



# SHELTER WA

## Pre-Budget Submission 2018/2019

### *Housing*

### *An opportunity for systemic reform*

*November 2017*

*The State Government recognizes the fundamental right of all West Australians to have a safe, secure home.  
Roger Cook MLA, Deputy Premier, Minister for Health and Mental Health.  
Speech to Shelter WA Homelessness Week Forum, August 2017*

## Contents

<b>1. Shelter WA</b>	<b>3</b>
<b>2. Shelter WA: Recommendations for reform</b>	<b>4</b>
<b>3. Housing – an opportunity for systemic reform</b>	<b>9</b>
<b>4. Planning for affordable housing and ending homelessness</b>	<b>14</b>
4.1 New State Affordable Housing and Homelessness Strategy	14
4.2 Aboriginal Housing Strategy	15
<b>5. Boosting housing affordability, maximising portfolio assets and facilitating a more responsive housing market</b>	<b>16</b>
5.1 Implement a housing first collective impact model	16
5.2 Maximise housing assets in partnership with Community Housing Providers	17
5.2.1 Community Housing Policy and Growth Strategy to drive supply	17
5.2.2 Develop a shared assessment framework and tenancy support system co-designed with the community housing and services sector	18
<b>6. METRONET &amp; urban planning reform</b>	<b>19</b>
6.1 Reforming Strata title - Safeguards for the termination of schemes	21
6.2 Property Tax - Capitalising on housing assets	22
<b>7. Making Rental More Secure</b>	<b>23</b>
7.1 Review of the <i>Residential Tenancies Act (1987)</i>	23
7.2 Reform of the <i>Residential Tenancies Act (1987)</i> to abolish no grounds termination	24
7.3 Amend the <i>Residential Tenancies Act (1987)</i> in partnership with the community housing and tenancy sector, to include domestic violence tenancy provisions	26
7.4 New regulations for boarding accommodation in partnership with the community housing and tenancy sector	27
7.5 Sustainable funding for tenancy advice and education services	28
7.6 Explore the feasibility of a Tribunal to address tenancy disputes	29
<b>8. References</b>	<b>31</b>

# 1. Shelter WA

## Our vision

*All people living in WA have housing that enables them to thrive*

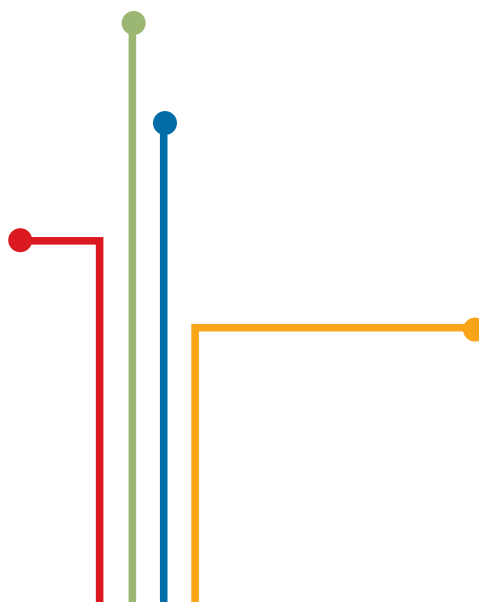
Shelter WA was founded in 1979 as an independent, community based peak body that advocates for social and affordable housing and ending homelessness in Western Australia. Shelter WA believes housing is a basic human right. Safe, secure and affordable housing is a key requirement for people to engage in work, education, maintain their health and contribute to society.

Shelter WA advocates for policy settings and responses that facilitate appropriate affordable housing options for low to moderate income earners, for those who are otherwise disadvantaged in the housing market or experiencing homelessness. This is done by strong collaboration with the not-for-profit housing and social services sector, government, industry bodies, business, the community and research institutions.

Shelter WA is a member of the National Shelter Council and a member of the Council to Homeless Persons Australia, and has a seat on the Board of Homelessness Australia. This national membership strengthens Shelter WA's capacity to represent Western Australia's interest through participation in research, policy advocacy and engagement in national debate.

## Contact

For more information on this submission please contact Michelle Mackenzie on 9325 6660 or [strategy@shelterwa.org.au](mailto:strategy@shelterwa.org.au).



## 2. Shelter WA: Recommendations for reform

Recommendations Doing more with what we have: A cost neutral approach to reform.	Budget Repair	Better Service Delivery	Relation to Government Election Commitments
<b>1. Plan for housing affordability and end homelessness</b>			
<b>STATE AFFORDABLE HOUSING STRATEGY</b> Develop a new State Affordable Housing and Homelessness Strategy that delivers a minimum of 60,000 additional social housing dwellings by 2030, and includes specific responses for vulnerable housing consumers.	✓	✓	Supporting communities Mental health and mental health recovery services Stopping Family and domestic violence Break down barriers across government
<b>ABORIGINAL HOUSING STRATEGY</b> Develop an Aboriginal Housing Strategy, in partnership with Aboriginal people, to address severe housing shortages, respond to domestic violence and homelessness in remote communities, country towns and urban areas.	✓	✓	Supporting communities Family and domestic violence Sustainable Health Review Mental health and mental health recovery services Break down barriers across government
<b>2. Boost affordable housing supply, facilitating investment and a more responsive housing market</b>			
<b>HOUSING FIRST COLLECTIVE IMPACT MODEL</b> Support the community sector to implement a housing first collective impact model to end homelessness.	✓	✓	Supporting communities Family and domestic violence Mental health and mental health recovery services Sustainable Health Review Service Priority Review Break down barriers across government
<b>COMMUNITY HOUSING GROWTH STRATEGY</b> Maximise investment and supply through a Community Housing Policy and Growth Strategy to increase specialisation, innovation and investment.	✓	✓	Supporting communities Family and domestic violence Mental health and mental health recovery services Sustainable Health Review Service Priority Review
<b>SHARED ASSESSMENT FRAMEWORK AND TENANCY SUPPORT SYSTEM</b> Develop a shared needs-based assessment framework, register and tenancy support system co-designed with the community housing and services sector and housing consumers.	✓	✓	Supporting communities Family and domestic violence Mental health and mental health recovery services Sustainable Health Review Service Priority Review Break down barriers across government
<b>3. METRONET &amp; urban planning reform</b>			
<b>That all State Government land and housing developments include a minimum 15 per cent affordable housing targeted at low-to-to moderate income households.</b>	✓	✓	<b>METROHUBS</b> Create vibrant communities with jobs where people live focussed on transport hubs and links Utilisation of government buildings and assets to assist accommodation supply
<b>That minimum targets of approximately 10-20 per cent are set for social and affordable housing in METRONET precincts in line with market feasibility.</b>	✓	✓	<b>METROHUBS</b> Create vibrant communities with jobs where people live focussed on transport hubs and links Service priority review

