



# SOCIAL IMPACT ANALYSIS

Housing Plus

29 May 2019

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Prepared for Housing Plus

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*19 007 Housing Plus – Social Impact analysis*

## INTRODUCTION

Housing Plus has secured funding through the Social and Affordable Housing Fund 2 to build a blend of social and affordable housing that will create 220 new homes in Orange, Bathurst and Dubbo. Housing Plus also provides services to the Mudgee region. The ageing population and housing needs of the 55+ years cohort in these locations has identified for Housing Plus that some of the social and affordable housing will need to focus upon housing options for the ageing members of the communities.

Housing Plus intends to deliver high quality and high energy rated dwellings. These dwellings will add value and options to the local housing supply for low to moderate income earners.

Housing Plus has sought research on the social impacts of social and affordable housing in general and specifically when the housing is offered to the 55+ years cohort and in regional areas and the outcomes of the research processes are presented in this report.

## SUMMARY

Housing is under stress in Australia.

The Australian Housing and Urban Research Institute report “Understanding opportunities for social impact investment in the development of affordable housing” published in 2018 identified that housing affordability and housing stress (defined where housing costs are above 30% of earnings) are major issues for Australia. Housing ownership is also declining. The decline in home ownership is keenest in younger households where one third of households are living in the private rental sector and one third of these have been tenants for 10 years or more.<sup>1</sup> These issues are exacerbated by the ageing population and the challenges in getting adequacy in service levels to expanding and ageing populations is a constant issue for regional areas.

The focus in this report is on the issues impacting on suitable housing options for residents in the Central West and Orana regions of NSW, particularly for those who are on lower incomes. National and international research has been considered to determine if similar issues are evident in the study area.

The study area is experiencing an affordable rental shortage. Impacts and causes of rental shortages are varied but include:

- There are locations that have experienced growth in high earning sectors such as mining. The flow on effect of high paying sectors is to increase rental pricing and thus restrict the availability of housing options for lower income residents.
- Low levels of housing stocks available to rent in the study area and stagnate dwelling approval numbers will not provide the means to meet the future demand of an ageing population.
- The ageing population in areas in surrounding locations outside the main urban centres in the study area is expected to relocate, at least in part, into the larger centres of Bathurst, Orange and Dubbo in order to have access to essential health and public transport services. This will add to the burden of care in the regional cities and needs to be addressed by

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<sup>1</sup> Australian Housing and Urban Research Institute, Understanding opportunities for social impact investment in the development of affordable housing, 2018, p6

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increasing the housing stock and housing options, particularly for low-moderate income earners, older people or those with special needs.

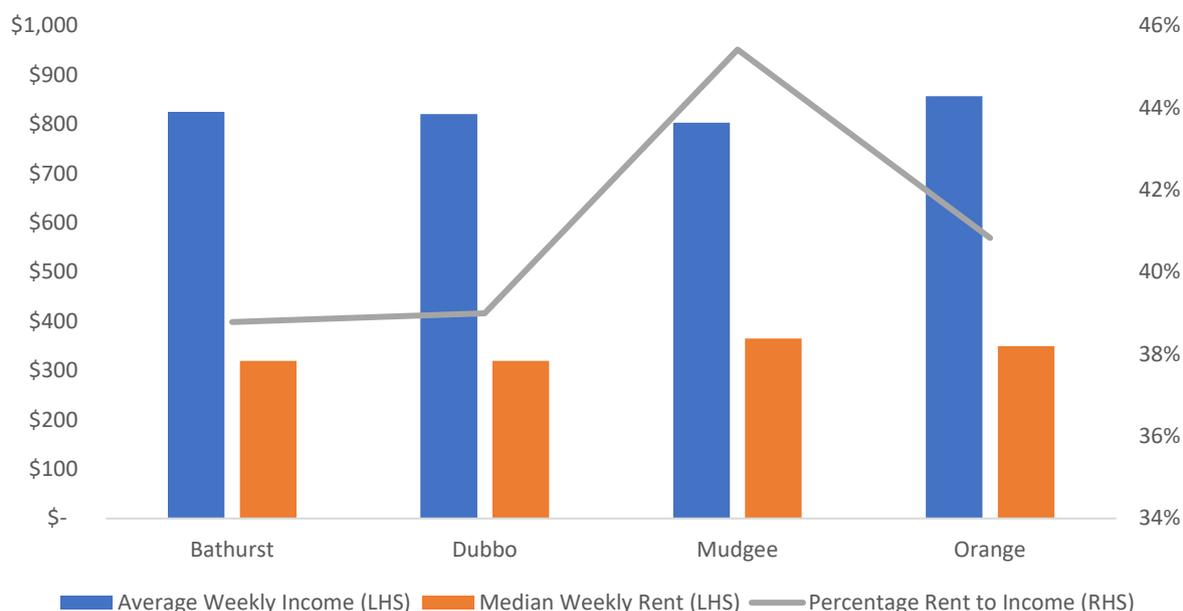
- Increasing levels of homelessness is becoming evident in the study area.
- Increasing levels of long term renters who are ageing and have less access to assets realisation to offset costs of moving to downsized premises or to aged care facilities in order to utilise better and more accessible services.

### Affordability issues

The affordability of housing options is an issue in the study area. There are indications that the current population is experiencing housing stress and lower income earners are challenged by the rental prices currently on offer.

