

SOCIAL HOUSING

Invest in and manage social housing as essential infrastructure

Social housing is a critical part of the housing continuum that provides an important safety net for people on very low incomes who require a place to call home.

There is significant unmet demand for social housing in Western Australia. In 2024, there are over 20,000 households on the social housing waitlist.^[1] As of 2021, researchers calculated a shortage of 39,400 social housing dwellings across the state.^[2]

Due to years of underinvestment from all levels of government, social housing represents just 3.8% of WA's total housing stock,^[3] which is below the national average of 4.3% and is very low by international standards^[4] This has led to extended wait times and a reduced safety net where social housing is only able to be allocated to those with very complex needs or an urgent need for a home.^[5]

Shelter WA is calling for ongoing increased investment in social housing to ensure that a diverse range of social housing products are available, with homes close to public transport, services and amenity, to anyone who needs it.

Addressing the shortfall of social housing is a shared responsibility of Commonwealth and state governments. It is vital that state government programs are designed to leverage federal investment, for example from the Housing Australia Future Fund (HAFF).

To maximise investment, the Commonwealth Government's National Housing and Homelessness Plan must include specific targets across the housing continuum, **including a longer term target to increase social housing to 10% of total housing stock by 2036.** It should also be focused on housing people on low and very low incomes.

We need a step change so social housing is treated as essential infrastructure.^[6]

This would involve:

- Demand modelling with investment commensurate to current and projected need.
- Adequate, rolling and permanent funding and financing mechanisms.
- Dedicated investment streams for new supply *and* asset management.
- Investment cycles that complement broader economic trends.

In WA, social housing investment needs to be more closely aligned with evidence-based needs modelling. The current *WA Housing Strategy 2020-2030* is targeting only a 6% net increase in social homes this decade which is inadequate and should be revised to align with current and projected need. Given the significant variation in housing markets across the state, demand modelling should be conducted at a regional level to ensure investment and policies meet localised conditions.

[1] Extract from Hansard (16 April, 2024). Public housing – waitlist. From: [https://www.parliament.wa.gov.au/Hansard/hansard.nsf/0/135d3ac19deae2b248258b1200272a19/\\$FILE/C41+S1+2024_0416+p1356d-1357a.pdf](https://www.parliament.wa.gov.au/Hansard/hansard.nsf/0/135d3ac19deae2b248258b1200272a19/$FILE/C41+S1+2024_0416+p1356d-1357a.pdf)

[2] Van den Nouwelant, R and Soundararaj, B (2022) Quantifying Australia's unmet housing need: a national snapshot. UNSW & CHIA.

[3] Infrastructure WA (2022) State Infrastructure Strategy: Foundations for a Stronger Tomorrow.

[4] OECD (2024) Data dashboard see: <https://www.oecd.org/housing/data/affordable-housing-database/housing-policies.htm>

[5] AHURI (2019) Understanding the 'residualisation' of social housing. Policy brief.

<https://www.ahuri.edu.au/research/brief/understanding-residualisation-social-housing>

[6] Lawson et al. (2019) Social housing as infrastructure: rationale, prioritisation and investment pathway, AHURI. <https://www.ahuri.edu.au/sites/default/files/migration/documents/Social-housing-as-infrastructure-rationale-prioritisation-and-investment-pathway-Executive-Summary.pdf>



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In addition to increasing supply, the standards for social housing must be improved, and government accountability for outcomes should be strengthened. WA's

social housing assets are ageing and of deteriorating quality, with only 82% of public housing dwellings meeting the most basic standards for habitation in 2023.^[7] More proactive and robust asset management systems are urgently required to maintain new and existing dwellings. There is a need for improved liveable standards for social homes to meet modern expectations and reduce the cost of running the home.

Along with appropriate homes, allocation and tenancy management policy must be reformed to better respond to individual needs,

minimise tenancy risk factors, and include exit planning to prevent evictions into homelessness. Policies should facilitate opportunity, and not entrench disadvantage, with clear housing pathways for tenants whose income increases during their tenancy.

Shelter WA recommendations:

- That the Commonwealth Government's National Housing and Homelessness Plan include a goal of increasing social housing to 10% of all housing stock by 2036.
- That the WA State Government revise the social housing targets in the *WA Housing Strategy 2020-2030* to reflect current and projected evidence-based need over the next decade, including a range of supportive housing options to meet the diverse needs of the population. These targets should complement Commonwealth Government policy and strategies.
- That the WA State Government develop and implement regional housing plans.^[8]

[7] Productivity Commission (2024) Report on Government Services. Part G: Housing and Homelessness. Table 18A.36

[8] As recommended by Infrastructure WA in the *State Infrastructure Strategy: Foundations for a Stronger Tomorrow*.

[9] For more detail about proposed minimum standards please refer to Make Renting Fair's 'Out with the Mould: The Case for Minimum Standards in WA' report releasing in October 2024 at <https://makerentingfairwa.org.au/resources/reports/>

- That the WA State Government establish permanent, adequate, rolling funding and financing mechanisms to deliver and maintain a pipeline of social housing in line with evidence-based need. These mechanisms should work proactively to leverage federal investment and facilitate growth of the community housing sector.
- That the WA State Government reform the social housing allocation process, including shifting from a waitlist approach to a housing needs register that prioritises applicants based on greatest need rather than length of wait.
- That the WA State Government set clear minimum rental standards under the Residential Tenancies Act to ensure all rental homes (including social housing) meet a set of 'bare minimum' standards, 'healthy homes' energy efficiency standards and accessibility standards that are progressively phased in.^[9]
- That the WA State Government invest in a statewide 'healthy homes' retrofit program for all social housing to improve thermal comfort, energy efficiency and the cost of living for tenants.^[10]
- That the WA State Government introduce a transparent quality assurance framework for the management of social housing that includes: transparent performance metrics, a commitment to best practice asset management, embedding supportive landlord practices into tenancy management, reducing the ratio of housing officers to tenancies and ensuring that no one is evicted from social housing into homelessness
- That the WA State Government review and reform income eligibility limits for social housing to remove tenant disincentives to employment and create pathway options out of social housing, while protecting against homelessness.

[10] This program should include additional measures like energy efficient water heaters and rooftop/community solar to further reduce emissions in social housing, and to better equip tenants for climate changes. In extreme climate zones such as the Kimberley, individual or community batteries should be included to maximise use of renewables to power air conditioners and reduce energy bills to help combat energy poverty.