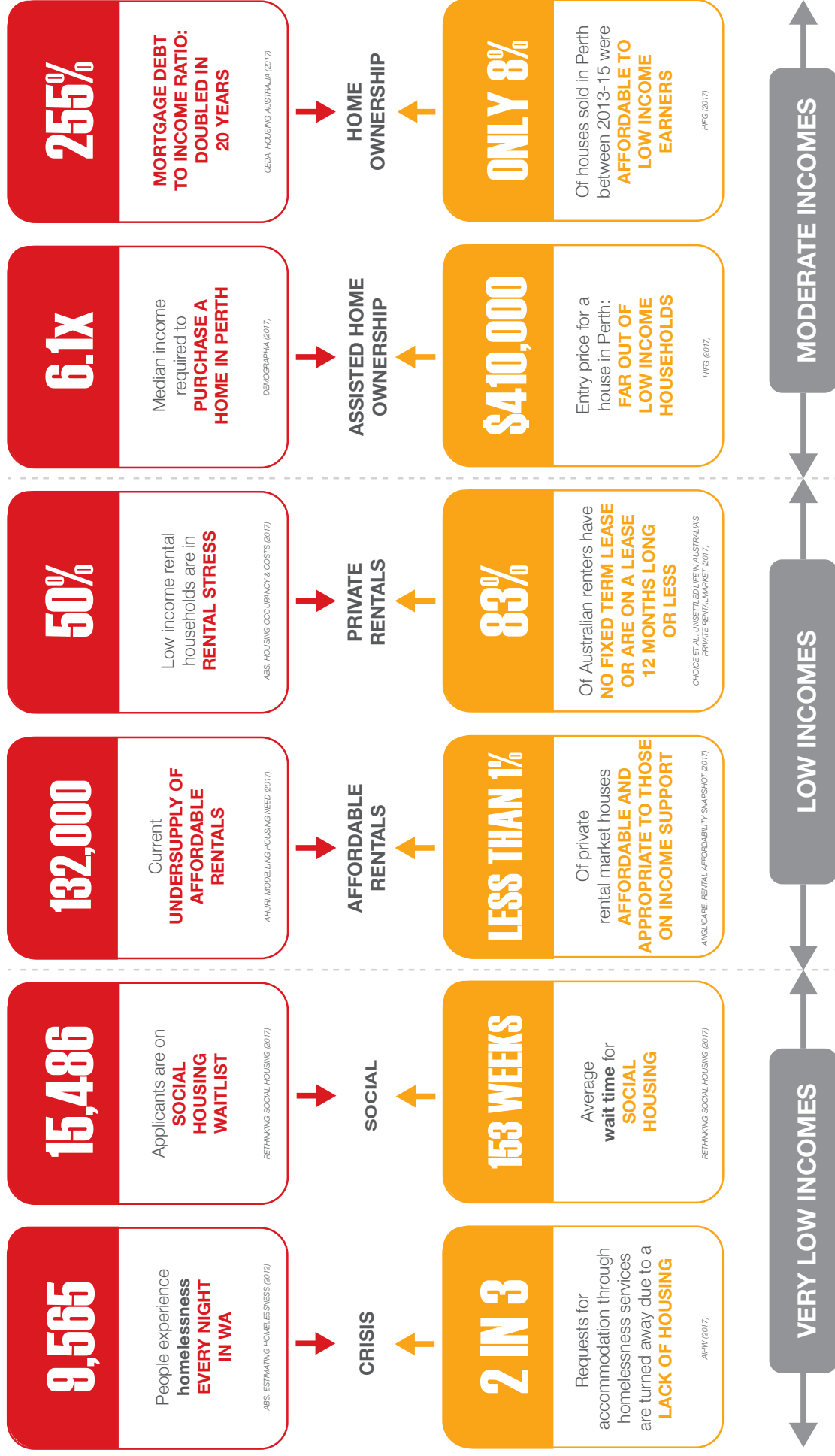
That the State audit, repurpose and reinvest underutilised government and land asset for additional social housing supply	✓	✓	<b>METROHUBS</b> Create vibrant communities with jobs where people live focussed on transports hubs and links Utilisation of government buildings and assets to assist accommodation supply
That a return of 15 per cent of social and affordable housing is specified in the disposal of state assets	✓	✓	<b>METROHUBS</b> Create vibrant communities with jobs where people live focussed on transports hubs and links Utilisation of government buildings and assets to assist accommodation supply
<b>STRATA TITLE REFORM – Safeguards for the termination of schemes</b> Ensure that the termination of strata schemes includes adequate compensation mechanisms for displaced low-income households.	✓	✓	<b>METROHUBS</b> Strata Title Reform Create vibrant communities with jobs where people live focussed on transport hubs and links
<b>PROPERTY TAX REFORM: MAXIMISING HOUSING SUPPLY</b> Gradually replace property based stamp duty with a broad based progressive land tax with exemptions, deferral and/or concessions for low income earners.	✓	✓	<b>METROHUBS</b>

#### 4. Make rental more secure

<b>REVIEW AND REFORM THE <i>RESIDENTIAL TENANCIES ACT</i> (1987)</b> Commence the five-year review the Residential Tenancies Act (1987).	✓	✓	Supporting communities Family and domestic violence Mental health and mental health recovery services Sustainable Health Review Service Priority Review
<b>Reform the <i>Residential Tenancies Act</i> (1987) to abolish without grounds terminations.</b>	✓	✓	Supporting communities Family and domestic violence Mental health and mental health recovery services Sustainable Health Review Service Priority Review
<b>Place a moratorium on the use without grounds terminations for tenants in public housing properties.</b>	✓	✓	Supporting communities Family and domestic violence Mental health and mental health recovery services Sustainable Health Review Service Priority Review Break down barriers across government
<b>Amend the <i>Residential Tenancies Act</i> (1987) to include family and domestic violence provisions.</b>	✓	✓	Supporting communities Family and domestic violence Break down barriers across government
<b>Review the regulation of boarding and lodging arrangements.</b>	✓	✓	Supporting communities Mental health and mental health recovery services Sustainable Health Review
<b>Develop a funding model to deliver secure and sustained funding for tenant education and advisory services.</b>	✓	✓	Supporting communities Mental health and mental health recovery services Service Priority Review
<b>Explore the feasibility of moving tenancy disputes to an independent Tribunal or the State Administrative Tribunal.</b>	✓	✓	Supporting communities Service Priority Review

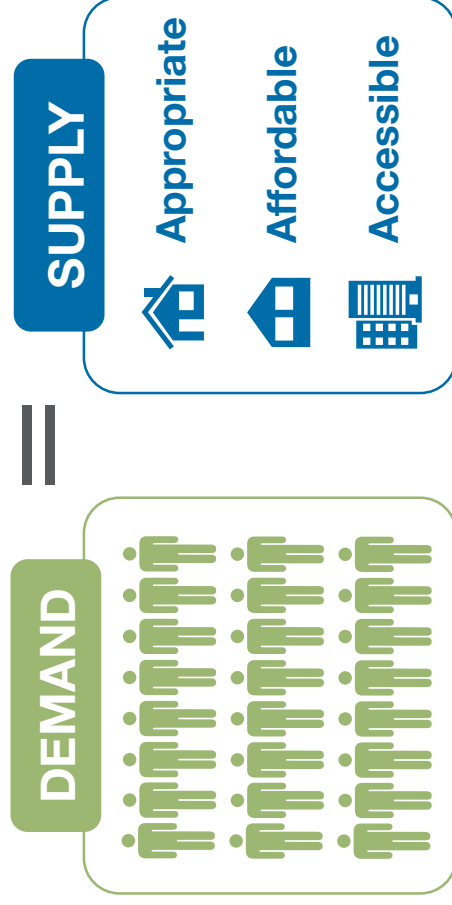


# Housing Need in WA



# Housing Opportunities for Systemic Reform

When Housing Demand  
Matches Supply



Delivered by Government, Community Housing  
& Industry with Supportive Policy Settings



Currently the Demand for Social &  
Affordable Housing Outweighs Supply

# Housing Opportunities for Systemic Reform



## Optimise Current Investment



### Health

\$16M annual saving to health by providing stable housing for people experiencing homelessness.



### Prisons

\$60,400 annual saving/person by providing social housing & support rather than 'housing' a person in prison.



### Mental Health

43% of inpatients at Graylands cannot be discharged as there is no suitable housing, at a cost to the state of \$1,550/person/day.



## Housing & Supports



Underutilised Government  
Land & Assets



Tenancy  
Reform



Property  
Tax Reform



Urban Planning  
Reform



Community  
Housing



Budget Repair



Better Service Delivery



Deliver Election  
Commitments





### 3. Housing – an opportunity for systemic reform

What does it mean to be Western Australian? Housing insecurity and homelessness remain a key issue for many people across our State. There remains a lack of diverse and affordable housing options, for low to moderate income earners and different communities and demographic groups, contributing to mortgage and rental stress, poverty and homelessness.

---


***Housing assets, and underutilised government land, are a multi-billion-dollar asset that could be better optimised.***

---

Access to appropriate, affordable and accessible housing is fundamental to our State's economic growth and prosperity. As housing influences a whole range of non-housing outcomes for individuals and families, including workforce participation, access to jobs, services, social participation, family stability and educational outcomes, housing will drive reform. Housing is critical to for the recovery of people experiencing family and domestic violence, mental health or alcohol and other drug issues.

Housing assets, and underutilised government land, are a multi-billion-dollar asset that could be better optimised. Investment across the housing continuum has the potential to be a key driver to major government cross portfolio reform and savings. Investment in housing solutions will deliver long term returns for the State and improve individual lives. Housing people in houses, not hospitals, prisons and mental health facilities is cost effective. Research indicates significant economic benefits in housing people net of the longitudinal costs on the health, mental health and justice systems of poor housing choice. Utilising housing will facilitate new service delivery models that are better and at a lower cost, and deliver effective individual and community and outcomes.

The State's reform agenda will be maximised by partnering with community housing providers to deliver new Commonwealth, institutional and private investment into social and affordable housing supply. Community housing providers have a proven ability to work in collaboration with private industry, financiers and community service agencies to deliver the affordable housing outcomes sought by government. In partnership with the community services sector, new service delivery models will enable community housing providers to deliver scalable, flexible housing solutions; developing a more sophisticated response to people's housing needs, co-ordinating and maximising the use of housing assets.



***Tim Marney, Mental Health Commissioner – Speech to Shelter WA Forum  
August 2017***

*Of all the consumers in an inpatient setting (in Mental Health Acute Setting) 43 per cent could have been discharged – immediately - if they had somewhere safe and stable to be discharged to. Instead we “housed” them in a hospital bed at a cost of about \$1,550 a day.*

To underpin reform, a responsive urban planning system is needed with clear targets for social and affordable housing supply. This can be realised by leveraging government assets and incentivising development through the planning system. This coupled with sustainable housing materials and design, can deliver diverse and affordable houses to meet the State's current and future housing needs and reduce ongoing cost of living pressures i.e. transport, electricity, water, for individuals and families.