Graph 1 shows the median weekly income from the 2016 Australian Bureau of Statistics (ABS) Census compared to the median weekly rent in the key locations serviced by Housing Plus in the Central West and Orana regions. A percentage of rent to income is also shown, with the percentage markers being on the right hand side of the graph.

Housing stress is defined as when households in the bottom 40 per cent of the income distribution pay more than 30 per cent of their gross income.<sup>2</sup> The graph illustrates that each of the locations can be seen to display symptoms of housing stress for low income earners.



Graph 1: Average weekly income, median weekly rent and the percentage of rent to income.

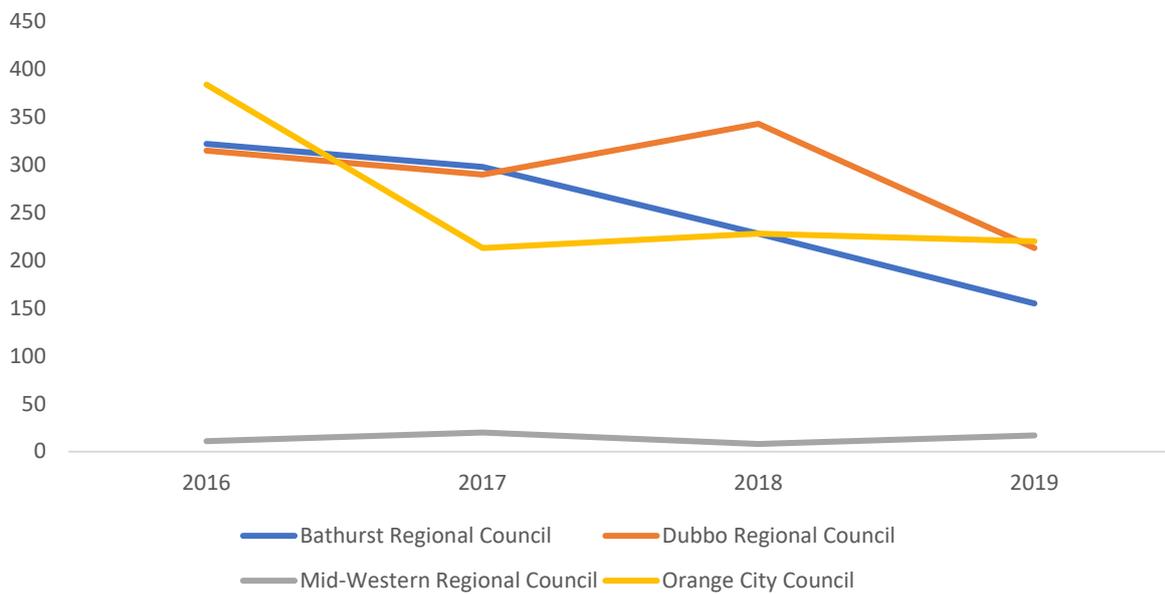
Source: ABS 2016 Census, NSW Department of Family and Community Services Rent Tables, March quarter 2019. Collated by Western Research Institute.

<sup>2</sup> Australian Housing and Urban Research Institute, Mortgage stress, rental stress, housing affordability stress: what's the difference? Understanding different definitions of housing related financial stress, February 2018. <https://www.ahuri.edu.au/policy/ahuri-briefs/understanding-mortgage-stress> Accessed May 2019

## Availability of future dwellings

The potential stock of residential dwellings is shown in Graph 2 which illustrates relatively flat development applications approved to build new housing stock over the past 3 years. This indicates the creation of required dwellings to meet the needs of the increasing population may be insufficient if the annual dwelling approvals remain static in the study area. In-migration from surrounding areas is anticipated as the ageing population seeks access to services and housing options which will add further pressure to housing availability.

The potential to create social and affordable housing will assist in managing the demands for housing options, particularly servicing those on lower-moderate income levels who have fewer options.



Graph 2: Residential dwelling approvals by Local Government Area March 2016- March 2019

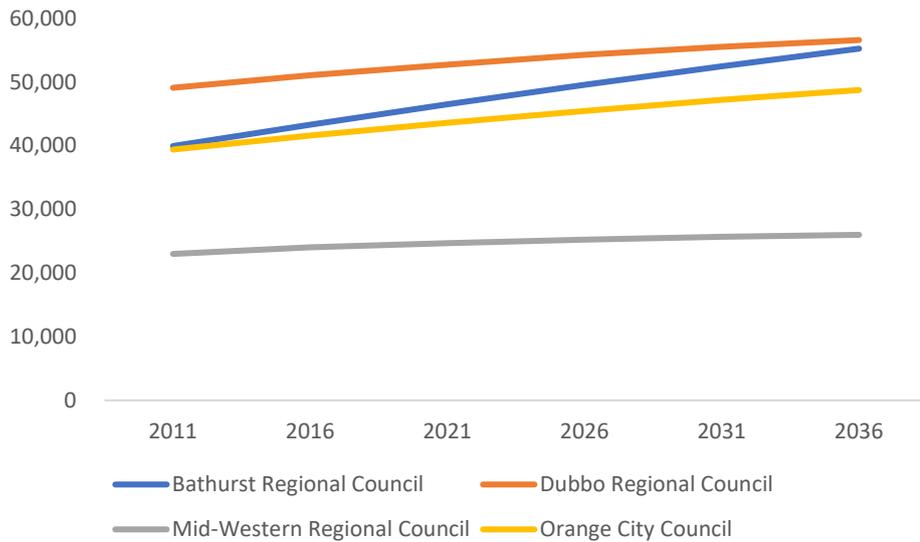
Source: ABS Catalogue No. 8371.0, Building Approvals, Australia, March 2016-March 2019

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## Changing and ageing population

Population projections have been assessed and are provided in Graph 3 below to illustrate the anticipated growth that will contribute to the pressure on the availability of affordable properties.

