

20 October 2020

Australian Government
Department of Social Services

Dear Department of Social Services,

We welcome the opportunity to contribute to the development of a National Housing and Homelessness Plan and the actions that the Minister, the Department and key agencies are taking toward this.

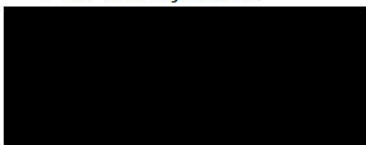
Swinburne University of Technology has a deep and long tradition of housing studies, homelessness research and urban research that is of direct relevance for the development of a new National Housing and Homelessness Plan and we are delighted to share some of these insights in summary form here. Specifically, this submission draws on recent and current research conducted within Swinburne's Centre for Urban Transitions (CUT). The CUT comprises a dedicated cluster of specialist housing, homelessness and urban researchers with expertise in engaging with all tiers of government, and international contexts, around both problem-solving and solution identification and implementation, in response to complex and systemic housing and homelessness challenges.

The Centre for Urban Transitions focuses centrally on matters of justice, sustainable development, and the wider values that flow from housing and other aspects of built form in our cities and regions. These include employment and training, participation in society, social cohesion, health and wellbeing and the innovative ways of assessing such wide values and benefits. Our housing research focuses on improved housing systems, partnerships and governance as a means of attaining such benefits.

We welcome the opportunity to discuss these and related research-informed considerations in any follow up conversation.

Regards,

Prof Wendy Stone



A/Prof Christian Nygaard



Contacts for this submission:



National Housing & Homelessness Plan Issues Paper: Centre for Urban Transitions Response

Question 1: How can governments and community service providers reduce homelessness and/or support people who may be at risk of becoming homeless in Australia?

Our recent research points to several ways toward direct homelessness reduction. These include: (i) addressing poverty as key barrier to people living with homelessness accessing affordable, safe and secure housing, (ii) better understanding the local area risks and experiences of homelessness and how these affect service responses, and (iii) improving crisis accommodation responses. Our work also points to (iv) the need for early intervention and joined-up policy responses to critical life events (employment, family life, health) and housing shocks (such as rent increases and rate rises) that can quickly lead to homelessness in the absence of adequate resources.

1. Housing that is affordable, safe and secure, can help reduce poverty, especially when adequate levels of income support are provided.

In recent research conducted with the support of Australian Housing and Urban Research Institute funding, we examine the relationship between poverty and income. Our analysis will be published in late 2023, and identifies key relationships between income and housing systems that can be improved to directly reduce risks of homelessness and housing stress.

Liu, E., valentine, k., Batterham, D., Stone, W., Martin, C., Parkinson, S. and Hynes, D. (2023 in press) *Poverty and Australian housing: findings from an AHURI Investigative Panel*, AHURI Final Report, Australian Housing and Urban Research Institute Limited, Melbourne.

The research identifies the role of existing services including Specialist Homelessness Services in poverty reduction, as well as interventions across tenures that can be used to reduce homelessness risk (including for very low income home owners). The study examines policy constraints and opportunities to reduce poverty via housing interventions and, importantly, identifies what currently works and could be built upon in new housing policy development, as well as the identification of key policy and intervention gaps that might address homelessness risk. The role of universal incomes and universal approaches to securing housing are considered as part of a new policy solution approach. (The research is expected to be publicly available via AHURI late October 2023.)

2. Understanding the factors driving aggregate rates of homelessness, its changing geography, and the service and housing responses required.

Effective homelessness policy requires evidence about the broader structural factors driving aggregate rates of homelessness, factors such as rising inequality, poverty, supplies of affordable rental housing, labour markets, and area-level demographic factors. Our research will expand the growing body of

evidence in Australia on homelessness, supplies of affordable rental housing and broader structural factors and explore the factors driving aggregate rates of homelessness in Australia. It will explore the changing demographics and composition of the homeless population, and the housing and service response required to address it.

Existing research has demonstrated that homelessness is unevenly distributed across space, with different structural drivers in urban, regional and remote areas. The primary response to homelessness through Specialist Homelessness Services is concentrated in urban areas but a detailed understanding of the changing geography of homelessness is required to ensure geographically nuanced policy that can effectively respond to and reduce homelessness.