---

*Investment across the housing continuum has the potential to be a key driver to major government cross portfolio reform and savings.*

---

METRONET provides the key opportunity to create vibrant, liveable communities through the integration of social private and market based housing, becoming a catalyst for new community infrastructure and facilities. Property tax reform will deliver stable revenues for government, facilitate more efficient use of housing supply and lay a solid foundation for value capture mechanisms. Tenancy reform will support rental housing as a secure, viable housing option and reduce the costs to the individual and government of rental insecurity.

Shelter WA's pre-budget submission proposes housing to drive a whole of government reform and cross agency initiatives and collaboration. Our recommendations are cost neutral and do more with what we have.

## Housing will deliver:

- Budget repair;
- Better service delivery; and
- Election commitments.



*Dr Amanda Stafford Clinical Lead Homeless Services at Royal Perth Hospital (RPH) – Speech to Shelter WA Forum August 2017*

*We can patch up injuries and treat (their) pneumonia but when we put (them) back into homelessness the same thing will happen again...*

*We are not addressing the fundamental, underlying problem of homelessness. People experiencing homelessness need a home and we need to provide them with the supports they needed to adjust to housing. The cost of treating a person experiencing homelessness each year was \$194,000 – 10 times the cost of a rental. "This is an astounding amount of money," "And spending the money is not changing peoples' outcomes."*

## Budget repair

- An efficient property tax system will deliver **stable revenues**, and **underpin a simple value capture mechanism**, facilitating more efficient use of housing assets.
- **Investment in upstream solutions** will deliver **greater return on investment** and improve lives.
- **Repurposing investment** from the mental health, health and prison budgets to stable and secure social housing and tenancy support services will deliver a: reduction in police and ambulance call outs, emergency departments and hospital and mental health admissions and stays, incarceration, and homelessness.
- **Maximising Commonwealth, private and institutional investment into new housing supply** realised by **utilising community housing providers** to access new Commonwealth affordable housing investment funds, financial instruments, tax incentives, and rental assistance.

## Better service delivery

- **Service co-ordination** and **collective governance** of housing assets.
- Utilising housing to facilitate **service delivery models that are better and lower cost**, and deliver effective individual and community and outcomes.
- Promoting a **culture of collaboration** in the achievement community outcomes.
- Putting **people at the centre of service systems**: Innovations in justice, health and mental health recovery services through housing first principles.
- **Housing diversity and universal design**: Diversity of dwellings to include the needs of housing consumers, including people with a disability.
- **Transformative public policy** through tenancy, planning and taxation reform.
- **Reduced cost of living pressures** through housing location, design principles and building materials.

## Delivering election commitments

- Supporting communities: work with the community sector to break down the barriers between government departments and stakeholders
- Putting patients first
- Mental health and mental health recovery services
- Sustainable Health Review
- Service Priority Review
- METROHUBS Create vibrant communities with jobs where people live, focused on transport hubs and links
- Stopping Family and Domestic Violence
- Utilisation of government buildings and assets to assist accommodation supply

## Ministerial Portfolios

As housing will drive major cross portfolio reform, our recommendations touch on several Ministerial portfolios. These include:

- Health
- Mental Health
- Corrective Services
- Child Protection, Homelessness, and Domestic Violence
- Disability Services
- Planning
- Treasury
- Commerce
- Attorney General
- Housing.

## Industry and the private sector

Industry is critical to deliver the affordable housing outcomes for Western Australia. There are opportunities for the private sector to better respond to changing demographics and lifestyle needs, and deliver more diverse and affordable housing choice<sup>1</sup>. Also, to investigate and utilise new technologies, methods of construction and sustainable design principles that will deliver good quality affordable housing to purchase and run. Several recommendations in this submission, including land tax reform, social housing dwelling targets and targets for affordable housing in State Government land and housing developments, can support the private sector in their endeavour to deliver more affordable housing to market.

## Acknowledgements

In preparing this submission Shelter WA sought input from its members and drew on the findings of contemporary research. Input into the submission was sought through an online survey. Also, a joint consultation forum was hosted by Shelter WA, and the WA Council of Social Service. These consultations, attended by sector representatives, advocates and people who have experienced homelessness, formed the basis of this submission. In addition, targeted consultation was held with members and stakeholders. Also, Shelter WA referred to key State Government policy documents and consulted with staff from the Department of Communities.



***Tony Hassell, Department of Justice (Corrective Services) – Speech to Shelter WA Forum August 2017***

*Homelessness can affect bail and parole outcomes. Without stable accommodation, it makes it very hard to release prisoners into the community. This is especially the case for young offenders without stable accommodation. They cannot benefit from Supervised Release Orders meaning they may spend more time in a custodial environment.*

## 4. Planning for affordable housing and ending homelessness

### 4.1 New State Affordable Housing and Homelessness Strategy

*The State Government's Affordable Housing Strategy 2010-2020: Opening Doors to Affordable Housing* sets the policy framework to facilitate access to affordable housing across the housing continuum<sup>2</sup>.

Despite this strategy, affordable housing remains out of reach for many vulnerable housing consumers. At the end of September 2017, there were over 15,000 people on the wait list for social housing with an average wait time of 153 weeks<sup>3</sup>. There is an undersupply of affordable private rentals for people on low incomes and many Western Australians are in rental and mortgage stress.

---

***To harness housing opportunities, a new whole of government Affordable Housing and Homeless Strategy is needed.***

---

To harness housing opportunities, a new Affordable Housing and Homeless Strategy is needed. The strategy should facilitate an alignment of government, industry and community housing opportunities and initiatives to deliver optimal housing solutions for supply, taking a whole of government perspective. It will need to articulate how planning, taxation and tenancy reform will deliver on this agenda. Also, facilitate sustainability principles in building design and construction to reduce ongoing housing costs. Consideration should be given in the strategy to the needs of vulnerable housing

consumers such as, young people and seniors on low incomes, Aboriginal people and people from different cultural backgrounds, people with disabilities and people with serious and persistent mental health issues.

This strategy needs clear targets for social and affordable housing supply that responds to current and projected consumer needs. Based on research by the Australian Housing and Urban Research Institute (AHURI), at a minimum the strategy needs to deliver an additional 60,000 units of new social housing supply to respond to projected demand<sup>4</sup>.



#### Recommendation

That the State, in partnership with the community sector and industry, develops a new State Affordable Housing and Homelessness Strategy that delivers a minimum of 60,000 additional social housing dwellings by 2030, and includes specific responses for vulnerable housing consumers.



## 4.2 Aboriginal Housing Strategy

The majority of Aboriginal housing research and policy has focussed on Aboriginal people in remote communities<sup>5 6</sup>. However, over 70 percent of Aboriginal Australians live in urban areas or major regional centres<sup>7</sup> and 60 per cent of the burden of illness amongst Aboriginal people is accounted for by those living outside remote areas<sup>8</sup>.

The data available suggests urban Aboriginal households also experience significant housing disadvantage and they are more likely to live in unaffordable housing than those in remote areas. A qualitative study with Aboriginal people in Perth and regional Western Australia described housing careers characterised by poverty, difficulty accessing affordable housing, racism, insufficient social housing, and difficulty navigating the social housing system, overcrowding, forced evictions and insecure tenure<sup>9</sup>. Aboriginal leaders have called for greater recognition of the housing needs of urban Aboriginal people, yet direct research, policy activity and funding in this space remains limited.

Studies in remote Aboriginal communities in Australia have found major problems with housing quality, maintenance and availability. Associations have been demonstrated between poor remote housing and specific health problems, e.g. poor overall functional condition of housing and respiratory infection. Studies of the health of Aboriginal children living across urban, regional and remote areas have found associations between reported housing problems and ear, skin and chest infections<sup>10</sup>.

If Australia is serious about ‘closing the gap’, more investment in Aboriginal housing, including urban social housing, is required. While federal and state governments have established a National Partnership Agreement on Remote Indigenous Housing and committed billions of dollars to improve remote housing<sup>11</sup>, there is no comparable agreement on urban Indigenous housing. Instead the housing needs of urban Aboriginal people are addressed under mainstream social housing and homelessness agreements<sup>12</sup>.



### Recommendation

That the State develops an Aboriginal Housing Strategy, in partnership with Aboriginal people, to address severe housing shortages and homelessness in remote communities, country towns and urban areas.

## 5. Boosting housing affordability, maximising portfolio assets and facilitating a more responsive housing market

### 5.1 Implement a housing first collective impact model

'Housing First' is an approach that connects people experiencing homelessness with long-term housing and wrap around services and supports to maintain and sustain tenancies<sup>13</sup>.

