

**Submission
No 87**

OPTIONS FOR ESSENTIAL WORKER HOUSING IN NEW SOUTH WALES

Organisation: Police Association of NSW

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Police Association of NSW

Submission to the Legislative Assembly Select
Committee on Essential Worker Housing

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Thank you for the opportunity to provide a submission to this inquiry.

Essential workers, who choose a profession for the good of their community, should not be penalised for their career choice due to a lack of housing and financial security. Essential workers should have the ability to live close to where they work, and own their own home at a reasonable point in their career. The PANSW is supportive of strategies that allow all essential workers to do this.

Police officers work in every corner of NSW. Regional and metropolitan, big city or small town, bustling or remote, there is not a community in NSW that police officers are not a part of.

There are difficulties in accessing housing in all of these locations. Whether it be lack of affordability in expensive cities, or lack of availability in remote areas with only a few houses, housing is a major concern for police officers across NSW.

Choosing to serve the people of NSW should not mean a choice to give up on a suitable home. We should reward the choice to serve NSW as an emergency services worker with the opportunity to own a home.

A lack of affordable housing is another barrier to the NSWPF recruiting and deploying police officers to certain areas where housing is unaffordable or unavailable.

Ensuring that police are able to access affordable housing close to their workplace will have a positive impact on recruitment and retention, police officer wellbeing, and community safety.

Having affordable, appropriate housing available to police officers is a clear incentive for people thinking to join the police, and for keeping those officers considering a career change.

Living closer to their place of work allows police to avoid fatigue issues, be more closely connected to their community, and contributes to the overall impact on public safety. In some circumstances, living further away results in a delayed response to incidents, another clear reason to have police living nearer to their work.

Recommendations:

Recommendation 1: Ensure that police officers are included in any definitions of ‘essential worker’ for housing purposes, with that status overriding eligibility criteria where income caps would preclude emergency service workers.

The PANSW asks this inquiry to ensure that police officers are included in essential worker housing criteria and definitions, with specific measures to override income eligibility caps. At present, affordable housing as defined in most policy papers is theoretically available to police officers, but in practice, police are precluded due to income caps. We acknowledge those with acute housing needs that are more urgent than police, but even people on a steady, permanent income are still being priced out of Sydney rental housing. This includes police officers.

Further, as police officers are designated as essential workers, eligibility for affordable housing or other housing initiatives intended to improve accessibility for essential workers, should be tied to this essential worker status, rather than any income eligibility caps. Much of the affordable housing stock has eligibility linked to income, in many cases meaning that even very junior officers are not eligible. In the rare cases they can find a property for which they are eligible, they are priced out quickly if they stay in the police and their income increases. This creates uncertainty for these officers, and is a disincentive to work or live in expensive areas of the metropolitan area.

Police officers being “income tested out of” affordable housing schemes is driving their decisions to rent or purchase in more affordable areas nowhere near where they work. The subsequent commuting results in people with a passion and desire for community service being disconnected from the community they serve AND the community they live in. This is contrary to all the evidence of beneficial outcomes of police officers being from the community embedded in their community.

Therefore, a separate, affordable housing pathway for essential workers, without income eligibility criteria needs to be available for police officers, at least for specified ranks and increments in the NSWPF, allowing new and junior police the opportunity to commence their new careers without the stress of lengthy travel times or exorbitant rent prices.

Recommendation 2: A central, state-wide strategy to set the baseline level of required essential workers in communities, including what level of housing and access to services is required to accommodate them.

Given the challenges with essential worker housing to date, it is important there is a state-wide understanding of what essential workers need in all communities, including types of housing and what services are needed. This baseline must be used in making decisions across the state, to ensure any inequity between solutions can be addressed.

It is noted that different cohorts of police officers require different solutions to the affordable housing issue. For this reason, a centralised, state-wide strategy must be implemented to ensure that no essential workers are left behind, and that effective strategies might be shared across cohorts.