Graph 4 illustrates the growth in the over 55 years age cohort which will add to the issues for housing supply in the study area.

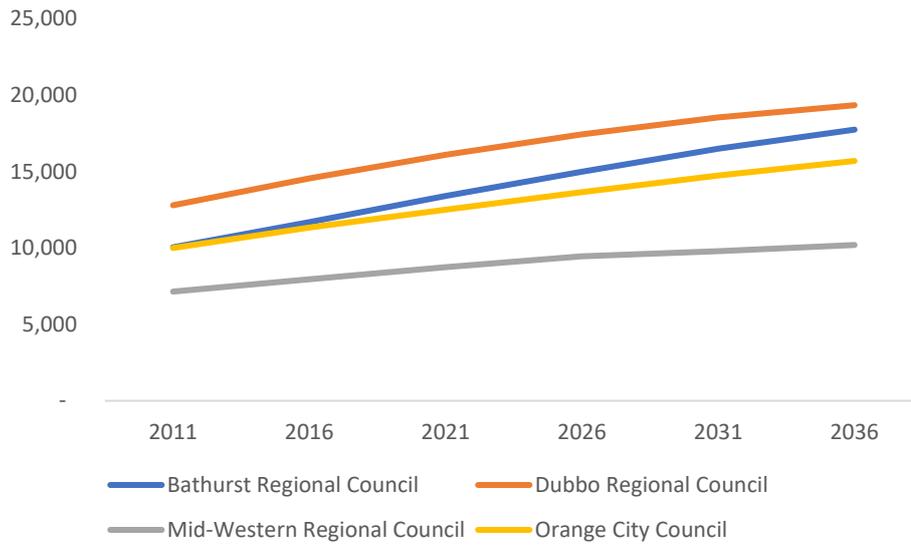


Graph 3: Population projections by local government area

Source: NSW Department of Planning and Environment, 2016 New South Wales State and Local Government Area Population Projections

The anticipated over 55 years cohort is expected to increase between now and 2036 in compound annual growth terms by:

Local government area	Compound annual growth rate 2018 to 2036 p.a.
Bathurst Regional Council	2.3%
Dubbo Regional Council	1.7%
Mid-Western Regional Council	1.4%
Orange City Council	1.8%
NSW	1.3%

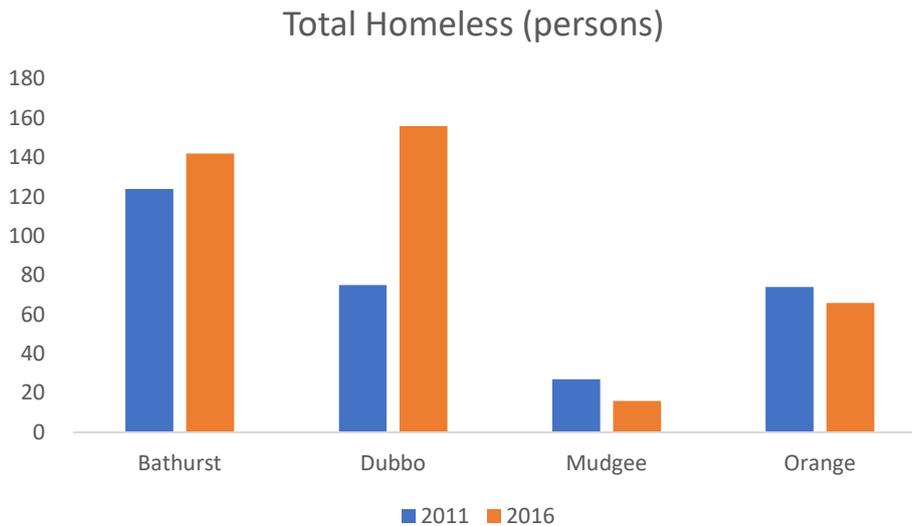


Graph 4: Population projections, over 55 years age cohort, by local government area

Source: NSW Department of Planning and Environment, 2016 New South Wales State and Local Government Area Population Projections

**Homelessness**

The prevalence of homelessness is reported by the ABS. Graph 5 illustrates the number of homeless persons recorded for the main urban centres listed, rather than the whole of the local government areas. The graph illustrates a significant escalation in Dubbo with a more moderate increase in Bathurst. Orange and Mudgee remained relatively static between 2011 and 2016 census periods.



