fall within the low income band as defined under the [NSW Affordable Housing Ministerial Guidelines](#).

The types of occupations undertaken by tenants within our affordable housing portfolio are broad. Examples include nurses, university support staff, police officers, cleaners, disability support workers, retail and hospitality employees to name a few. In recent affordable housing developments without land use restrictions, there is a trend towards more moderate-income households. We expect this to continue due to several factors including growing awareness, availability of affordable housing and challenging private market conditions.

So far, we have never had cause to end a tenancy for exceeding the income eligibility limits under the Guidelines.

In addition to the response provided above, we refer to enquiry [Submission number 58](#) by CHIA (Community Housing Industry Association) NSW. The submission includes detailed data mapping of eligibility across a range of occupations in accordance with existing policy settings. The findings of CHIA's analysis do highlight the potential for a broadening of current income thresholds for the benefit of teachers, police officers and registered nurses as well as considering eligibility for temporary skilled migrant visa holders.

Recommendations:

- Ensure the provision of social housing for very low-income households and Affordable rental housing for low to moderate income households, including workers.
- Ongoing utilisation of the NSW Affordable Housing Ministerial Guidelines (which do provide scope for localised allocation strategies, including employment type where that may be appropriate or required)
- Affordable housing definitions and eligibility continue to be based on income, not a discount to market or employment type - rent cap at 30% of gross household income.
- Ensure housing that targets workers, or any other tenant cohorts that do not comply with the NSW Affordable Housing Ministerial Guidelines are excluded from the definition of affordable housing under planning and housing policies and programs.

Question 2: What support and/or policy changes would assist Housing Trust in renewing its existing housing stock? How might this renewal increase the supply of affordable housing for essential workers?

Over recent years, Housing Trust has undertaken detailed analysis of its portfolio to identify properties with renewal or uplift potential. The analysis identified several opportunities for uplift and renewal in NSW Government owned properties managed under long-term lease by Housing Trust.

Following detailed mapping against set criteria, a long list was shortlisted to five sites for more thorough analysis. Initial due diligence indicates an uplift of approximately 60 additional homes across these sites is possible, pending detailed planning and relevant approvals. The major barriers to these projects being progressed are market conditions, predominantly land, construction and financing costs.

Support and policy changes that would assist this type of CHP-led renewal include the following:

Recommendations:

- Provide predictable, consistent new supply funding that support social and affordable housing delivery by Community Housing Providers (e.g. Community Housing Innovation Fund – CHIF)
- Continue to review and refine the [Community Housing Provider Direct Dealing policy](#), particularly the requirement for NSW Government land to be treated at market value
- Review opportunities to price and/or transfer surplus government-owned land to registered Community Housing Providers at zero or reduced cost, to increase feasibility and leveraging opportunities for social and affordable housing.
- Use Homes NSW's self-assessment processes for CHP-led projects.