This AHURI funded research currently being conducted by a CUT research group led by [REDACTED] is investigating this emerging policy priority. Specifically, their project addresses the overarching policy question:

What structural factors are important in driving short and longer-term changes in the incidence and geography of homelessness over the period 2001–2021? To what extent is the location of specialist homelessness services and affordable rental housing adequate to respond to this changing geography?

3. Understanding what works well and what does not work well within existing or future crisis accommodation systems has been a key knowledge gap for policy development in Australian homelessness systems. Recent research conducted by CUT and funded by AHURI identifies what works.

Critical elements of crisis accommodation systems that work well have been identified in recently completed work at CUT and led by homelessness expert Dr Deb Batterham and team. Elements of effective solutions identified in this new research include:

- Quality and safety standards
- Enhanced integration of primary and allied health services with crisis accommodation to improve outcomes
- Reducing or ceasing the use of purchased accommodation such as private hotels/motels and boarding houses that fall below standards for crisis accommodation A breadth of support service for clients, the best approaches to case management in the crisis space, along with key elements of the built form
- Increased funding for SHS managed crisis accommodation
- an emphasis on evaluation of services and enhanced reporting on capacity of the sector
- supported sharing of knowledge that facilitates good outcomes, will improve both sector performance and client outcomes.

The report also documents the range of service models operating in Australia, provides case studies and detailed insights from those with lived experience of crisis accommodation as well as staff who operate such services. This new research can be accessed here: [Crisis accommodation in Australia: now and for the future | AHURI](#). The full Report is:

Batterham, D., Tually, S., Coram, V., McKinley, K., Kolar, V., McNelis, S. and Goodwin-Smith, I. (2023) Crisis accommodation in Australia: now and for the future, AHURI Final Report No. 407, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/final-reports/407>, doi: 10.18408/ahuri5126801.

4. Critical life events pose risk for increased crisis and homelessness and are key points for intervention

In work conducted with the support of AHURI funding, we have identified the need for increased safety nets to support individuals and families at a time of both positive and negative critical life events, that can affect income and hence capacity to become or remain housed.

Our research identifies birth of children, loss of employment, loss of spouse, and health events as major points at which greater co-ordination between housing assistance services, income support systems and specific points of service contact such as family courts, hospitals, Centrelink, could ensure that people's housing remains stable through these periods, to avert crisis and homelessness. The research is available as follows:

Stone, W., Sharam, A., Wiesel, I., Ralston, L., Markkanen, S., and James, A. (2015) *Accessing and sustaining private rental tenancies: critical life events, housing shocks and insurances*, AHURI Final Report No. 259, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/final-reports/259>.

Ghasri, M., Stone, W., Easthope, H. and Veeroja, P. (2022) *Predicting risk to inform housing policy and practice*, AHURI Final Report No. 393, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/final-reports/393>, doi: 10.18408/ahuri7126601.

Policy priorities identified in this research include responding to the need for increased income support and joined-up service models beyond the housing system:

“To a large degree housing assistance and specialist homelessness service interventions are developed and delivered in relative isolation from wider and interrelated social realms. These include, for example, policies geared toward employment and training, supporting individuals and families through family changes, and/or those associated with disability, health or caring. Yet critical life events associated with these wide policy fields can directly affect the ability of households to access and afford adequate housing, or to sustain existing tenancies.

Existing forecasts of housing assistance are based on expressed demand coupled with population forecasting that do not take account of complex interactions of upstream, contributing factors that result in the need for households to seek housing assistance. As such, they provide limited evidence about how housing policy development can be geared toward a proactive, early interventionist role. Understanding the impact of CLEs that lead to the need for housing assistance is critical to:

- support innovative policy interventions that seek to intervene early and reduce long-term cost to governments, individuals and society;
- enable the most effective targeting of housing assistance to households in need and;
- assess the ways in which household resources interact with housing assistance in short- and long-term models of housing assistance provision.” (Ghasri, Stone, et al. 2022: 6)

Other recently released work focused on risk of homelessness and identifying those at-risk of homelessness in Australia. This was done nationally producing both estimates of the size and profile of the

population as well as estimates at the small area (suburb level). We used data from the Census of Population and Housing and HILDA. These estimates can be used to inform where new affordable and social housing is most needed (i.e. estimates of demand) . While the size and profile of the at-risk population at the small area level can also be used to evaluate the impact of interventions in local housing markets and service provision.