Graph 5: Homelessness by urban centres, 2011 and 2016

Source: ABS Estimated homelessness, Cat. No.: 2049, 2011 and 2016

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To clarify the terminology used in this report, the following definitions are provided:

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Community housing that offers long term rental for individuals or families on low-moderate incomes

### Social housing

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Tenants have usually experienced difficulties in securing housing, may have been homeless, may have experienced domestic violence, have a disability or special housing needs

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For Housing Plus tenants, the properties may be owned or be managed by Housing Plus

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Tenants must be Australian citizens and a resident of NSW

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Tenants must be able to sustain the tenancy and to make repayments of any debts to another housing provider they may have incurred

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Tenants can not own any property which could be used to resolve their housing need

### Affordable housing

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Housing is considered affordable if a household spends less than 30% of the household income on rent

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Housing Plus defines affordable housing as being of an adequate standard and location for low to moderate income households

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Housing Plus also considers affordable housing needs to be reasonably priced so that the household can meet basic living needs (e.g. pay medical bills or educational expenses, food, transport and energy costs)

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Rents are offered at subsidised rates, based on either a discount to the market rent or as a % of household income

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Open to a broader range of tenants than social housing

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There are a range of tenancy agreements for affordable housing

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Tenants can earn income and be eligible for affordable housing

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Tenants do not have to be eligible for social housing to be eligible for affordable housing

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Depending on the number of occupants, eligibility for affordable housing requires the household income to be between \$49,547 (one adult) to \$117,806 for a couple with 3 children

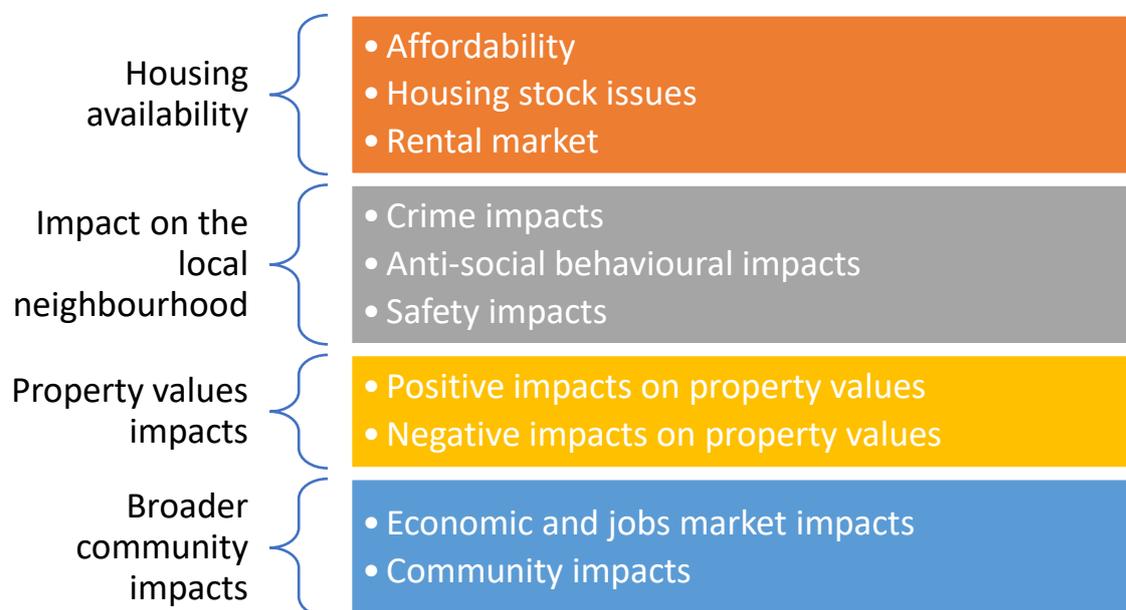
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A range of sources reporting on multiple geographic locations were examined to produce the findings of the typical social and affordable housing impacts regardless of location.

Where possible, research has been summarised with regard to regional impacts and also the impacts of the over 55 years cohort.

Along with some general findings, four main areas emerged in the research phase relating to impacts of social and affordable housing on the local neighbourhood and broader community. The three topics are listed below with more detail on each is provided in the report:



### FINDINGS

#### General findings

The key finding is that social and affordable housing offers little in identified negative impacts and offers some advantages to the social fabric of a community, through:

- Benefits of ageing in place which enables residents to have continued integration with the community
- New housing stock built to high specifications improve the quality and accessibility of housing for those with special needs, including the aged and those with a disability
- Designing housing with energy efficiency outcomes provides cost effective living costs for those with lower incomes
- Creating social and affordable housing options will address some of the shortfall in housing for low-moderate income earners in the study region

#### Housing availability findings

The graph above highlighting the dwelling approvals in the study area when assessed against the anticipated population projections highlights the short fall in housing options that the Housing Plus developments will partially address.

Such a short fall is not only evident in the Central West and Orana regions of NSW.

In 2012, the National Housing Supply Council (NHSC) estimated that as at 30 June 2011, the gap between overall housing supply and demand was 228,000 dwellings. The NHSC also estimated that there was a deficit of 539,000 affordable rental properties for lower income renters.<sup>3</sup> Seventy eight percent of the tenants who were low income earners were in housing stress (paying more than 30% of income on rent).<sup>4</sup>

Anglicare Australia's annual rental affordability snapshots suggest that the situation for lower income renters remains difficult in the period since the last NHSC estimates cited above.