The strategy should include:

- Identification of the stock of housing needed to house essential workers;
- A code and standard that housing lived in by essential workers should comply with;
- The solutions intended to make the required housing stock available to essential workers; and
- The budget required to deliver that housing stock, in compliance with the housing standard.

Recommendation 3: Assistance to be scaled up for shared equity schemes that allow for all essential workers to own their own home.

Shared equity schemes for police officers are in their infancy but showing significant promise in alleviating affordable housing. The PANSW, Police Bank and HOPE Housing have collaborated to deliver a shared equity scheme for emergency service workers.

Government shared equity schemes have, to date, applied eligibility criteria that preclude police officers and other emergency service workers due to income.

The PANSW strongly recommends that further assistance is given to shared equity schemes to help essential workers own their own home. This assistance should be in the form of (but not limited to):

- Investing in shared equity schemes dedicated to delivering housing for essential workers, and working with the Commonwealth Government, Superannuation Funds and other stakeholders to increase investment in shared equity schemes;
- Where residential developments allocate a percent of the property to shared equity schemes dedicated to delivering housing for essential workers, that percentage should count towards the development's 15% affordable housing threshold for the purposes of floorspace and other incentives eligibility;
- waiving stamp duty for properties purchased under essential worker shared equity programs;

including a devoted pathway for emergency service workers in any Government shared equity programs, with eligibility criteria that does not exclude police and other emergency service workers based on income. The background to these recommendations is outlined below. The complexity of catering to all situations is noted, however we submit that these recommendations will help to alleviate the problems identified.

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Metropolitan Locations:

In an extensive study of housing affordability for essential workers, including police officers, Sydney University and the Urban Housing Lab revealed the extent to which emergency services had been pushed out of metropolitan areas due to cost of housing.

For example, even for a senior constable on the top pay increment, there were no affordable Local Government Areas in the inner and middle ring of Sydney, five in the outer ring and seven in the outer greater metropolitan area. The result has been a mass exodus of essential workers from Sydney, but Sydney still needs essential workers. Those that must work in Sydney live long distances away. As a result, they start and finish their shifts with long commutes because they cannot afford to live close by.

The PANSW have even encountered a group of young officers who commuted to Sydney for their block of shifts, slept in their car between those shifts, then travelled back to their home for their days off. This is clearly unacceptable.

In metropolitan areas, young officers and those who have just joined the police require assistance for affordable housing, especially in commands that have high housing costs, such as those in central Sydney, the Northern Beaches, and Newcastle.

Put simply, junior police cannot afford to live anywhere near these locations because they are not paid enough to pay the higher prices.

Affordable housing for these officers is needed urgently to ensure they can focus on their work at a crucial time in their new career - learning new skills, understanding complex legislation and facing new risks, rather than feeling stressed about how they will make ends meet.

Officers earlier in their career need to be able to access affordable rental homes.

This can be facilitated by creating pathways into affordable homes that do not have eligibility criteria precluding police officers, and by Government and other stakeholders investing in 'build to rent' residential developments, of which a percentage is allocated specifically to emergency services workers, with pricing set to be affordable according to their income and circumstances.

Long term employment in emergency services agencies in NSW should be a profession that enables home ownership. As emergency service workers serve communities all across NSW, that principle should apply in all locations.

Analysis of housing prices in NSW repeatedly identifies shared equity schemes as the best way to get emergency services personnel and other essential workers into home ownership.

This applies across the state, but is particularly true in metropolitan areas where the purchase price and deposit required to own a home is a significant barrier.

Shared equity schemes, when designed well, can be the best solution to helping emergency service workers get over those hurdles, into a home they want to live in, while establishing and maintaining long-term financial security.

The PANSW, Police Bank and HOPE Housing have collaborated to deliver a shared equity scheme for emergency service workers.

This is an ideal solution to help emergency service workers achieve home ownership.