The estimates provide a metric to assess the effectiveness of both primary prevention efforts and prevention efforts targeted at particular cohorts. This could be achieved through monitoring the overall size of the population at-risk or comparing the per cent of the at-risk population with a particular characteristic (such as those who are Indigenous) to the population actually experiencing homelessness to assess transition rates.

The findings suggest a range of actions are needed across multiple policy areas to prevent and reduce homelessness including:

- increasing income support payments and improving the incomes of the lowest paid,
- enhancing coordination on homelessness prevention across all levels of government,
- increasing the supply of rental housing affordable to those on the lowest incomes,
- ensuring access to health and disability supports for those on low incomes,
- increasing school engagement and retention,
- enhancing support to Indigenous Australians in remote communities.

This research can be accessed in full, here:

Batterham, D., Nygaard, C., Reynolds, M. and de Vries, J. (2021) Estimating the population at-risk of homelessness in small areas, AHURI Final Report No. 370, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/final-reports/370>, doi: 10.18408/ahuri5123501.

5. Older people's housing insecurity and homelessness

In addition to the above research and factors for consideration aforementioned, homelessness and homelessness risk is experienced differently across key life stages. This includes young people for whom challenges in home environments can lead to precarious housing, challenges for individuals and families during mid-life years, as well as for those in later life.

CUT researchers in collaboration with Curtin University and Western Sydney University researchers have conducted independent research for the Housing for the Aged Action Group, that has documented the increasing levels of housing precarious across all housing tenures, faced by older people living with low, fixed incomes. This research, *Ageing in a Housing Crisis: Older people's housing insecurity and homelessness in Australia* (2023), documents the scale of housing insecurity among older people in Australia aged 55 years and over, and the growing numbers of older people experiencing homelessness.

The Report can be accessed in full here, and includes national data estimates, tenure wide analysis of increasing housing insecurity among older people, and recommended solutions:

[ageing in a housing crisis - full report.pdf \(oldertenants.org.au\)](https://oldertenants.org.au/ageing-in-a-housing-crisis-full-report.pdf)

The summary report can be accessed here: [ageing in a housing crisis - summary report.pdf \(oldertenants.org.au\)](https://oldertenants.org.au/ageing-in-a-housing-crisis-summary-report.pdf)

A visual summary of the research can be accessed here:

[oldertenants.org.au/sites/default/files/ageing in a housing crisis infographics.pdf](https://oldertenants.org.au/sites/default/files/ageing-in-a-housing-crisis-infographics.pdf)

We thank senior staff of the DSS National Housing and Homelessness Plan team for meeting with us and our delegation at Parliament House in Canberra in August 2023 to discuss this research and options to respond to increasing housing insecurity among older people nationally. [Canberra Delegation and Report Launch | Housing For The Aged Action Group \(oldertenants.org.au\)](https://oldertenants.org.au/canberra-delegation-and-report-launch-housing-for-the-aged-action-group)

Question 2: How can governments across all levels best work with communities to support better housing outcomes for Aboriginal and/or Torres Strait Islander peoples

Aboriginal and/or Torres Strait Islander peoples face a raft of intersectional and specific forms of disadvantage within Australian colonial housing systems, including ongoing forms of racial discrimination. In recent evidence we developed for the Victorian Government, focused on barriers to Aboriginal Victorian's housing pathways within the private rental sector, we identified challenges as well as solutions. Solutions were identified in partnership with participants to the research, as well as to the extensive range of organisations from the Victorian Indigenous Housing and Homelessness Network that supported the research to be undertaken. The report documents how systemic barriers lead to poor or unsafe housing outcomes, ongoing affordability issues and homelessness – and presents a framework and methodology for including Aboriginal and Torres Strait Islander peoples' views about what needs to change.

Our research developed a methodology that prioritises Indigenous Knowledge as critical for understanding the housing circumstances of Indigenous people in Australia, as well as how to achieve improved housing outcomes for Aboriginal and/or Torres Strait Islander peoples across housing tenures, geographies and population groups. Also prioritised is the need for Aboriginal and/or Torres Strait Islander people to be directly involved in articulation of housing challenges and culturally appropriate solutions to them.

