

Housing 2020

Delivering a flexible, efficient and responsive housing assistance system for Queensland's future







Premier's message

In a great state like Queensland, it is important that we ensure our most vulnerable have access to safe and affordable housing. Yet for too long, Queensland's social housing system has been held back by an old fashioned delivery model, underpinned by outdated assumptions.

Social and economic changes have created pressures on the system that would have been inconceivable 20 years ago. In two decades, the households seeking housing assistance have undergone immense change.

Whereas in days gone by, tenants tended to be low income working families, these days applicants are far more likely to be singles or single parents, reliant on either a government pension or other form of social security. More than half of these households will have at least one member with a disability.

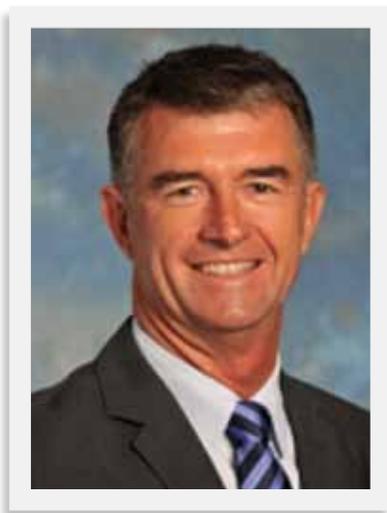
Unfortunately, while the needs of social housing applicants have evolved, our housing system has not. In defiance of the changing circumstances, previous governments have continued to provide large numbers of detached public housing properties in suburban enclaves with little regard to their suitability for new tenants, or the social consequences for the community at large.

Those days are at an end. The Housing 2020 Strategy marks the beginning of a new era and will deliver the major renewal necessary to bring Queensland's social housing system into the 21st Century.

Housing 2020 will deliver a flexible, efficient and responsive housing system that features a stronger role for non-government providers and a broader range of options to help low-income families into sustainable accommodation.

Through these reforms, my Government will bring Queensland's social housing system in line with the current demand and make a real difference to the lives of our most vulnerable.

Campbell Newman
Premier of Queensland



Minister's message

Access to appropriate and affordable housing is not just about shelter. It's also an important contributor to health, child development and workforce participation. In fact, without a stable home, it's almost impossible to make a go of things in any other part of your life.

Queensland's social housing system faces significant challenges. Current housing stock is not well aligned to the needs of our tenants and, due to the advanced age of many properties, poses an unsustainable maintenance burden on the State.

Tough economic times have increased demand for housing assistance at the same time as the available funding has dwindled. Unless we take action, vulnerable Queenslanders could face years of uncertainty as they wait for a place in the system. Clearly, we need a new approach.

The Housing 2020 Strategy will create a bigger service delivery role for community housing organisations and expand the range of housing services available to low-income households, including opportunities to secure an affordable place in the private rental market.

Under Housing 2020, the Government will change from being a direct provider of long-term housing, to being a regulator and purchaser of these services from the community housing sector.

Our aim is to establish a flexible, regionally based, integrated system that, by 2020, will deliver an additional 12,000 homes and see up to 90% of social housing dwellings managed by community housing providers. Over this period, we will also see the introduction of a variety of options to help people find suitable accommodation in the private market.

These reforms represent some of the biggest changes to the social housing system since its creation, and while the road to 2020 may be difficult, we should never lose sight of why we are doing it. Housing 2020 is about providing the most vulnerable members of our society with the security and dignity that comes from having a place to call home.

Tim Mander

Minister for Housing and Public Works

Housing assistance in Queensland

Housing assistance in Queensland is provided to people in housing need, led by the State Government and supported by not-for-profit providers. Housing assistance may be provided through social housing dwellings or programs which aim to help people to remain in the private housing market.

As at 31 December 2012, there were 72,329 social housing dwellings in Queensland, of which 54,394 (75%) were government-owned and managed through a state-wide network of 23 Housing Service Centres. Community housing providers (not-for-profit community organisations and local governments, including Indigenous councils), owned and/or managed 17,935 (25%) of social housing dwellings.

The majority of social housing stock (63.2%) is over 20 years old, leading to increasing maintenance costs and need for renewal.