This model is the basis of the 50 Lives 50 Homes project, a collaborative interagency response aimed at rapidly housing and supporting Perth's most vulnerable rough sleepers. A first-year evaluation of this project shows it has delivered positive housing outcomes for individuals and increased communication between service agencies. The evaluation showed the positive impact on health used and costs to date for individual cases<sup>14</sup>. It states that the project has been able to house people more rapidly than would otherwise occur, but speeding up this process further remains a priority.

This model demonstrates that homelessness can end. From a government efficiency perspective, funds can be repurposed from the health, mental health and justice system to facilitate this initiative.

---

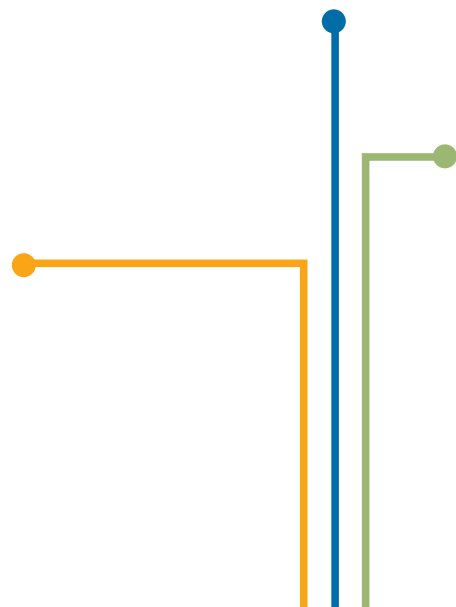
*The costs incurred by government in health and justice services for people experiencing homelessness show that these are substantially greater than the costs of providing housing and supports to the same people.*

---



#### Recommendation

That the State supports the community sector to implement a housing first collective impact model to end homelessness.



## 5.2 Maximise housing assets in partnership with Community Housing Providers

### 5.2.1 Community Housing Policy and Growth Strategy to drive supply

***Harnessing the expertise of community housing providers will increase housing supply through new Commonwealth Investment.***

The affordable housing outcomes sought by the State, will be enhanced by partnering with community housing providers (CHP) to increase, diversify and maximise social housing assets and create a more sophisticated response to housing need.

CHPs have a proven ability to work in collaboration with private industry, financiers through joint ventures and innovative projects to bring social housing supply to market. CHP have demonstrated housing innovation for people with specific housing needs including people with disabilities, with persistent mental health

issues, young people, seniors and Aboriginal people. They can be more flexible in managing their resources, using their assets efficiently to match housing to needs<sup>15</sup>.

The 2017/18 State Government budget papers reference Commonwealth housing initiatives that have the potential to alleviate some of the demand pressure for rental housing<sup>16</sup>. Many of these Commonwealth initiatives will boost supply through CHPs through a bond aggregator to provide cheaper, long term finance for CHPS, increased capital gains tax discounts for affordable housing managed through CHPs, new rules that enable managed investment trusts to acquire, construct or redevelop property and social impact investment<sup>17</sup>.

***Minister Sukkar, speech in Melbourne to community housing organisations, and stakeholders 19<sup>th</sup> September 2017.***

*There is always going to be a place for state governments' public housing stock, but increasingly we see the future being community housing providers*

Stock transfer of social housing to community housing providers, whether titled or management only, with leveraging commitments, has been identified as a key State Government lever to stimulate investment in social and affordable housing<sup>18</sup>. A community housing policy and growth strategy will provide greater clarity to CHPs enabling the sector to plan, invest, and partner with the private sector and government. Also, it will maximise the scope for housing innovation and entrepreneurialism to deliver new supply.

#### Recommendation

Maximise investment and supply through a Community Housing Policy and Growth Strategy to increase specialisation, innovation and investment.

### **5.2.2 Develop a shared assessment framework and tenancy support system co-designed with the community housing and services sector**

Providing support for people into and transitioning out of social housing is critical for tenancy success. Also ensuring that housing eligibility and allocation is responsive to an individual or family's need. Knowing the needs of the people who seek housing assistance, who would benefit from more intensive or targeted assistance, and the outcomes to be achieved from assistance will assist people maintain their tenancies.

Community housing providers have assessment frameworks to assess tenancy need. They conduct a full assessment of tenancy history, risk factors and support needs at the point of application. Intake and assessment services identify and connect users to the type of housing they need and the support they require. This enables early intervention for those who require tenancy support, improving outcomes for the individual and reducing cost to Government through targeted early intervention.

Net of building more supply, there is the opportunity to explore how current assets can be better utilised. There are examples of service delivery models, for example the metropolitan refuge hub model, which provides a collaborative, coordinated, response for women at high risk of harm. This integrated service system response facilitates service co-ordination and a collective governance of portfolio assets.

There is the opportunity to building on CHP frameworks to develop a shared assessment framework at the point of registration, and co-designing a more targeted and integrated housing support system, will provide benefits to government by maximising assets.

This collective approach could determine the tenants for whom the public housing system and its current level of support is appropriate and which individuals require more targeted support. This targeted, integrated housing support system will identify and facilitate the provision of specialist support to transition into and stabilise tenancies. It will provide a more coordinated and integrated model that supports long term stable housing outcomes.



#### **Recommendation**

Develop a shared needs-based assessment framework, register and tenancy support system co-designed with the community housing and services sector and housing consumers.

## 6. METRONET & urban planning reform

The Minister for Transport, Planning and Lands stated that METRONET is as much a land use plan as a transport plan, and each project will be designed to marry the best transport outcomes with optimised land use outcomes<sup>19</sup>.

The planning system can influence housing affordability through the promotion of smaller dwellings, and through planning controls address factors such as housing size, location, orientation and design. Shelter WA supports mandatory inclusionary zoning as is implemented in South Australia. South Australia requires 15 per cent of all new significant developments to be provided as affordable housing, including at least 5 per cent for high-needs housing<sup>20</sup>. Also, it can provide incentives for affordable housing through voluntary or mandatory provisions. These approaches can be applied separately or together, and will inform the policy framework that governs the way planning schemes or policies respond to affordable housing<sup>21</sup>.

METRONET is a key opportunity to leverage affordable and social housing outcomes at scale. An Australian Housing and Urban Research Institute (AHURI) report suggests a ‘precinct approach’ of targeted redevelopment in areas of aged housing stock and existing public housing is a valuable method of increasing density and adding to affordable housing supply<sup>22</sup>.

Research shows that low-income households are more likely to live in the outer areas of the metropolitan area where rental and housing costs are lower, but access to jobs and services is constrained<sup>23</sup>. Other expenses including the additional costs of living in a low quality or poorly located dwellings through transport costs and access to employment, can outweigh the benefits of lower mortgage or rental payments, or vice versa in these areas<sup>24</sup>. METRONET can respond, delivering housing within vibrant, connected communities for people on low to moderate incomes focussed on transport hubs and links.

METRONET, through supportive land use planning policies, provides opportunities to capture a percentage of the land value uplift and channel this into social and affordable housing. To realise this opportunity, the State will need to be proactive by either establishing a clear head of power for local government planning schemes to mandate social and affordable housing targets, or by engaging the Metropolitan Redevelopment Authority to manage the redevelopment. The other option is to encourage local governments to facilitate affordable housing outcomes through their planning schemes, although this measure is less likely to realise METRONET opportunities.

---

***METRONET, through  
supportive land use planning  
policies, can drive the social  
and affordable housing  
outcomes needed for  
Western Australia.***

---

Also, METRONET provides an opportunity for the State to audit, repurpose and reinvest in underutilised government land and assets for additional social housing supply. In 2016, Shelter WA released a research project for the Housing Authority *Identifying Affordable Housing Opportunities on Under-Utilised Land* and outlined suggested criteria that would maximise this<sup>25</sup>. These criteria can be utilised in planning METRONET precincts.

However, METRONET is the only opportunity available to the State. Key State planning documents, such as *Directions 2031* and beyond, outline that 47 per cent of future dwelling in Perth are planned to occur within the existing urban boundary<sup>26</sup>. To achieve this well designed, good quality urban infill will be needed across the urban area. Shelter WA recommends that all State Government land and housing developments include a minimum 15 per cent affordable housing targeted at low-to-moderate income households. Also, that a return of 15 per cent of social and affordable housing is specified in the disposal of State assets.



## Recommendations

- That all State Government land and housing developments include a minimum 15 per cent affordable housing targeted at low-to-moderate income households
- That minimum targets of approximately 10-20 percent are set for social and affordable housing in METRONET precincts in line with market feasibility
- That the State audit, repurpose and reinvest underutilised government land and assets for additional social housing supply
- That a return of 15 per cent of social and affordable housing is specified in the disposal of state assets.