The PANSW strongly recommends that Government support schemes of this type so they can scale up and help more officers. Government involvement should be in the form of (but not limited to):

- Investing in shared equity schemes dedicated to delivering housing for essential workers, and working with the Commonwealth Government, Superannuation Funds and other stakeholders to increase investment in shared equity schemes;
- Where residential developments allocate a percent of the property to shared equity schemes dedicated to delivering housing for essential workers, that percentage should count towards the development's 15% affordable housing threshold for the purposes of floorspace and other incentives eligibility;
- waiving stamp duty for properties purchased under essential worker shared equity programs;
- including a devoted pathway for emergency service workers in any government shared equity programs, with eligibility criteria that does not exclude police and other emergency service workers based on income.

Regional and Remote Locations:

Many police officers are interested and committed to serving in regional and remote locations. Their dedication is commendable, and these places offer attractive opportunities for them to serve a community, experience personal growth, and enjoy significant financial and career incentives. The unique experiences in these areas can make officers feel excited and adventurous about the opportunities.

Despite those attractions, officers face barriers to taking up said opportunities if there is insufficient accommodation and services for the officer to move them and their families.

Housing and childcare are currently two significant barriers stopping officers from taking up that opportunity.

Making great communities across NSW relies on essential workers to have a clear presence within the area they serve.

We should not expect an essential worker to decide to serve in a regional/rural location, thereby choosing to accept poor-quality housing, long travel times or inadequate services needed for their family.

Housing:

There are some regional locations where being a police officer requires a person to either:

- Accept a very poor standard of employer-provided housing;
- Seek to obtain housing privately in a market without suitable options or at great expense; or
- Live in neighbouring areas and travel long distances for work.

There is a clear absence of a centralised strategic plan to ensure all locations have sufficient housing facilities for the essential workers that are required.

Some locations have long-standing vacant police positions that cannot be filled due to insufficient housing. The PANSW, local police commanders and communities often want officers to be provided with housing to help fill a vacancy, but either the assistance is unavailable due to budgetary reasons, or the housing offered is of such poor quality that it dissuades an officer from moving there, despite an interest to do so or financial incentives.

This then creates the situation where we have police properties that are vacant because they are of such poor quality no one wants to live in them. Yet, we also have locations that cannot attract police officers due to the lack of housing available.

PANSW staff and elected officers often advocate for officers who need better housing quality or for communities who want to attract police to live there but cannot because there is nothing provided to assist police in moving there.

In our experiences, we find the NSW Police Force and Property NSW helpful and they share our motivations in trying to solve this problem.

It is in everyone's best interest to do so.

However, the barrier is repeatedly a lack of available budget, either in the budget for renovations/repairs or offering housing as incentives to fill a position.

The Western Region of NSW bears the brunt of this problem.

Common Problems with Existing Housing Stock:

Many properties across NSW have problems that include:

- Mould, asbestos, lead, and other contaminants in some properties that have been left unresolved for so long that we have had members become ill as a result;
- Structural damage;
- A desperate need for refurbishment or renovations that are delayed for years due to insufficient budget;
- Housing falling into disrepair with repairs not being made promptly;
- Housing that is no longer inhabitable and needs to be condemned.

It is unacceptable that an officer choosing to work for the NSW Police Force must live in housing with these issues.

This is the current reality.

We have also been involved in cases where these issues have affected service delivery. For example, in one location, the intended police housing was uninhabitable for the police officer. To make the best of the situation, the officer agreed to live in housing intended for the local teaching staff, as this was of higher quality than the police housing and was vacant at the time. This impacted on his service delivery because the teacher housing was located a longer distance from the police station. When the officer was called to duty late at night (e.g. for a break-in or brawl), the officer would drive from the teaching property to the police station, often, at times passing the location of the unfolding crime, before returning with the required appointments and back up.

NSWPF and Property NSW are doing what they can to resolve these issues, but they too frequently do not have a sufficient budget. For example, we are often advised that NSWPF and Property NSW acknowledge a home's poor quality or deficiencies and have scheduled works. However, that work will not be done for months or even years because the yearly budget is already allocated to other works.