Since 2006, the allocation of social housing has been prioritised to households with the highest housing needs, including those experiencing, or at risk of, homelessness.

Of the 23,550 eligible applications for long-term social housing listed on the State's Housing Register (as at 31 December 2012), 56.3% were in very high or high needs categories and included people who were homeless or at risk of homelessness.

In the 12 months to 31 December 2012, 94% of allocations to social housing

tenancies were from the very high and high need levels of the Housing Register.

The highest percentage of applications was from singles (49%) and single parents (31%). As a result, the majority of households being assisted requires one or two bedroom dwellings whilst the majority of existing public housing stock has three or four bedrooms.

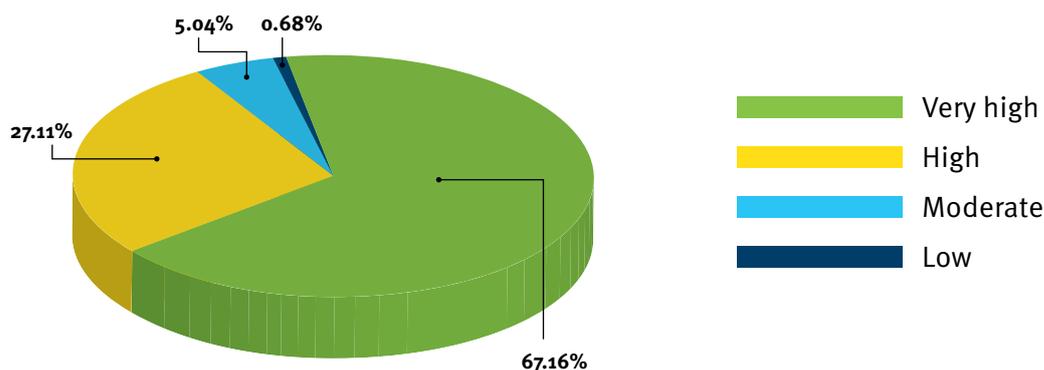
Generally speaking, these very high and high need households have lower incomes, require more intensive management and support to maintain their tenancies, remain in social housing for longer periods and are less likely to transition into the private market.

Whereas in the past, tenants were predominantly low income working families, nowadays, the average tenant is likely to be dependent on a government pension or other form of social security. The major salary bracket for those waiting for social housing was between \$15,000 and \$29,999 per annum (as at 31 December 2012).

Because social housing rent revenue are calculated at no more than 25% of household income, the declining income of tenants in turn means the system has less revenue to sustain itself.

This combination of falling rent revenue, increasing maintenance and unsuitable stock has caused a crisis in social housing that must be addressed if we are to have a chance of housing those households currently on the Housing Register.

Percentage of new households allocated to government-managed social rental housing, by segment of need for 12 months to 31 December 2012



The challenge

Queensland's sustained and rapid population growth, coupled with reduced housing construction since the global financial crisis (GFC), has led to an increasing gap between dwelling demand and supply.

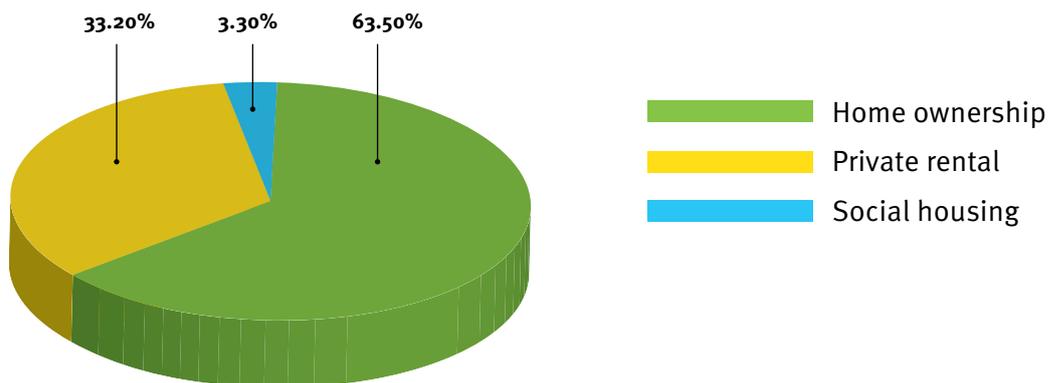
In 2012, the National Housing Supply Council estimated a shortfall of 83,000 dwellings in Queensland. Construction levels over the last decade have failed to keep up with population growth. This has led to an increase in rents, particularly in the resource regions, which has made private rental housing unaffordable for many Queenslanders. In addition, the development of affordable housing has been slow and has generally required some form of government subsidy. The shortage of affordable housing in the private market places greater pressure on social housing.