## METRONET





## 6.1 Reforming Strata title – Safeguards for the termination of schemes

Cabinet has supported the drafting of a strata reform legislation package included in a Strata Titles Amendment Bill and a Community Titles Bill<sup>27</sup>. The proposed reforms aim to provide more flexible and sustainable housing options to benefit strata owners, residents, tenants, investors and developers<sup>28</sup>.

Shelter WA supports amendments to the *Strata Titles Act 1985*. These reforms have the capacity to support good quality urban infill and vibrant precincts. The introduction of a Community Title scheme is an important alternative for larger-scale and more complex projects with shared infrastructure and services and for facilitating a mix of uses in a single building or development.

Key to the reform is safeguard provisions for the termination of schemes, and that the reform strengthens protections for minority position owner-occupiers, including vulnerable and disadvantaged homeowners and renters in strata-titled buildings.

The impact of change to strata termination provisions will depend on the geographical location, the structure and condition of the building, the scale of the scheme, and the social, demographic and economic circumstances of the owners and tenants. Housing market alternatives for displaced households will be governed by their level of financial resources and the broader housing market. The options for those with insufficient financial resources to access the private rental market may be limited. Displaced households may put increased stress on a social housing system that is unable to meet demand.

Shelter WA recommends the development of processes and mechanisms to mediate any change and which provide for adequate compensation and affordable rehousing options for displaced low-income households. We recommend discussion of the potential impacts on a range of stakeholders, particularly low-income owners and tenants, prior to legislative change of strata termination thresholds.

---

*Displaced households may put increased pressure on a social housing system that is unable to meet demand.*

---

### Recommendation

That the termination of strata schemes includes mechanisms which provide for adequate compensation and affordable rehousing options for displaced low-income households.



## 6.2 Property Tax – Capitalising on housing assets

Housing affordability and stock utilisation is impacted by current tax arrangements that distort the use of land and buildings in ways that impair the efficient operation of housing markets<sup>29</sup>.

A 2017 Productivity Commission Report, *Realising the Productive Potential of Land*, illustrates that stamp duties are inefficient and presents a strong case to transition from stamp duties to taxes based on unimproved land value<sup>30</sup>. This is because stamp duties on property transfers raise the cost of housing, discourage people from moving and prevent the freeing up properties for more valued uses. This research reinforces findings by The Henry Tax Review, the Grattan Institute and AHURI, which indicates that stamp duties have a detrimental impact on residential mobility, housing affordability and efficient use of the housing assets. Also, stamp duties are volatile depending on property prices and turnover<sup>31 32 33</sup>.

In addition, current land tax arrangements introduce inefficiencies into housing markets by distorting the allocation of land between alternative uses. As tax arrangements are progressive and based on aggregated land holdings, this may be a disincentive to the holding of optimal portfolios of land and weaken the revenue raising capacity of the tax adding to the economic cost per dollar of land tax revenue<sup>34 35</sup>.

By contrast, land taxes designed well and broadly applied, drive a housing supply response and deliver more stable revenues because they are not affected by turnover or the volatility of the housing market<sup>36</sup>. Also by imposing a cost on holding property, it encourages owners make best use of land assets.

A broad-based land tax would have significant benefits well beyond housing affordability. Importantly, these include the creation of a simple value capture mechanism to enable the whole community to benefit from asset values boosted by public investment. The most obvious case in point is new transport infrastructure such as METRONET. This argument also applies to publicly-funded upgrading of facilities such as social housing estates, which AHURI research shows to enrich surrounding private home owners and from which, therefore, the wider community should reap a share to offset government expenditure<sup>37</sup>.

---

***A broad-based land tax can underpin simple value capture mechanisms to enable the whole community to benefit from asset values boosted by public investment.***

---

In 2012, the Australian Capital Territory government began phasing out stamp duty over 20 years, and replacing it with higher municipal rates. Western Australia has some stamp duty concessions as do other States. To maximize current housing assets, the Victorian Government introduced an annual tax of 1 per cent of the capital improved value of taxable land tax on vacant residential properties unoccupied for more than six months a year across inner and middle Melbourne<sup>38</sup>. Vacant property taxes are in place force in Vancouver, Paris. some London boroughs and Toronto<sup>39</sup>. This option could be explored by the Western Australian government to better utilize current assets.

Shelter WA proposes the abolition of stamp duty, to be replaced with a broad-based land tax. Changes to stamp duty and land tax will require a transition period to consider the impact on current home owners, who have already paid stamp duty. To ensure ongoing affordability, considerations will need to be made for low income households during both the transition period and in the ongoing implementation of a broad-based land tax. This could be done by progressively structuring the land tax with exemptions for lower value properties, and/or basing concessions on household income. This will be particularly important for seniors who may live in an area with high value land, but do not have access to sufficient income to pay an annual land tax.



### Recommendation

That the State Government gradually replaces property based stamp duties with a broad-based progressive land tax with exemptions, deferral and/or concessions for low income earners.

## 7. Making Rental More Secure

### 7.1 Review of the *Residential Tenancies Act (1987)*

Access to affordable, safe and secure rental accommodation is a critical component of a diverse and functioning housing market. At present there is significant churn in the rental market with most renters on 6 or 12-month agreements. Recognising that a third of people rent their homes, and there is a growing proportion of long-term renters or renters for life, tenancy reform that provides longer-term tenure security will support and facilitate growth in the affordable rental housing market, providing benefits for both investors and tenants.

A national survey by Choice, National Shelter and the National Association of Tenant Organizations, found that for the increasing numbers of Australians who rent housing is frequently poor quality, insecure and unaffordable<sup>40</sup>. Many tenants felt they are not well catered to when searching for a new home. Some face discrimination on a range of grounds including age and ethnicity and disability. Rental properties are not always in an acceptable condition and landlords are not always responsive to request for repairs and maintenance. Tenants can be reluctant to ask for repairs or complain because they are concerned about eviction or a rent increase they can't afford.

---

*Reform is needed to make rental a viable, long term housing option and to facilitate new property classes such as build to rent.*

---

Unfortunately, those who are hit hardest by unfair rental laws are often those who are already facing disadvantage, including those who have experienced homelessness, people living with mental illness or a disability, older people and low-income households<sup>41</sup>.

In many markets rental is seen as a viable, long term housing option and choice. To facilitate this, greater protection and security is needed for renters. Also, to facilitate new property classes such as a build-to-rent model, longer term leases are needed to provide income security for investors, along with an appropriate mediation framework and rent reviews<sup>42</sup>.

A review of the *Residential Tenancies Act (1987)* will ensure regulation of WAs rental sector is contemporary. Key issues that require review include security of tenure, dispute resolution, the regulation of property conditions and the keeping of pets.



### Recommendation

That the State Government commences the five-year review of the *Residential Tenancies Act (1987)* to ensure all Western Australians have access to safe, affordable and secure rental housing.

## 7.2 Reform of the *Residential Tenancies Act (1987)* to abolish without grounds terminations

Australia is one of only five countries in which most renters can be evicted without being given a reason (a 'no grounds' eviction)<sup>43</sup>.

Section 64 of the *Residential Tenancies Act (1987)* (RTA) provides a lessor with the right to terminate a periodic tenancy by giving the tenant at least 60 days' notice without stating any ground or reason for the termination. Whilst on the face of it without grounds termination may seem reasonable, there is no scrutiny or independent oversight in the termination of tenancies or ability of a tenant to challenge this method of termination in court. Research shows without grounds terminations provides the opportunity for renters to be evicted in retaliation, i.e. for asserting a right, or because of discrimination. Lack of rental security also means renters are much less likely to assert their rights because they are worried about repercussions<sup>44</sup>.

Being forced to move can bring significant personal, social and financial costs. When someone gets evicted there are moving costs, potentially having to pay higher rent in to stay in the same area or being forced to move further away from work and family. Children may have to change schools, which can be traumatic and expensive with the costs involved in new uniforms, text books etc. For renters on low incomes or with complex needs there may be additional consequences. They may accept less stable, less secure, unsuitable or substandard accommodation. They are at a much higher risk of being evicted directly into homelessness.

The RTA provides a range of opportunities for tenancy termination. Part five of the Act provides a range of sections on termination of residential tenancy agreements. This includes termination at the end of fixed term and periodic tenancies, termination due to serious damage or injury. Section 74, of the RTA enables termination where a lessor or tenant would otherwise suffer undue hardship.

Public housing tenants, who, generally on low to very low incomes generally have limited housing options if evicted. This can result in homelessness or lead to overcrowding if they move in with relatives, potentially putting other tenancies at risk. The specific impact of the use of Section 64 by the State Government on public housing tenants warrants review. There is no independent scrutiny or oversight in the termination of tenancies. Also, terminations may not be in the public interest, given the impact on victims of family and domestic violence, people with serious and persistent mental health issues and children, and the cost of homelessness to the individual, society and government. The State has other options to terminate tenants such as S75A of the RTA, which came into effect in December 2014. This section which only applies to public housing tenants and supports the State Government's disruptive behaviours management strategy<sup>45</sup>.