The 2016 Anglicare survey<sup>5</sup> of 75,410 rental properties advertised over one weekend across Australia found that at a national level, only 21 properties were affordable for single adults living on Newstart Allowance<sup>6</sup>, and only one was suitable for a single person living on Youth Allowance<sup>7</sup>. Singles living on an age pension could afford 1,585 properties (representing 2.1% of the 75,410 properties) and age pensioner couples could afford 3,253 properties ( 4.3%).

Across regional areas, the 2016 Anglicare survey found that rental properties advertised would be too expensive for single people living on income support payment, especially those on Newstart who would have access to only 15 suitable properties from the 18,103 regional properties advertised. No properties would be affordable for a Youth Allowance recipient.<sup>8</sup>

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<sup>3</sup> Cited in Thomas, M. and Hall, A – Housing affordability in Australia, [https://www.aph.gov.au/About\\_Parliament/Parliamentary\\_Departments/Parliamentary\\_Library/pubs/BriefingBook45p/HousingAffordability](https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/BriefingBook45p/HousingAffordability). Accessed May 2019.

<sup>4</sup> Australian Housing and Urban Research Institute, Understanding opportunities for social impact investment in the development of affordable housing, 2018, p6

<sup>5</sup> Anglicare Australia, Rental Affordability Snapshot, April 2016, <https://www.anglicare.asn.au/docs/default-source/default-document-library/rental-affordability-snapshot-2016.pdf?sfvrsn=7>. p 5. Accessed May 2019

<sup>6</sup> Ibid p11

<sup>7</sup> Ibid

<sup>8</sup> Ibid

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The 2016 Anglicare survey provided a snapshot of the availability of rental accommodation in the Central West, Far West and Orana<sup>9</sup> regions. A summary of the finding illustrates the even greater restrictive supply options for residents in these areas in the analysis of the 1,069 possible rental properties advertised and assessed in the survey:

Properties advertised in the Central West, Far west and Orana regions (2016)	Number
Advertised properties at a price point where a household living on income support payments could afford the rent without placing them into housing stress.	308
Advertised properties at a price point where a household living on the minimum wage could afford the rent without placing them into housing stress.	688
Affordable housing options for a single person on Newstart or Youth Allowance, even in shared accommodation.	<b>NIL</b>
Properties offered that would have been affordable for a single parent family whose only income options were Newstart and Family Tax Benefit. The condition, location and access to essential services was noted as being variable on the suitable properties.	10

While a reasonable number of properties were identified in the Central West, Far West and Orana regions as being affordable and appropriate for families with one or two minimum incomes, their condition and access to essential services were also identified as being variable.

A small number of properties were found for people living on the Aged or Disability Pension in the regions. Some of these were in smaller towns which may have lacked the support services needed including health and public transport options needed by elderly people or those with a disability.

Since the 2016 Anglicare survey, social housing waiting lists have increased as follows<sup>10</sup>:

	Waiting time	
	2016	2018
<b>Bathurst</b>		
1-3 bedroom property	5-10 years	5-10 years
4 bedroom property	2-5 years	5-10 years
<b>Dubbo</b>	2-5 years	5-10 years
1-2 bedroom property	2-5 years	5-10 years
3-4 bedroom property	5-10 years	5-10 years
<b>Orange</b>	2-5 years	5-10 years
1-2 bedroom property	5-10 years	5-10 years
3-4 bedroom property	2-5 years	2-5 years

Low access to affordable housing has a significant impact with tenants who have to continue to pay market rents falling further into poverty and social exclusion. In areas where an economy is based on high income earning sectors, such as mining in Orange and Mudgee, rental incomes escalate due to market forces exacerbating the rental crisis faced by low income earners.

The stock of social housing in Australia has fallen to a historical low and there are barriers to investment in the sector retarding social investment enterprises investing in housing development for low-moderate income earners.<sup>11</sup> Funding schemes offered by the Federal Government have

<sup>9</sup> Ibid, p 87-92. Note later snapshots did not publish regional data.

<sup>10</sup> Ibid p 91 and NSW Family and Community Services website - Guide to waiting times for social housing as at June 2018, <https://www.facs.nsw.gov.au/housing/help/applying-assistance/expected-waiting-times>, accessed May 2019.

<sup>11</sup> Australian Housing and Urban Research Institute, Understanding opportunities for social impact investment in the development of affordable housing, 2018, p6

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encouraged investment, with not-for-profit entities such as Housing Plus engaging to projects to address the shortfall for those most impacted by housing stress.

For older Australians, the rental options are seriously compromised. Older renters are more likely to be in social housing with around half of those aged 75+ years in 2011 being tenants in social housing.<sup>12</sup>

Adding further to the issues for older renters, tenure can be compromised in private rental properties as tenants age.<sup>13</sup>

### Social impacts of social and affordable housing findings

The following is provided to outline the social impacts of social and affordable housing. These findings have been sorted according to whether the impact falls primarily on the local neighbourhood, or has a broader effect in society.

#### Impact on the local neighbourhood

There are a wide range of studies relating to the impact of social and affordable housing on local neighbourhoods.

Three main categories into which these impacts fall are:

- Crime, anti-social behaviour and safety
- Property values
- Connection to the community

#### Crime, anti-social behaviour and safety

Concerns that anti-social behaviour and crime occur where social and/or affordable housing has been established is not evidenced by the research findings.