There have also been large increases in residential property values. Between 2005/06 and 2010/11, the median house price rose by 33% (\$105,000) and the median unit price by 24.6% (\$70,000). Whilst this growth has

slowed, the flow-on effect of high house prices has resulted in wide spread and detrimental impacts on housing affordability for many Queensland households. Despite the fact that there are affordable rental properties in Queensland, due to increases in house prices, households on medium to high incomes are choosing to remain in lower cost private rental properties for longer periods to save a deposit that is large enough to meet house prices and/or more conservative lenders' requirements. This has the effect of forcing low-income households to pay unaffordable rents, or is pushing them out of the private rental market.

The majority of households in Queensland live in the private housing market. About two-thirds (63.5%) of households either own their home outright or are paying off a mortgage. This is equally split between outright ownership and paying a mortgage. A further 33.2% of households access the private rental market, with some of those households likely to be experiencing some level of rental stress.

Percentage of Queensland housing tenure types (from Census 2011)



Despite social housing comprising only a small proportion of the overall housing supply in Queensland, it plays a vital role in the community. As well as meeting the basic need for shelter, social housing makes a positive contribution to individuals' health, wellbeing and employment opportunities, and confers a level of independence on disadvantaged households with complex and ongoing needs.

The current approach to housing provision tends to gravitate to two clear segments:

- 'affordable' rental housing or home ownership usually underpinned by government supported schemes such

as housing grants, National Rental Affordability Scheme and bond loan assistance. Households generally pay between 50% and 80% of market rents where affordable housing is subsidised.

- social housing, primarily provided by state and local governments or the community housing sector, with rents set as a percentage of assessable household income rather than being market-based. Rents in this category are typically calculated at 25% of assessable household income.

Social housing at a glance

- There were 72,329 social housing dwellings in Queensland, of which 75% were government-owned and managed
- Social housing rents are calculated at 25% of the household's assessable income
- Average social housing rent was \$120 per week
- 94% of allocations were to applicants in the very high or high needs categories
- 80% of applicants were singles or single parents
- The most common income bracket for social housing applicants was between \$15,000 and \$29,999.

*(Figures as at 31 December 2012)



The path forward

The old: Features of Queensland’s old social housing system	The new: Features of a flexible, efficient and responsive housing assistance system
<p>A view that social housing is a home for life.</p>	<p>Greater emphasis on social housing as a transitional period on the path to private rental or home ownership.</p>
<p>Existing supply of three and four bedroom properties poorly aligned with the needs of tenants.</p>	<p>Re-aligning the portfolio with greater emphasis on the delivery of one and two bedroom units to reduce under-occupancy and maintenance costs.</p>
<p>Social housing characterised by old-fashioned and unattractive dwellings.</p>	<p>Social and affordable housing characterised by modern, visually appealing properties that contribute positively to urban design.</p>
<p>The lack of alternative support programs resulting in excessive demand for social housing.</p>	<p>Where possible, additional programs and support services will help social housing applicants find and secure private rentals.</p>
<p>The consequences for unacceptable behaviour from social housing tenants not applied consistently resulting in extensive damage to properties and unfair disturbance to neighbours.</p>	<p>Unacceptable behaviour to be met with clear and consistent penalties under a new ‘three strikes’ policy.</p>
<p>Systemic inefficiencies meant it was impossible to maintain and expand the housing portfolio without vast sums of taxpayers’ money.</p>	<p>Social housing delivery to be made more flexible and efficient by engaging the expertise of community housing providers, better land use, better rent management policies and more efficient maintenance programs.</p>
<p>The Government is the primary provider of social housing services.</p>	<p>Community housing organisations can more effectively deliver tenancy management services and are better able to engage other providers to deliver additional support to vulnerable tenants.</p>
<p>Indigenous home ownership considered impossible to achieve in remote communities.</p>	<p>The possibility of home ownership in remote locations is significantly increased by working with local communities and removing longstanding barriers around land tenure.</p>