Replacing current 'without grounds' terminations with a comprehensive list of reasonable grounds for ending a lease is fair to landlords and would provide protection for renters against 'unfair evictions'. It would mean all renters have greater security, and could confidently ask for repairs and assert their rights without worrying about receiving an eviction letter.

---

***Replacing current 'without grounds' terminations with a comprehensive list of reasonable grounds for ending a lease is fair to landlords and would provide protection for renters.***

---

### **Recommendation**

That the Residential Tenancies Act is reformed to abolish without grounds terminations. That the State Government places a moratorium on the use no-grounds terminations on tenants in public housing properties.



### 7.3 Amend the *Residential Tenancies Act 1987* in partnership with the community housing and tenancy sector, to include domestic violence tenancy provisions

Family and domestic violence is the leading cause of homelessness for women and children<sup>46</sup>. There are a range of social benefits for women remaining in their own home including preventing homelessness and interruptions to education for children<sup>47</sup>.

Reform of the RTA is required to ensure persons protected by a Violence Restraining Order have an exclusion clause, the ability to stay in the rented premises or leave the tenancy. The provision of a legal avenue for a person to remain in their home provides genuine protection against homelessness, for victims of domestic and family violence and their children. Similarly, a legal avenue to terminate a tenancy, limit liability and finalise tenancy obligations makes it more viable for victims of family violence to find new accommodation.

In Western Australia, the options available to persons protected in the RTA<sup>48</sup> are limited to termination due to undue hardship<sup>49</sup> and recognition of certain persons as tenants<sup>50</sup>. The legislation does not recognise family and domestic violence, and the options available do not consider the urgency when a person protected is applying for termination of a tenancy.

Shelter WA was pleased this reform was a significant issue identified by the Department of Mines, Industry Regulation and Safety in the 2017/18 State Government Budget Papers<sup>51</sup>. This reform will bring Western Australia in line with all other Australian jurisdictions which provide some form of rights in tenancy matters to victims of domestic violence, particularly when protected by a restraining order.

---

***Family and domestic violence is the leading cause of homelessness for women and children.***

---



#### **Recommendation**

That the *Residential Tenancies Act (1987)* is amended to include family and domestic violence provisions.



## 7.4 New regulations for boarding accommodation in partnership with the community housing and tenancy sector.

All other Australian jurisdictions provide a level of protection for boarders and lodgers, with some including prescriptive requirements around minimum standards for boarding accommodation.

The current legislation relating to Western Australian boarding houses is limited to the enforcement of public health requirements and some requirements under local government by-laws. There is currently no specific legislation governing the general rights and responsibilities of the provider and boarder, leaving people to rely on common law principles and the specific terms of their contract, where there is one in place.

There is a need to develop new boarding house legislation in Western Australia. This new legislation must balance the need for consumer protections with the ability for providers to manage their properties flexibly. There are many ways to implement new boarding laws including through stand-alone legislation, amendments to the *Residential Tenancies Act 1987* (WA), standard form agreements and/or codes of conduct. There is the opportunity in developing new boarding laws to consider several issues relating to their scope<sup>52</sup>.

Critical to any reform will be consultation with stakeholders to fully understand the impact of any changes, and a time-frame for implementation. An evaluation framework to measure impact and to determine whether the reforms have ensured desired outcomes will be required. Also, critical to this reform will be establishing processes to ensure ongoing compliance by accommodation providers. This may involve working to improve the management and quality of the accommodation provided, along with effective use of enforcement provisions to ensure all boarding providers are operating in accordance with new standards.

It is hoped new legislation or regulations will not only secure better protections and outcomes for boarders and lodgers, but also facilitate innovative affordable housing solutions by the community housing and private housing sectors.



### Recommendation

That the regulation of boarding and lodging arrangements are reviewed, in collaboration with providers and advocates, and develop legislation that balances the rights and responsibilities of providers and tenants.

## 7.5 Sustainable funding for tenancy advice and education services

The interest earned on rental bond monies is paid into a Rental Accommodation Account (REA) managed by the State Government. The monies in this account can be used to fund community agencies for tenant advice and education purposes, along with covering the costs of the Magistrates Court, Bond Administrator and the Department of Commerce in carrying out functions under the *Residential Tenancies Act (1987)*. A prolonged period of low interest rates, has impacted on the available REA funds from the Bond Account. Due to current low interest rates, in 2016/17 the Department of Commerce did not draw down on these funds to support their operational activities.

This funding reduction is occurring at a time when there is growing demand for services, in part due to the shifting economic climate, a changing labour market and increased job insecurity and unemployment in Western Australia. At a time of financial insecurity, it is critical that people can access tenancy advice and education services, to prevent eviction and minimise the risk of homelessness.

Net of this reduction, existing funding is not sufficient to meet tenancy advice or casework demands. Reduced funding means more people are unable to access advice to resolve tenancy issues. The consequence may be increased eviction if tenants are not able to successfully resolve tenancy issues. Also, Duty Advocate programs at some Courts are at risk of being reduced, as local services experience increased financial pressures. Funding for Aboriginal tenant advocacy services, which provide services across regional Western Australia, has previously been cut partly on the basis that the TAES program met this need. With the very substantial reduction to TAES funding, there is a likelihood this service will not be available to those most in need.

Shelter WA is calling for agreed base-line funding for critical TAES services, net of fluctuations in the Rental Accommodation Account. It is recommended the State Government works with the sector to explore and identify other solutions to de-risk funding for tenancy advice and education services. For example, one options could be capturing penalties paid under the Act which go to consolidated revenue.



### Recommendation

That a funding model to deliver secure and sustained funding for tenant education and advisory services is developed, that guarantees base line funding net of fluctuations in the rental accommodation account.

## 7.6 Explore the feasibility of a Tribunal to address tenancy disputes

Unlike other Australian states, Western Australia does not have a specialist Tribunal to deal with tenancy disputes under the *Residential Tenancies Act 1987* (WA) (RTA)<sup>53</sup>. The Magistrates Court of Western Australia has exclusive jurisdiction to deal with any matter under the RTA for a claim less than \$10 000 (a 'prescribed dispute')<sup>54</sup>.

A tenant or owner can make an application to the Court for various orders including restraining a breach of an agreement and requiring performance<sup>55</sup>. Proceedings are intended to be private, informal and efficient. The rules of evidence do not apply and, in general, the parties are required to present their own case<sup>56</sup>. Agents or legal practitioners may represent parties in certain circumstances, such as where the court deems that one or both parties can not personally conduct proceedings<sup>57</sup>. However, these circumstances are limited, and the court will not grant leave if it believes allowing representation will disadvantage the other party.

Also, the Court has the power to initiate conciliation at any time before or during proceedings. Where the Court considers there is a reasonable possibility of settlement, it may interview the parties in private and endeavour to bring about a fair settlement. The negotiations during this process are without prejudice. There is no appeal process, except where a party argues they were denied natural justice, or that the court lacked jurisdiction<sup>58</sup>.

Although the Magistrates Court has special procedures to facilitate informal proceedings, the fact that it is still within a court system may deter potential litigants from pursuing their grievances<sup>59</sup>. The Department of Commerce's Policy Report of the Review of the *Residential Tenancies Act 1987* (WA) identified that the court system can be formal and intimidating to those unfamiliar with it, and that Court processes are time consuming and can be complex and even incomprehensible for some people<sup>60</sup>.

The Department's Review also reported that most respondents supported the establishment of a residential tenancies tribunal to replace the current dispute resolution system<sup>61</sup>. Respondents argued that a Tribunal, with expert adjudicators, would promote a more conciliatory approach and encourage typically reluctant tenants from attending hearings<sup>62</sup>.

Regardless of the professed informality of the Magistrates Court, research indicates that there are essentially no advantages to not having a tribunal, whilst there are several disadvantages including; Magistrates have no specialized knowledge of residential tenancies law; The physical spectre of the 'court' detracts from the informality of proceedings; and the court has a large workload and high turnover of cases<sup>63</sup>.