Our full Report, and the Victorian Government commitments made in response to it, can be found here:

Stone, W.M., Goodall, Z.A., Peters, A., and Veeroja, P. (2021). *Aboriginal Private Rental Access in Victoria: 'Excluded from the Start'*. A Report Commissioned by the Consumer Policy Research Centre. Swinburne University of Technology, Melbourne. Accessed at:

<https://files.rentingcommissioner.vic.gov.au/2022-10/Aboriginal%20Private%20Rental%20Access%20%28APRA%29%20report.pdf>

Our methodology is summarised below.

A methodology for understanding and responding to discrimination

Indigenous research methodologies informed the research – in particular, the use of yarning with Aboriginal participants. Research yarning privileges story-telling and lived experience perspectives and is a way for contemporary researchers to embrace cultural practices in their processes.

We analysed findings and stories using the structure of the “Renter’s Journey” by mapping the ‘journey’ that renters take as they go through the renting process, marking along the way critical ‘pain points’ where issues arise and policy could intervene. This framework breaks down the renting process into eight stages: values and goals; need arises; searching; applying; securing; moving in; living; change.

We looked at each stage to identify both barriers and opportunities for change. Using a housing aspirations approach (asking what people want and need) we explored policy priorities shared by study participants.

Our research used four main methods:

1. reviews of existing evidence and approaches
2. yarning circles with representatives of Aboriginal housing-related organisations across Victoria
3. yarns with professionals who do work related to private rental housing and Aboriginal tenancies
4. yarns with Aboriginal Victorians with lived experience of the sector.

Key rental insights from Victoria for a national housing and homelessness agenda

For Aboriginal Victorians, barriers arise at every stage of the Renter’s Journey, due to prejudice, discrimination and structural disadvantage. A homelessness and community housing services officer told us:

You get the occasional overt comment, but it’s predominantly a hidden, quite insidious perspective that they have against renting to Aboriginal people. So, yeah, it’s difficult.

Barriers are highest at the point of rental access and affordability. In some cases, real estate agencies were reported to have asked prospective tenants about their Aboriginal and/or Torres Strait Islander status. These tenants saw this as inherently discriminatory and unnecessary. As another housing professional said:

You shouldn’t be faced with the choice of ‘am I or aren’t I an Aboriginal person’ when I’m making an application for private rent.

The entire process came with anxiety. A tenant told us:

If you actually talk to a lot of Aboriginal and Torres Strait Islander people, they’ll tell you [...] it’s an anxiety, it’s this thing of an overwhelming feeling that comes when they know that the only option they have is to go into private rental, because there’s nothing else available. They’re sick of couch-surfing, they’re sick of living in overcrowding, so they become overwhelmed just by the before, thinking about what the process is going to be. Am I going to be facing this? Is this going to be a challenge? Is this going to be a barrier? Am I

going to have enough for this? Or am I going to have enough for the bond? [...] Is the real estate [agent] and the owner going to accept an application from an Aboriginal person?

Support workers and professionals we spoke with identified discriminatory practices. These intersected with other barriers such as discrimination on the basis of low income, having lived in social housing, being a single parent, or having pets.

Another tenant told us:

I've applied for many places [...] I was in a private rental for two years and, yeah, I applied for over a hundred rental properties, and all was not approved. Because of my income, because I'm on Centrelink, because I didn't have previous rental history with a real estate; just those certain barriers, yeah. My income was a major factor as well.

Rental barriers and discrimination solutions

We asked participants what could be done to reduce barriers. Increasing rental assistance payments to reduce poverty was seen as essential. Many suggested increased collaboration between Aboriginal-controlled organisations, government services and real estate agencies. This would help overcome the cultural disconnect between Aboriginal renters and the system.

Specific solutions also included:

- making processes more transparent by, for example, giving tenants access to residential tenancy databases to help counter discrimination in shortlisting applications
- cultural training and monitoring for the real estate industry
- more mentoring and support for prospective and current renters
- Aboriginal-owned-and-managed private rental agencies, an idea that participants welcomed.