A new strategic approach

In transforming our future approach to the delivery of housing assistance, we will sharpen the focus on the partnerships between government, non-government housing providers and the community services sector, to deliver integrated housing responses that provide lower-income households with tailored social housing assistance. The emphasis will be on creating opportunities to secure and maintain housing in the affordable and private housing markets.

Housing 2020 will aim to establish a financially-sustainable, regionally-based, integrated system that, by 2020, will see social housing services mostly, if not fully, delivered by community housing providers. Government will take a broader vision for social housing reform in Queensland, which will include increasing development of affordable housing and support within the private market.

Priority will continue to be given to supporting those households with the highest housing need but, wherever possible, capitalising on opportunities for building the capacity of households to progress to the private rental market or home ownership.

Implementation of Housing 2020 will be integrated with the Queensland Government's Homelessness-to-Housing Strategy, to maximise housing opportunities for disadvantaged Queenslanders.

There will need to be strong linkages between the full range of housing assistance measures, and other relevant government programs, especially homelessness, health, disability, education and training.

The outcomes from Housing 2020 will also see major contributions to economic development, particularly in the regions, new urban renewal projects and improved housing and infrastructure delivery to remote Indigenous communities. Opportunities for ethical investment in Queensland will be explored to broaden the capital base available to the sector.

The Housing 2020 Implementation Plan is a rolling set of targeted actions that will reshape housing assistance in Queensland.

Delivery will be guided by five principles

Housing 2020 will be guided by five principles that reflect the Government's approach to building a four pillar economy:

1. Renewing and reconfiguring social housing.
2. Growing and innovating through partnerships.
3. Facilitating housing pathways to the private market.
4. Better use of social housing and support resources.
5. Improving the housing outcomes of Queenslanders most in need.

Housing 2020: what we will achieve

A flexible, efficient and responsive housing assistance system for our most vulnerable Queenslanders, featuring a stronger service delivery role for community housing providers, and providing lower-income households with the help they need to secure appropriate and affordable housing in the private rental market.

Objectives for 2020:

1. Build 12,000 additional social and affordable housing dwellings.
2. Transfer 90% of the management of all social housing dwellings to the non-government sector.
3. Create conditions for 8 to 10 major providers in social housing management working with smaller specialist providers through a fair and equitable procurement model.
4. Reduce statewide under-occupancy of social housing to 2%.
5. Provide assistance to 250,000 low-income households to remain in or move to the private rental market instead of social housing.
6. Facilitate 5 major urban renewal projects, including revitalising areas which have a high concentration of social housing.
7. Implement an integrated triage system for those with multiple needs, including disabilities, entering the housing system. This ensures services are used more efficiently and effectively.
8. Deliver 820 new Indigenous properties for rent and transition at least 200 Indigenous families to home ownership in remote communities, to reduce overcrowding and take the pressure off social housing.
9. Implement the National Regulatory System Framework to help develop and oversee a robust and financially viable community housing sector.

How will we achieve this?

The Housing 2020 Implementation Plan details the outcomes and deliverables that will guide the Government's actions in the coming years.

Timeframes and numbers of new dwellings are estimated targets, which will depend on demand changes, available sites, development opportunities, impacts of management transfer outcomes and funding arrangements.