The monitoring of the circumstances of those detained for criminal activities indicate that housing of detainees is more likely to have been unstable or temporary at the time of their detainment. Social and affordable housing is neither unstable nor temporary.

The Australian Institute of Criminology (AIC) found a high prevalence of homelessness in the police detainee population based on statistics from the Australian Bureau of Statistics (ABS) and Drug Use Monitoring in Australia (DUMA) program in a report from 2015.<sup>14</sup>

The AIC estimated that 22% of detainees from the DUMA program had been living in temporary or unstable accommodation in the last 30 days prior to their detainment.<sup>15</sup> It was also found that detainees who were homeless or in temporary or unstable accommodation were more likely to have a recent history of police contact, test positive to at least one drug at the time of their arrest and to have been drinking alcohol in the past 48 hours before their arrest.<sup>16</sup>

#### KEY ISSUES

People detained for criminal activities tend to have been in unstable or temporary housing. Housing Plus social and affordable housing proposals ***are neither temporary nor unstable*** housing options.

The Australian Housing and Urban Research Institute found in 2015 ***no*** evidence that the development of affordable housing increased local crime

<sup>12</sup> Productivity Commission, Housing decisions of Older Australian, December 2015, p8

<sup>13</sup> Ibid p9

<sup>14</sup> Australian Institute of Criminology, Homelessness and housing stress among police detainees: Results from the DUMA program, 2015, p3

<sup>15</sup> Ibid

<sup>16</sup> Ibid 2015, p 5-7

The NSW Bureau of Crime Statistics and Research (BOCSAR) determined from a study conducted in Sydney in 1997 that the amount or type of public housing in an area has little effect on crime once factors for social disadvantage have been accounted for.<sup>17</sup>

The Australian Housing and Urban Research Institute (AHURI) determined that **public housing itself does not cause crime**, and that the correlation between public housing and crime is due to a concentration of people with criminal records in certain areas.<sup>18</sup>

AHRUI also found there was **no** evidence in the literature that the development of affordable housing increased local crime rates.<sup>19</sup>

Blended developments such as the housing options Housing Plus is planning, with a mixture of social and affordable housing, provide the basis for ensuring there is less of a concentration of people with particular socio-economic needs in any one development, further retarding potential anti-social behaviour.

The findings from BOCSAR and AHRUI are supported by research from abroad.

The University of California found that when socioeconomic factors are accounted for, proximity to subsidised housing was one of the **least important factors** contributing to a block's crime rate.<sup>20</sup>

A case study of Mount Laurel in New Jersey found **no** evidence that the introduction of new affordable housing caused an increase in crime, and that crime in the area had **actually decreased**.<sup>21</sup>

The Housing Plus model of offering housing options in a blended manner with a focus on the 55+ years cohort also appears to offer more control over behaviours.

People aged 55+ years represent 27.7% of the NSW population<sup>22</sup> but only 5.7% of criminal offenders in NSW in 2017-18 were in this age bracket.<sup>23</sup> These percentages identify that people aged over 55 are significantly less likely to commit crimes than other age groups.

For social and affordable housing developments aimed at the 55year+ age cohort, it can be expected therefore that there would be low risk of criminal activity in local communities.

Housing Plus intentions are to integrate the social and affordable housing projects in urban areas in a distributed manner to maximise the benefits and minimise risks as outlined in this section of the report.

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<sup>17</sup> NSW Bureau of Crime Statistics and Research, Public Housing and Crime in Sydney, 1997, p 22

<sup>18</sup> Australian Housing and Urban Research Institute, The links between housing and nine key sociocultural factors: a review of the evidence positioning paper, 2001, p 15

<sup>19</sup> *ibid* p 26

<sup>20</sup> Michael C Lens, Subsidized Housing and Crime, 2013, p 17

<sup>21</sup> Albright et al., 2016, p 11

<sup>22</sup> Australian Bureau of Statistics, Estimated Resident Population by Single Year of Age, New South Wales, 2018- Cat. no.: 3101, Table 51

<sup>23</sup> Australian Bureau of Statistics, Recorded Crime - Offenders, Australia, 2017-18, Cat. no.: 4519, Table 15

### Property values

The Australian Housing and Urban research Institute (AHRUI) conducted a study which involved running two models to test the impacts of proximity to housing developments on properties surrounding seventeen affordable housing projects in Brisbane.

The first model found that proximity to affordable housing developments had a positive but minimal effect on property prices, while the second model found the impact was not universally positive or negative and the magnitude of the effect was also minimal. These results were similar to the findings of comparable studies undertaken in the United States.<sup>24</sup>

As part of the same study, AHRUI undertook surveys of 154 residents in nine areas of Parramatta where affordable housing projects had been proposed and initially met with opposition in 2009, 2010, and 2011. At the time of the survey, eight of the proposed affordable housing projects had been completed.<sup>25</sup>

AHRUI found that **only 22%** of surveyed residents living near affordable housing projects in Parramatta reported a **decline** in property values, while the remaining 78% stated there had been no change or an increase in property values. Research from seventeen affordable housing projects in Brisbane showed that whether the impact was positive or negative, the effect of social housing on property values was minimal.<sup>26</sup>

Additional analysis in the same study revealed that property values may be **increased** by affordable housing developed by not-for-profit organisations and that the determining factors for the effect of social and affordable housing on surrounding neighbourhoods were:

- property design
- property management
- characteristics of host neighbourhood
- the concentration of affordable housing in a given area.<sup>27</sup>

Housing Plus intends to design developments at a high standard and include energy saving construction options to minimise operational costs which will improve the quality of the housing stock and negate impacts of downward pressure on housing process (see next section for more information on the design approaches proposed by Housing Plus).