Initiatives such as Aboriginal Private Rental Access Programs (APRAP) and related support are a promising bridge to better housing for Aboriginal Victorians.

Our report provides cause for concern, but also optimism. Government and industry responses to this research can open the way to more connected, positive pathways. It is highly likely the discriminatory barriers we found in Victoria are Australia-wide. Private rental can only form a significant and positive part of Aboriginal and Torres Strait Islander people's housing future where doors are open and access to housing is culturally safe and assured.

A shorter and slightly different version of this article, by the same authors, previously appeared at The Conversation at <https://theconversation.com/think-private-renting-is-hard-first-nations-people-can-be-excluded-from-the-start-192392>

Question 3: How can all levels of government, along with housing organisations, institutional investors, not for profits, and private industry improve access to social housing, which includes public and community housing?

Australia is in the enviable position of having a rich and supported housing-research community. Supported by the Australian Housing and Urban Research Institute, various housing peak bodies, charities and philanthropic funding, Australian universities have built up a rich evidence base around both the positive externalities and the potentially wider social, economic and environmental benefits that secure, appropriate and affordable housing does and can deliver. Researchers at the Centre for Urban Transitions/Swinburne University of Technology have actively contributed to the identification of options, as well as evidence base surrounding the positive effects that good housing has for individual tenants and for Australians as a whole.

Based on our research there are at least two broad enabling areas where governments (at all levels) and housing stakeholders more generally can make a substantive contribution to improve access to social and affordable housing, whereby access ultimately requires ongoing on predictable funding for expanding the provision of social and affordable housing.

1. Approach investment in housing as economic and social infrastructure

The 2021 Infrastructure Australia 'Infrastructure Plan' captured social housing as part of key infrastructure. Social infrastructure was subsequently removed from the remit of Infrastructure Australia. Approaching housing as social and economic infrastructure shifts the focus from housing as either a response to crisis (COVID years) or housing is in crisis (current discourse), to a debate about long-term planning for prosperity and wellbeing. Taking an infrastructure perspective on housing also recognises that interventions in housing are interventions in a housing system. For instance, decisions that contribute to raising property prices, spillover to the efficacy (and costs) of commonwealth rent assistance; or the opportunity cost of land use decisions in Australian cities.

The Australian research community has documented a wide and rich tapestry of how housing serves as social infrastructure. Some of this evidence is documented in Nygaard (2019).¹ Overall, this evidence produced three insights that should guide housing policy development:

Insight 1: *investment in social housing reduces other expenditures, benefitting all Australians*

There is persuasive evidence that housing people experiencing homelessness and several rental affordability stress reduced health and emergency services use, and saves lives by enabling people

¹ <https://www.communityhousing.com.au/wp-content/uploads/2019/11/Social-and-affordable-housing-as-social-infrastructure-FINAL.pdf?x15331>

experiencing domestic violence a pathway out of abuse. Social and affordable housing thus unlocks positive externalities and wider social and economic benefits.

Insight 2: *investment in social housing can empower residents to support themselves*

Rents set at below market level (e.g. affordable rental properties) can have a measurable impact on an individual's ability to pay for other necessities; not having to forgo food, health and family spending.² Centre for Urban Transitions work show that rental discounts also generate a *net* consumption effect (Nygaard 2019) with positive effects throughout the Australian economy.

Insight 3: *investment in social housing can enhance wellbeing*

Social and affordable housing investment decisions in Australia are disadvantaged by the prevailing Australian practice to measuring costs and benefits of public decisions.³ A series of impact measurement techniques are now applied internationally that enhance the economic decision making framework precisely for investment with high upfront costs, but long benefits tails; where distributional effects are of particular importance; or where investments are expected to generate social impacts that are not measurable in market prices (e.g. UK Green Book, Australian Social Value Bank). Nygaard (2023) provides a brief illustration of how some of these measurement techniques relate to the economic assessment of social and affordable housing.⁴ Adopting these impact measurement techniques as standard in Australian economic analysis is a simple way of enhancing the economic case for social and affordable housing, and thus access to these.