The PANSW understands that the funding for renovations and refurbishments often depends on asset recycling. This can achieve progress in the Northern and Southern regions, where there are areas with high-value properties. However, this does not meet the needs of the Western Region.

We have been advised that the budget for refurbishments permits about 4-5 major refurbishments per year. With a portfolio of over 600, it is clear how many properties will go without the needed improvements, which is unacceptable and exacerbates the issue.

Locations that cannot offer Housing to Officers:

Some locations have long-standing vacancies that cannot attract officers to the area because they do not offer any housing with the position, and the officer cannot obtain suitable housing privately.

We know locations that do not offer housing to their officers (other than lock-up keepers). Therefore, the officer must obtain housing at the closest neighbouring town, some of which are over an hour's drive away.

This creates service delivery issues, especially for a non-24-hour police station. When officers are so far away from where they work, nobody is nearby if needed. When officers have more than two hours of commute time per shift, this contributes to the officer's overall fatigue.

Locations such as these should be able to house the officer, ensuring service delivery, public safety and officer safety.

Management of Police Housing:

Although the problems we identified above are serious and need rectification, we do recognise since the consolidation of police properties into Property NSW, the improvements have been evident in the quality of housing and the timeliness of repairs and maintenance, mainly in Northern and Southern Region where asset recycling has a greater benefit to the community.

Given the progress we have seen, we are not seeking to criticise this structure. However, we have identified some opportunities for improvement.

This new structure meant that, with some exceptions, Property NSW is typically the property's owner and, therefore, the ultimate manager. NSWPF is a tenant, and the officer living on the property is a sub-tenant. The management of the property is then sub-contracted to a real estate agent.

This structure has advantages, as officers have access to local points of contact and service providers, ultimately speeding up the process for simple repairs and maintenance.

Property NSW is an effective and helpful manager of the properties.

However, this structure creates a complex issue with housing, as it creates uncertainty about who the primary point of contact is and whether the decision maker on an issue is Property NSW, NSW Police Force or the real estate agent.

For example, within the context of budgetary blockages identified previously, who is the primary decision maker for which properties are priorities for major renovations?

This is a challenge for officers to navigate as they get bounced between the different stakeholders.

PANSW staff, who are experienced in representing and advocating for members in matters like these, report that this slows the process and makes implementing significant improvements to housing more difficult.

Housing Rights for Essential Workers:

With the current management structure, police officers in employer-provided housing or rent-assisted housing receive their rights as tenants from the *Residential Tenancies Act 2010*.

It is beyond the scope of this submission and the Terms of Reference for this inquiry to consider the suitability of the Act in its general application.

However, we suggest that the *Residential Tenancies Act 2010* provides inadequate rights and housing standards to essential workers who need to reside in any location that needs policing services and who we are desperate to attract to regional and remote communities.

There is no current enforceable code or standard that the housing offered has to comply with and be maintained in accordance with.

Essential workers do not have the option to reject a property and simply choose another. They are moving locations to serve that community and may only have one option. NSW should ensure that the option is suitable for attracting and retaining essential workers.

Therefore, an enforceable housing code across the housing portfolio should set a standard sufficient to achieve this.

Childcare:

NSW desperately needs police and other essential workers to live and work in regional and rural areas.

Yet, in many locations, there is an unintended “Do not come here” sign up for essential workers with young families.

In combination with housing barriers, as identified above, police officers find it almost impossible to secure early childcare or out-of-school-hours care.

This ultimately dissuades officers from moving to these locations.

It precludes any officer with school-aged children from moving to regional and remote locations. In some cases, it requires them to have a partner who either does not work or works alternating shifts from the officer to ensure at least one is home.

Many policing families are dual emergency services families, making that impractical or if achieved, means families never get to be together, as one is always working.

With limited places at childcare services, police families are often on waiting lists; they receive no priority, meaning they can never access suitable childcare.

We appreciate the opportunity to provide a submission to this inquiry, and hope the recommendations made here are considered and implemented.