Property value impact findings are supported by research from the United States.

Arizona State University found that while there was no single answer as to the effect of affordable housing on surrounding properties, **affordable housing is least likely to have a negative impact** on property values when it is within a higher value neighbourhood that shows low poverty and when the

### KEY ISSUES

78% of residents surveyed by the Australian Housing and Urban Research Institute of people living near affordable housing development in Parramatta said there was **no change in property values**.

The same survey reported that in Brisbane respondents identified the impact of social housing on property values was **minimal**.

<sup>24</sup> Australian Housing and Urban Research Institute, Understanding and addressing community opposition to affordable housing development, 2013, p 146

<sup>25</sup> Ibid p 145

<sup>26</sup> Ibid p 134

<sup>27</sup> Ibid, p 26

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affordable housing project is well managed. Good management was identified as most frequently being offered by not-for-profit organisations.<sup>28</sup>

The Mount Laurel case study also found **no significant effects** on surrounding property values and also noted good management as a key determinant of the effect affordable housing has on property values.<sup>29</sup>

Finally, research from Canada identified that affordable housing may have a **positive effect** on property values and that it is the context around the affordable housing project that determines the effect on property values, not the project itself.<sup>30</sup>

### Broader impacts

#### Economic development and job markets

In the National Social Housing Survey 2018, 88.7% of respondents nominated economic benefits of living in public/community housing while 63.3% of respondents in inner regional and 65.9% of respondents in outer regional areas stated that they felt more able to improve their job situation.<sup>31</sup>

At the NSW level, Maclennan et. al. suggests that the supply of affordable housing for the Sydney population is not meeting demand. This research also proposes that the focus in state based affordable housing to address issues of homelessness and acute needs in most recent times is a limited policy position not adequately addressing the housing shortage. Further, the research identifies that state governments are often “budget strapped” which limits their ability to manage the economics of housing supply provision and is critical of government planning of housing stock development not integrating with other infrastructure planning such as transport related projects.<sup>32</sup>

Maclennan et al identify 5 key areas linking housing and the economy as<sup>33</sup>:

<b>Housing and development</b>	The design, planning, finance, building, sales process, rental process, maintenance and upkeep of properties is estimated to comprise 10-15% of jobs in metropolitan areas. The location of adequate accommodation can improve productivity, with particular consideration of savings in travel to work time.
<b>Housing and consumption</b>	Housing is a necessity so the price elasticity of demand for housing is low – i.e. renters will continue to seek properties despite rising rents. As income is limited, this however creates an issue in the expenditure patterns of remaining income in other areas of the economy when rental costs are high and causing housing stress.
<b>Housing and human capital</b>	Housing creates safe places to live and possibly work. High standards of housing enhance the social standing of occupants and potentially improves productivity as the well being of those in the housing as been improved. Intergenerational benefits were assessed given the access children have to more secure and better quality housing where social and/or affordable developments are

<sup>28</sup> Arizona State University, How Does Affordable Housing Affect Surrounding Property Values?, 2008, p 2-3

<sup>29</sup> Albright et al., Do Affordable Housing Projects Harm Suburban Communities? Crime, Property Values, and Taxes in Mount Laurel, NJ, 2016, p 12-14

<sup>30</sup> Michael A. Thomas, On The Benefits of Affordable Housing, 2017, p 29

<sup>31</sup> Australian Institute of Health and Welfare, National Social Housing Survey 2018, 2019, tables 2.1 and 2.2

<sup>32</sup> Maclennan et al, Making Better economic Cases for Housing Policy, 2018, p 1

<sup>33</sup> Ibid p2

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	created. Thus, the children of low-moderate families are provided with shelter and an environment to potentially break the cycle of intergenerational poverty.
<b>Housing and labour markets</b>	The location of suitable accommodation was identified as a facilitator for getting the right person into the right job. The affordability of rental accommodation in locations where employment is available is critical in attracting new residents.
<b>Housing and business activity</b>	Identified as being more weakly linked than those listed above, however, improvements to housing stock is identified as a driver to attract skilled workers and to support the development of business growth, particularly in the small business sector.

The above analysis can be applied to regional areas to identify the impacts the creation of additional housing will have on the local economies if the Housing Plus developments proceed:

- The construction processes obviously create employment.
- The data illustrates the ongoing benefit of creating affordable housing freeing income for expenditure elsewhere in the economy.
- Social status and personal well being will be enhanced by the high quality of the Housing Plus developments to reach the silver standard level of the Liveable Housing guidelines and energy efficiency initiatives ( details in the next section).
- Intergenerational benefits as children will grow up in better quality and more stable housing.
- Potential improvements to the local labour supply with housing being available at affordable rents in locations where travel to work is lessened and thus productivity gains are realised.

### Housing design and energy efficiency impacts

Housing Plus plans to develop the social and affordable housing developments in the Central West and Orana regions to silver standard level using the Liveable Housing Australia Guidelines.