2. Work out ways that the existing evidence base can translate into funding for the bricks and mortar of new of social and affordable rental housing provision

As noted, there is a rich evidence base in Australia on the potential public sector cost offsets and societal wellbeing impacts that secure, appropriate and affordable housing can generate. What is required is innovation in how these benefits can be converted into funding for the bricks and mortar of new social and affordable rental housing provision. Drawing on the existing evidence base Nygaard and Kollmann (2023) illustrate how,⁵ even using the very conservative Australian cost-benefit framework, these societal benefits constitute a substantial share of the funding gap in the provision of social and affordable housing.⁶

² <https://www.actcoss.org.au/sites/default/files/public/publications/2016-consortium-project-2-snapshot-housing-stress-and-its-effects.pdf>

³ E.g. Commonwealth of Australia. (2006) Handbook of Cost-Benefit Analysis. Department of Finance and Administration: Canberra. | NSW Treasury. (2023). TPG23-08 NSW Government Guide to Cost-Benefit Analysis. State of NSW: Sydney

⁴ <https://treasury.gov.au/sites/default/files/2023-03/c2023-379612-centre-for-urban-transitions-swinburne-university-of-technology.pdf>

⁵ <https://www.communityhousing.com.au/wp-content/uploads/2023/10/SCBA-Illustrator-Social-and-Affordable-Housing-after-peer-review-OCT-2023.pdf?x14830>

⁶ The funding gap is defined as the differential between the revenue generated by social and affordable housing and the construction and finance costs required deliver social and affordable housing. This gap is approximately 60% for social housing and 30% for affordable housing.

This work was also the basis for the development of SIGMAH (Social Infrastructure and Green Measures for Affordable Housing), a tool to enable housing developers and housing policy makers to estimate the likely wider social, economic and environmental benefits associated with development of new social and affordable housing projects.⁷

What is required across government and housing sectors are mechanisms for converting these benefits into funding for bricks and mortar. The social gains from investment in social and affordable housing do not fall on a single entity or budget holder but is instead spread across multiple public and private stakeholders. Thus, legislative and financial innovation (and willingness) is required to ensure that these benefits can be part of a sustainable and predictable source of funding new social and affordable housing.

There is also considerable scope for advancing the evidence base around affordable housing and economic productivity. Work by Maclennan et al (2021) suggests that productivity gains may be considerable.⁸ Here too though, innovation in how these benefits translate into additional funding for social and affordable housing is required; and a recognition that intervention in housing will have systemic effects. For instance, other things equal (i.e. under current Australian housing circumstances) productivity gains also drive property appreciation and has significant distributional impact (widens wealth and income inequality) (Nygaard et al 2021).⁹

Question 4: What should governments, private industries, the not for profit and community sectors focus on to help improve access to housing and affordable housing in the private rental market?

Extensive research scholarship conducted over decades by Emeritus Professors Kath Hulse and Terry Burke, with colleagues, has documented in great detail the decline of social housing over time and the concurrent growth and significance of the Australian private rental sector as not only a transitional tenure on pathways toward homeownership, but also as a long-term or whole-of-life home for many Australians, particularly those in younger age cohorts today. This body of scholarship has contributed to the foundational ways in which we now understand each of these two rental tenures, and the benefits they serve for occupants at key stages in their lives and points of life transitions. The body of evidence that Hulse and Burke have collectively and separately developed, also points to key challenges within each tenure:

- A declining social housing system ensures that social housing provision is based on allocation of increasingly scarce social housing allocation than upon need;

⁷ <https://www.communityhousing.com.au/sigmah/>

⁸ https://cityfutures.ada.unsw.edu.au/documents/515/Full_Report_Final_edited_logos.pdf

⁹ <https://www.ahuri.edu.au/research/final-reports/366>

- Increasing pressure on public housing and community housing spills over to the private rental sector, which now houses the majority of the lowest income and low income households in Australia;
- The Australian private rental sector is very lightly regulated by international standards, even accounting for recent changes toward increased balance of rights of investor owners and tenants;
- Inadequate measures are in place to incentivise 'good practices' including long-term secure and affordable leases in the private rental sector, and to deter 'poor practices' such as breaches of regulations (trespass, poor rental quality and conditions) and as
- Increased regulation of the private rental sector including long-term leasing and rental controls must be considered in a more sustainable and fair future private rental sector in Australia.