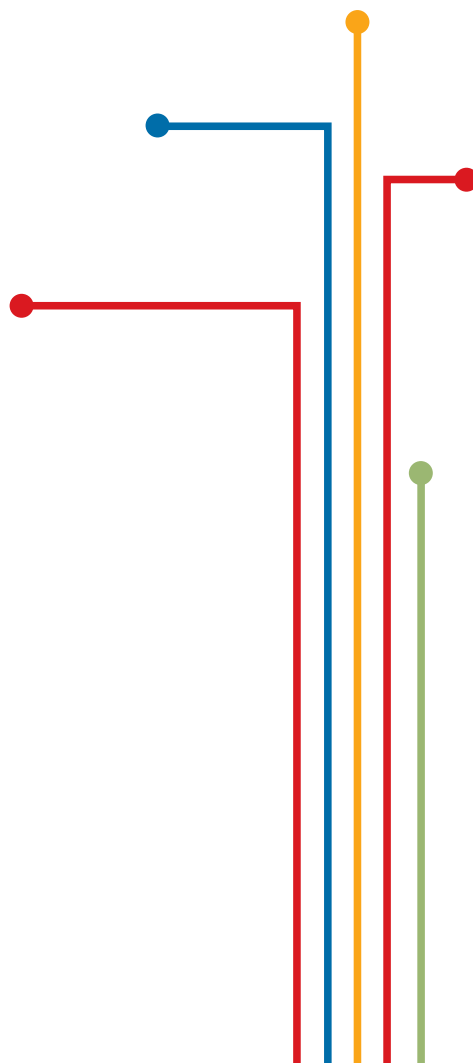
Both owners and tenants in the Review contended that a Tribunal would enable experts in residential tenancy matters to effectively adjudicate disputes and promote a more conciliatory approach to dispute resolution, and both groups suggested that tenants would be more likely to attend a tribunal than a formal court<sup>64</sup>.

Since the 2008 Review of the *Residential Tenancies Act 1987* (WA), the State Administrative Tribunal has been established. Shelter WA recommends that the feasibility of moving tenancy disputes to an independent residential tenancies tribunal or the State Administrative Tribunal is investigated to determine if this remains a better alternative to the current dispute resolution system.



### Recommendation

That the State Government works with the sector to explore the feasibility of moving tenancy disputes to an independent Tribunal or the State Administrative Tribunal.



## 8. References

- <sup>1</sup> The 2016 ABS Census on Population and Housing paints a picture of housing supply that is not matching demand. The data indicates that there are 2.6 people per household in Western Australia. The most common number of bedrooms in a dwelling is 4 or more (44 per cent), with 37.8 per cent of dwellings having 3 bedrooms. <http://www.abs.gov.au/websitedbs/D3310114.nsf/Home/Census?OpenDocument&ref=topBar>.
- <sup>2</sup> [http://www.dhw.wa.gov.au/aboutus/affordablehousingstrategy/Documents/Affordable\\_Housing\\_Strategy\\_2010-20-Fact\\_Sheet.pdf](http://www.dhw.wa.gov.au/aboutus/affordablehousingstrategy/Documents/Affordable_Housing_Strategy_2010-20-Fact_Sheet.pdf).
- <sup>3</sup> Rethink Social Housing <http://www.rethinksocialhousing.com/The-Waitlist>.
- <sup>4</sup> Rowley, S., Leishman, C., Baker, E., Bentley, R. and Lester, L. (2017) Modelling housing need in Australia to 2025, AHURI Final Report No. 287, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/final-reports/287>, doi:10.18408/ahuri-8106901.
- <sup>5</sup> Ware V-A. Housing strategies that improve Indigenous health outcomes. Canberra: Closing the Gap Clearinghouse; 2013.
- <sup>6</sup> Biddle N. Indigenous housing need. Paper 3: CAEPR Indigenous Population Project, 2011 Census Papers. Canberra: ANU; 2012.
- <sup>7</sup> Australian Institute of Health and Welfare, (2011) The health and welfare of Australia's Aboriginal and Torres Strait Islander people, an overview 2011. Cat. no. IHW 42. Canberra: AIHW.
- <sup>8</sup> Vos T, Barker B, Begg S, Stanley L, Lopez AD, Vos T, Barker B, Begg S, Stanley L, Lopez AD. Burden of disease and injury in Aboriginal and Torres Strait Islander Peoples: the Indigenous health gap. *Int J Epidemiology*. 2009; 38(2):470–477. doi: 10.1093/ije/dyn240.
- <sup>9</sup> Birdsall-Jones C, Corunna V. The housing careers of Indigenous urban households. AHURI Final Report No. 149. Melbourne: Australian Housing and Urban Research Institute; 2008.
- <sup>10</sup> Silburn S, Zubrick S, De Maio J, Shepherd C, Griffin J, Mitrou F, Dalby R, Hayward C, Pearson G. The Western Australian Aboriginal child health survey. Perth: Curtin University of Technology and Telethon Institute for Child Health Research; 2006.
- <sup>11</sup> McDonald E. Closing the Gap and Indigenous Housing. *Med J Aust*. 2011;195(11):652–653. doi: 10.5694/mja11.10376.
- <sup>12</sup> Milligan V, Phillips R, Easthope H, Memmott P. Urban social housing for Aboriginal people and Torres Strait Islanders: respecting culture and adapting services. AHURI final report no.172. Melbourne: Australian Housing and Urban Research Institute; 2011.
- <sup>13</sup> [https://www.ahuri.edu.au/\\_\\_data/assets/pdf\\_file/0012/2064/AHURI\\_Final\\_Report\\_No184\\_Policy\\_shift\\_or\\_program\\_drift\\_Implementing\\_Housing\\_First\\_in\\_Australia.pdf](https://www.ahuri.edu.au/__data/assets/pdf_file/0012/2064/AHURI_Final_Report_No184_Policy_shift_or_program_drift_Implementing_Housing_First_in_Australia.pdf).

- <sup>14</sup> Wood, L., Vallesi, S., Kragt, D., Flatau, P., Wood, N., Gazey, A. and Lester, L. (2017). 50 Lives 50 Homes: A Housing First Response to Ending Homelessness. First Evaluation Report. Centre for Social Impact: University of Western Australia, Perth, Western Australia.
- <sup>15</sup> New South Wales. Department of Family and Children's Services (2016) Social Housing Future Directions. Retrieved from <http://www.facs.nsw.gov.au/reforms/social-housing/future-directions/faqs>.
- <sup>16</sup> Western Australia, Department of Treasury, (2017) State Government Budget 2017-18 Papers, p 238 <http://static.ourstatebudget.wa.gov.au/17-18/2017-18-wa-state-budget-bp2-vol2.pdf?>.
- <sup>17</sup> Australian Government, The Treasury, Consultation Paper National Housing Finance and Investment Corporation, September 2017, p 12 and p18.
- <sup>18</sup> Op Cit, page 4.
- <sup>19</sup> Saffioti, MLA, Hon R (2017) Specialist Team to Drive Metronet vision <https://www.mediastatements.wa.gov.au/Pages/McGowan/2017/05/Specialist-team-to-drive-METRONET-vision.aspx>.
- <sup>20</sup> <https://renewalsa.sa.gov.au/building-our-future/affordable-housing/>
- <sup>21</sup> [https://www.planning.wa.gov.au/dop\\_pub\\_pdf/Planning\\_for\\_Affordable\\_Housing\\_Discussion\\_Papr\\_-\\_Final\\_Draft.pdf](https://www.planning.wa.gov.au/dop_pub_pdf/Planning_for_Affordable_Housing_Discussion_Papr_-_Final_Draft.pdf), page 4.
- <sup>22</sup> Murray, S., Bertram, N., Khor, L., Rowe, D., Meyer, B., Murphy, C., Newton, P., Glackin, S., Alves, T. and McGauran, R. (2015) Processes for developing affordable and sustainable medium-density housing models for greyfield precincts, AHURI Final Report No. 236, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/final-reports/236>.
- <sup>23</sup> Anglicare WA (2014) Minimum wage earners living on the outer, <https://www.anglicarewa.org.au/news/article/04052014-207/minimum-wage-earners-living-on-the-outer.aspx>.
- <sup>24</sup> [https://www.planning.wa.gov.au/dop\\_pub\\_pdf/Planning\\_for\\_Affordable\\_Housing\\_Discussion\\_Paper\\_-\\_Final\\_Draft.pdf](https://www.planning.wa.gov.au/dop_pub_pdf/Planning_for_Affordable_Housing_Discussion_Paper_-_Final_Draft.pdf).
- <sup>25</sup> Shelter WA (2016) Identifying Affordable Housing Opportunities on Under-Utilised Land. Shelter WA.
- <sup>26</sup> Western Australian Planning Commission 2010, Directions 2013 and beyond: metropolitan planning beyond the horizon. Perth, Western Australian Planning Commission.
- <sup>27</sup> <https://www.mediastatements.wa.gov.au/Pages/McGowan/2017/05/Strata-reforms-to-support-vibrant-communities.aspx>.
- <sup>28</sup> <https://www0.landgate.wa.gov.au/titles-and-surveys/strata-reform>.
- <sup>29</sup> Wood, G., Ong, R., Cigdem, M. and Taylor, E. (2012) The spatial and distributional impacts of the Henry Review recommendations on stamp duty and land tax, AHURI Final Report No. 182, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/final-reports/182>.
- <sup>30</sup> Productivity Commission 2017, Realising the Productive Potential of Land, Shifting the Dial: 5 year Productivity Review, Supporting Paper No. 10, Canberra., p 2.
- <sup>31</sup> Australian Government (2009) Henry Tax Review, Review of Australia's Future Tax System: Final Report pages 51 to 54.