A liveable home is designed to enable easy access and once inside, easy navigation. The liveable home should also be adaptable to the needs of the occupants.<sup>34</sup>

The silver standard features provide dwellings that are centred around 7 core liveable housing design elements which enable future adaptability and flexibility as needs change. The 7 design features are:

<b>1</b>	A safe continuous and step free path of travel from the street entrance and / or parking area to a dwelling entrance that is level.
<b>2</b>	At least one, level (step-free) entrance into the dwelling.
<b>3</b>	Internal doors and corridors that facilitate comfortable and unimpeded movement between spaces.
<b>4</b>	A toilet on the ground (or entry) level that provides easy access.
<b>5</b>	A bathroom that contains a hobless shower recess
<b>6</b>	Reinforced walls around the toilet, shower and bath to support the safe installation of grabrails at a later date
<b>7</b>	Stairways are designed to reduce the likelihood of injury and also enable future adaptation.

<sup>34</sup> Liveable Housing Australia, Guidelines, p 8

Incorporating silver standard Liveable Housing Australia Guideline features in the design phase of housing developments has been estimated as being 22 times more efficient than retrofitting premises when needs force re-design.<sup>35</sup>

The Housing Plus designs will also comply with a 7 star Nationwide House Energy rating scheme (NatHERS) rating. The rating scheme is based on assessing the heating and cooling energy used in dwellings. With rising energy prices, the consideration of energy efficiencies will deliver dwellings which are cheaper to run because of the energy efficiencies they incorporate. The higher the star rating, the less likely a dwelling will require additional heating or cooling<sup>36</sup>. Thus, the ongoing cost of the Housing Plus developed housing will be lower for the benefit of tenants.

Based on an empirical analysis from 2005 to 2011, households with a lower income spend a greater percentage on fuel than higher income households.<sup>37</sup> Factors which may contribute to a high proportion of income expenditure on energy in low income households may include poor housing and energy inefficient appliances<sup>38</sup>. Therefore, housing that is energy efficient is likely to reduce the risk that a low income household cannot pay their energy bills or experience hardship from high energy bills relative to income.

### Community and other effects

“Housing is integral to people’s wellbeing, particularly older Australians.”<sup>39</sup>

Housing Plus will deliver a high level of support to tenants in the proposed dwellings. Specifically designed services will be available tailored to the needs of each household in the Housing Plus developments and a tenancy relations officer will be appointed for each dwelling to assist residents. The ultimate aspiration is to assist tenants to broaden their housing options, with a focus on migrating them from social to affordable housing and potentially to home ownership. This level of specific engagement and support will supplement the social services available in the locations where Housing Plus creates the social and affordable dwellings.

The supply of social housing in Australia has been static, while demand and waiting lists have increased<sup>40</sup>. Housing Plus’s contribution to the housing stock will assist in alleviating the shortages in rental accommodation that exist in regional areas and reduce the pressure this shortage creates. The opportunity to reduce homelessness is also possible.

The disadvantages identified above for older renters are even higher for older Indigenous Australians, who are more likely to be renting than non-Indigenous Australians. An estimated 50% of Indigenous Australians aged over 55 years are renting and they are more likely to be in public housing than other older people.<sup>41</sup> The high proportion of Indigenous residents in the western NSW areas, coupled with the ageing population in these areas, illustrates the need to consider social and affordable housing options to meet future demand.

Flow on impacts from low availability of suitable housing include downward pressure on both productivity and the labour market.<sup>42</sup> The ability to live in suitable and affordable accommodation

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<sup>35</sup> Ibid p 10

<sup>36</sup> National House Energy Rating Scheme website, <http://www.nathers.gov.au/>, accessed may 2019

<sup>37</sup> Azpitarte et al, Fuel poverty, household income and energy spending, 2015, p vi

<sup>38</sup> Ibid p 2

<sup>39</sup> Productivity Commission, Housing decisions of Older Australian, December 2015, p2

<sup>40</sup> Ibid p10

<sup>41</sup> Ibid

<sup>42</sup> Mission Australia, National Commission of Audit submission, p2

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close to work opportunities assists productivity through reduced down time travelling to work. Available housing stocks close to employment opportunities also enhances the attractiveness of the position to potential workers and improves the diversity of the labour market.

### Connectivity to the broader city

Housing availability creates options for those who can access a variety of home solutions.

Mission Australia identifies that a person's health and wellbeing as well as the ability to participate in the community is influenced by having access to safe, secure and affordable housing.<sup>43</sup>

The preference of older Australians to age in place is identified in the Productivity Commission report of 2015. This is an international trend with the same preference also identified in New Zealand, United States and Europe. An estimated 15% of older Australian are renters and there is a shortage of affordable housing options for older Australians who are looking to downsize their housing choice.<sup>44</sup>

The location and quality of housing has been identified as having an impact on physical and psychological wellbeing.<sup>45</sup>

The Productivity Commission identified that a significant barrier to downsizing homes to better suit needs as Australians are ageing is the lack of suitable options to move into.<sup>46</sup>

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<sup>43</sup> ibid

<sup>44</sup> Productivity Commission, Housing decisions of Older Australian, December 2015, p2

<sup>45</sup> ibid p4

<sup>46</sup> ibid p7

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