In related research conducted by CUT, we focus on the impact of low vacancy rates in the private rental sector, and the role that short term rental accommodation plays in the negative implications of this for individuals, families, communities and local housing markets.

Regulation of short term rental accommodation

Our recent research conducted as independent advice for the NSW Independent Planning Commission identifies key ways in which private rental accommodation that is currently locked up as short term rental accommodation (STRA), typically for holiday letting, can be returned to long-term rental systems. Our research focused on the NSW area of Byron Bay, but has a methodology that can readily be employed nationally to identify the 'tipping points' at which property owners will realise greater financial return in long-term rental systems than holiday lettings. As in the case of Byron Bay, these points of interaction between holiday let returns, vacancy rates and long-term rent costs, can be used to target local area interventions in an effort to increase private rental housing supply nationally, via return of STRA dwellings to the private rental sector.

The publicly available research report which underpins recent decisions to cap the number of days that rental housing can be used as STRAs in the Byron region, is:

Burke, T., Ralston, L., Stone, W. and Goodall, Z. (2023) *Short term rental accommodation: new directions, new debates*, Report prepared by AHURI Professional Services for the NSW Independent Planning Commission, Australian Housing and Urban Research Institute, Melbourne.

The report is available here: [AHURI Final Report \(nsw.gov.au\)](https://www.nsw.gov.au/ahuri-final-report)

Question 5: How could governments work better with industry, community services and other organisations to improve housing outcomes for all Australians?

One of the ways in which existing infrastructure within cities and regional centres can support development of sustainable and liveable housing is to identify and develop areas of older housing and built form, into vibrant precinct districts drawing upon new models and methodologies developed by ██████████ ██████████, at the Swinburne University of Technology Centre for Urban Transitions. The approach and methodology now used in a range of local government areas in Victoria and being rolled out in other state jurisdictions can be found here:

Newton, P. W., Newman, P. W., Glackin, S., & Thomson, G. (2022). *Greening the greyfields: New models for regenerating the middle suburbs of low-density cities* (p. 192). Springer Nature. <https://link.springer.com/book/10.1007/978-981-16-6238-6>

In summary, research conducted within the Centre on greyfield (suburban) redevelopment has indicated that the established, middle-ring municipalities of Australian cities have ample land in well serviced locations, but it is being poorly utilised in terms of housing supply due to large lots and single lot redevelopment. Greyfield redevelopment precincts can provide far greater outcomes in terms of both housing volume and local amenity. The inclusion of this work in Plan Melbourne 2017-2050, the planning strategy for Melbourne, and local council planning has seen the work has been implemented as new statutory regulation in one Melbourne council, with Victorian planning authorities aiming to role the scheme out as part of metro-wide strategy for new housing.

The project also inspired the Victorian Future Homes competition and its focus on dual-lot land assembly to achieve the 'missing middle' (medium density housing); the much needed affordable housing typology missing in Australia. These medium density designs are now automatically approved (through the Victorian planning scheme) within 800m of any activity centre, train station and area deemed to have good access to transport and services. We will see these designs greatly improve the volume of medium density housing in Melbourne, which may lead to national up-take. The work is also being leveraged by CHIA Victoria, to assess the value uplift, and future development options, that can be obtained for community and social housing through strategic spot purchase next to existing stock. Steering for this project necessarily requires the involvement of state planning authorities, state social housing providers and state treasury, as well as CHIA, to ensure its effective implementation. This project illustrates the need for multi-stakeholder agreement to have impact. The broader greyfields project has clearly indicated the need for grass roots (council, community, landowner and developer) involvement in planning for future housing, but also the need for state involvement in terms of roll out and mainstreaming, for effective implementation. We would argue that this linkage across tiers and functions is a necessity for the success of any project focusing on new supply.

Additional applications of this model can be found here:

<https://www.planning.vic.gov.au/guides-and-resources/strategies-and-initiatives/future-homes>

Question 6: How can governments and the private and community sectors, help to improve sustainable housing and better prepare for the effects of climate change?