<sup>32</sup> Grattan Institute (2015) Property Taxes, <https://grattan.edu.au/wp-content/uploads/2015/07/826-Property-Taxes.pdf>.

<sup>33</sup> AHURI Op cit.

<sup>34</sup> This was identified by the Australian Council of Social Service, National Shelter, the Community Housing Federation of Australia, Homelessness Australia, and the National Association of Tenant Organisations in their An Affordable Housing Reform Agenda, which outlines the advantages of replacing stamp duty with a broad-based land tax.

<sup>35</sup> An Affordable Housing Reform Agenda, ACOSS, CHFA, Homelessness Australia and Nato, 2015, page 14.

<sup>36</sup> Productivity Commission 2017, Realising the Productive Potential of Land, Shifting the Dial: 5 year. Productivity Review, Supporting Paper No. 10, Canberra., page 30.

<sup>37</sup> <https://grattan.edu.au/news/following-the-act-land-tax-approach-boosts-growth-and-state-budgets>.

<sup>38</sup> <http://www.sro.vic.gov.au/2017-vacant-residential-property-tax-faqs>.

<sup>39</sup> <http://blogs.unsw.edu.au/cityfutures/blog/2017/03/by-far-and-away-the-biggest-housing-tax-reform-prize-on-offer>.

<sup>40</sup> Choice, National Shelter, National Association of Tenants Organizations (2017), Unsettled: life in Australia's private rental market.

<sup>41</sup> <http://www.shelter.org.au/sites/natshelter/files/public/documents/The%20Australian%20Rental%20Market%20Report%20Final%20Web.pdf>.

<sup>42</sup> EY Real Estate Advisory Services Multi-Family as an Asset Class in Australia: Are we there yet, June 2017, p3.

<sup>43</sup> <https://rentingfair.org.au/need-to-know>.

<sup>44</sup> Choice, National Shelter, National Association of Tenants Organizations (2017), Unsettled: life in Australia's private rental market, p21.

<sup>45</sup> [http://www.dhw.wa.gov.au/HousingDocuments/Rental\\_Policy\\_Manual.pdf](http://www.dhw.wa.gov.au/HousingDocuments/Rental_Policy_Manual.pdf).

<sup>46</sup> Australian Government. Australian Institute of Health and Welfare, (2008) Homelessness White Paper The Road Home-A National Approach to Reducing Homelessness [http://www.dss.gov.au/sites/default/files/documents/05\\_2012/the\\_road\\_home.pdf](http://www.dss.gov.au/sites/default/files/documents/05_2012/the_road_home.pdf). page 5.

<sup>47</sup> These are outlined by Robyn Edwards in Beyond the Divide and include less school disruption for children, not having to go into the refuge circuit and a sense of justice that the perpetrator has borne some of the consequence for their actions. [http://www.adfvc.unsw.edu.au/RR\\_docs/RobynEdwardshomeless.pdf](http://www.adfvc.unsw.edu.au/RR_docs/RobynEdwardshomeless.pdf)

<sup>48</sup> Western Australia. The Residential Tenancies Act 1987 (WA) Retrieved from [https://www.slp.wa.gov.au/legislation/statutes.nsf/main\\_mrtitle\\_821\\_homepage.html](https://www.slp.wa.gov.au/legislation/statutes.nsf/main_mrtitle_821_homepage.html).

<sup>49</sup> Residential Tenancies Act 1987 (WA) Section 74 Termination of agreement where lessor or tenant would otherwise suffer undue hardship.

<sup>50</sup> Residential Tenancies Act 1987 (WA), Section 59C Recognition of certain persons as tenants.



<sup>51</sup> Western Australia. Department of Treasury (2016) State Government Budget 2016-17 Papers, page 508.

<sup>52</sup> Preliminary feedback from the sector indicates there is confusion as to what is a tenancy or boarding arrangement. There is often uncertainty when negotiating and managing boarding agreements as to what laws apply; many accommodation providers are exploring new ways to develop accommodation for their residents and need clarity on what laws will apply in each case. There is also a need to exclude some specific forms of accommodation from the ambit of new boarding laws. Whilst there is a necessity to ensure parties have sufficient flexibility to contract, there is a need to ensure that WA boarders and accommodation providers have some standard form of minimum protection underpinning their arrangements. This could include standard rights and responsibilities and look at issues such as house rules, security bonds, provider disclosure and terminations. For example, it is critical when a condition of staying at a lodging house is compliance with house rule requirements, (such as no alcohol etc.) that service providers can exercise these controls and end lodging arrangements when people are in breach of these rules and potentially impacting other residents' quiet enjoyment. At the same time, there is a requirement to review and introduce new minimum standards that require boarding accommodation to be provided in a safe, secure, accessible and generally good condition. In addition, it would be useful to consider the current State and local government planning and approval processes facing developers and investigate opportunities to reduce red tape.

<sup>53</sup> Queensland, Northern Territory and Western Australia are jurisdictions which do not have a specialized Tribunal to deal with disputes under their Residential Tenancies Acts.

<sup>54</sup> Residential Tenancies Act, 1987 (WA) Section 12.

<sup>55</sup> Op Cit, Section 15(2).

<sup>56</sup> Op Cit, Section 21 and 22.

<sup>57</sup> Op Cit, Section 22 (2) and (3.)

<sup>58</sup> Op Cit, Section 23.

<sup>59</sup> Bradbrook, A.J. Residential Tenancies Law - The Second Stage of Reforms (1998) 20 (3) Sydney Law Review 402, 402.

<sup>60</sup> Western Australia, Department of Commerce, Policy Report, Review of the Residential Tenancies Act 1987 (WA), January 2008, page 165.

<sup>61</sup> Op Cit, page 168.

<sup>62</sup> Op Cit, page 168.

<sup>63</sup> Bradbrook, A J, Poverty and the Residential Landlord and Tenant Relationship (1975) AGPS, Canberra, Ch 1, Sackville, R, Law and Poverty in Australia (1975) AGPS, Canberra, ch3.

<sup>64</sup> Western Australia, Department of Commerce, Policy Report, Review of the Residential Tenancies Act 1987 (WA), January 2008, page 168.

<sup>65</sup> [https://www.planning.wa.gov.au/dop\\_pub\\_pdf/Planning\\_for\\_Affordable\\_Housing\\_Discussion\\_Paper\\_-\\_Final\\_Draft.pdf](https://www.planning.wa.gov.au/dop_pub_pdf/Planning_for_Affordable_Housing_Discussion_Paper_-_Final_Draft.pdf).



## Definitions used in this submission

### **Affordable housing and housing stress**

*'Housing stress' refers to housing that costs more than 30 per cent of a household's income, specifically for households in the lowest 40 per cent of income distribution. This is known as the 30/40 rule. 'Affordable housing' refers to housing which is affordable for low income households and for which they are paying less than 30 per cent of their income. Shelter WA acknowledges that this is a crude measure of affordability that may not take into consideration important differences between households that may affect their ability to meet housing costs.*

### **Social Housing**

*Social housing includes:*

- *public housing properties managed by the State Government, and*
- *community housing properties either owned by a Community Housing Provider or by the State and managed by a Provider.*

### **Affordable Living**

*The concept of affordable living recognises that direct rental or mortgage payments are not the only cost that households incur. Other expenses include the consumption of water, gas and electricity, property fees and taxes, the cost of transport (to work, education and shopping) and the price of food. Affordable living provides a framework that considers these costs. In some cases, the additional costs of living in a low quality or poorly located dwelling (through transport, energy and water costs etc.) can outweigh the benefits of lower mortgage or rental payments, or vice versa<sup>65</sup>.*

### **Housing First**

*Housing First is an approach that connects people experiencing homelessness with long-term housing as quickly as possible and without preconditions. Housing First is guided by the belief that a safe home is a human right and a basic need that must be met whilst attending to personal issues. The model is based on evidence that people, even with long histories of homelessness, mental illness or addictions, can achieve housing stability in long-term housing if provided with the right services and supports.*

# Shelter WA

Claisebrook Lotteries House

1<sup>st</sup> Floor, 33 Moore Street

East Perth WA 6004

**Phone:** (08) 9325 6660

**Fax:** (08) 9325 8113

**Email:** [shelterwa@shelterwa.org.au](mailto:shelterwa@shelterwa.org.au)

**[www.shelterwa.org.au](http://www.shelterwa.org.au)**