Working from home is changing the footprint of housing and transport infrastructure. Many jobs are now being done “from home”, and in fact some job ads are for jobs that are purely done from home (some employers find this a good cost saving to cut down on office space etc). Apart from the fact that this has immediate implications for those without a home (i.e. reduced access to the labor market), what we have also found in recent research including a population survey conducted by CUT was:

1. That those who work from home, but do not have homes that have spare rooms or dedicated space for working seem to be more prone to work-related injuries and damage.
2. Especially those that live in shared house arrangements have significantly reduced capacity to work from home productively.

In addition to this, the evidence seems to suggest that increased prevalence of working from home behaviours will lead to many people moving houses, i.e. more or less as a function of relaxing the need to live so close to the workplace. This is trickling through to property markets, and those who work from home are likely to pick up homes that are larger, and (probably) in areas with more amenity. We haven't followed through on the research for this, but this will likely lead to increased gentrification with enclaves of suburbs/areas that are more suitable for those that are able to work from home, who also tend to be generally wealthier than the average population. Potentially, this could lead to reduced pressure on smaller housing in areas closer to the CBD, but this is speculation on my part. Interestingly, there are some commercial entities that are trying to take advantage of this, by exploring ways to build entire areas that are specifically designed for people that work from home.

Compact cities:

Another implication is that there is an opportunity for retrofitting commercial real estate, perhaps into affordable or social housing. The demand for commercial real estate has seen a step change down, although the window of opportunity for retrofitting such real estate is probably diminishing by every week that passes. Compact cities policies necessarily need a poly-centric approach. Melbourne and Sydney are now at the scale where one central business district is becoming problematic, as travel distances are too great and traffic volume cannot be absorbed by the network. Working from home through COVID interventions showed that CBD travel is not an absolute requirement and international trends are now showing that the largest increase in commercial activity is now in second tier transport areas (typically junctions just outside the CBD). This necessitates a pivot for urban centres, where, in order to remain viable, some of the unused office space will need to become residential. Noting this, the Victorian government has recently introduced a new zone (Commercial 3 – mixed use business and residential) where building typologies must be of a form useable for both residential and business function, to allow for the ebb and flow of urban dynamics, as areas variously change function. This form of future proofing will ensure that, regardless of the future need, stock will be available for its required usage.

Question 7: Additional matters for consideration

A final important consideration to be taken into account in the development of a National Housing and Homelessness Plan is that people with lived experience of housing assistance and homelessness support systems, frontline service staff, as well as potential recipients of support, have valuable expertise that can improve policy and program development and innovation.

A foundational evidence-base developed at CUT in collaboration with Curtin University focuses on the housing aspirations of Australians in relation to tenure, dwelling form and location as well as dwelling attributes, how well people across a range of living and demographic circumstances can meet these aspirations (and the impacts of not being able to do so), as well as the assistance and resources people indicate they need to achieve their aspirations. This evidence suggests that people living in Australia continue to see private rental as transitional only, that social housing has a long-term important role to play in housing some of our population, and that various pathways, including directly supported pathways, to home ownership are a priority. Safe, secure housing that is affordable and accessible is found to be achieved more easily for mid-life and later-life cohorts than younger adults – although where housing has not been secured by mid-life and later-life, this has dire impacts for individuals and their families. Aspirations data and evidence provides a key means of identifying how well the Australian housing system is meeting the needs of Australians, as well as directly informing the development of housing policies, as a foundational evidence base about ‘developing the housing that Australians want’.

The full report can be accessed here:

Stone, W., Rowley, S., Parkinson, S., James, A., and Spinney, A. (2020) *The housing aspirations of Australians across the life-course: closing the ‘housing aspirations gap’*, AHURI Final Report No. 337, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/final-reports/337>, doi:10.18408/ahuri-5117001.

Consistent with inclusive approaches to policy making, research currently underway at CUT and funded by AHURI, to be published in early 2024, focuses on the ways in which people living with low income can play an active role in policy design and program innovation. Findings of this research indicate that increasing the opportunities for meaningful, well-resourced and supported tenant participation and low income household participation in housing assistance and service policy co-design, is an important part of a future national housing plan:

See: [Inquiry into supporting pathways in a social housing system | AHURI](#)

████████████████████ (2024 in press) *Social housing pathways by policy co-design: opportunities for tenant participation in system innovation in Australia*, AHURI Final Report, Australian Housing and Urban Research Institute Limited, Melbourne, <http://www.ahuri.edu.au/research/final-reports>