Housing 2020 Implementation Plan

1: Renewing and reconfiguring social housing

Outcome	Deliverables	Timing
Develop Regional Housing Plans to address local housing priorities and service all regions of the State	Logan <ul style="list-style-type: none"> 500 additional social and affordable dwellings 	Progressively, with first plan delivered by June 2014
	Gold Coast <ul style="list-style-type: none"> 500 additional social and affordable dwellings Negotiations for tenancy and property management finalised by the end of 2013 	
	Sunshine Coast <ul style="list-style-type: none"> 750 additional social and affordable dwellings A contestable approach to be undertaken for tenancy and property management by June 2014 	
	Redcliffe <ul style="list-style-type: none"> 50 additional social and affordable dwellings A contestable approach to be undertaken for tenancy and property management by the end of 2013 	
	Townsville <ul style="list-style-type: none"> 500 additional social and affordable dwellings A schedule of potential redevelopment sites developed with the region by end of March 2014 A contestable approach to apply to non-government participation in the development and delivery of social and affordable housing in the region 	
	Gladstone <ul style="list-style-type: none"> 400 additional social and affordable dwellings A contestable approach to be undertaken for tenancy and property management by the end of 2014 In the high concentration areas, development of a “vacancy chain” plan to enable ongoing redevelopment and reduction of under-occupancy through the construction of 1 and 2 bedroom apartments A schedule of potential renewal sites in the region by end of March 2014, with a focus on surplus land sites available to provide affordable housing through sale and/or redevelopment (including non-housing asset surplus land) 	
	Mt Isa <ul style="list-style-type: none"> Implementation of the first stage (3 year timeline) of the Mt Isa Regional Housing Plan 	

Outcome	Deliverables	Timing
	<p>Regional Housing Plans</p> <ul style="list-style-type: none"> • For all other regions, including: <ul style="list-style-type: none"> – Brisbane, Cairns (metropolitan), Far North Queensland – Remote Indigenous communities – Rural and remote communities (focusing on western region local government areas) – high population growth centres (Toowoomba, Wide Bay, Mackay) • Local engagement will be undertaken prior to finalising each plan 	
Implement major renewal projects to address high concentration of older public housing	<ul style="list-style-type: none"> • Renewal projects planned for: <ul style="list-style-type: none"> – Logan – Gold Coast – Townsville – Mt Isa – Gladstone 	<p>First plan to be completed and implementation commenced by early 2014</p> <p>Balance of plans progressively to June 2020</p>
A 10% improvement in efficiency in the maintenance of housing stock	<ul style="list-style-type: none"> • Achieve 10% improvement in efficiency and effectiveness in the delivery of social housing maintenance programs 	June 2014
Provide at least 3 supported accommodation facilities	<ul style="list-style-type: none"> • Deliver supported accommodation facilities in Redcliffe, Townsville and Cairns • Potentially deliver another two supported accommodation facilities at locations to be determined 	First stage of three new facilities by 2015-16



2: Growing and innovating through partnerships

Outcome	Deliverables	Timing
90% of social housing management transferred to non-government organisations by 2020	<ul style="list-style-type: none"> • Transfer of tenancy management of 4,731 properties in Logan • A road map for the transfer of remaining tenancy management services to community housing providers, outlining: <ul style="list-style-type: none"> – regional strategies for reconfiguring the delivery of social housing – estimated implementation timelines 	<p>By early 2014</p> <p>By November 2013</p>
Build capacity of 8 to 10 major providers	<ul style="list-style-type: none"> • 8 to 10 major National Regulatory System providers, supported by smaller providers, who have appropriate governance, infrastructure and capability to successfully manage large tranches of the social housing portfolio by 2016. This will occur through: <ul style="list-style-type: none"> – a program to seek proposals from the newly regulated national social housing industry – assessment of proposals and partnering with the providers who best demonstrate their capability 	<p>Progressive capacity building to 2016, aligned to delivery of the transfer objectives</p>
	<ul style="list-style-type: none"> • Implementation of strategies under the National Industry Development Framework and increased capability of the non-government organisation housing sector by: <ul style="list-style-type: none"> – ensuring all Tier 1 community housing provider boards have a diversity of membership with a high degree of competence in financial and risk management, development capability and probity, and are fully aware of their responsibilities under Federal corporations law and State based incorporated associations legislation – facilitating sector training in governance, finance and asset management – implementing a communication strategy to ensure providers are informed of changing policy settings required for the National Regulatory System for community housing providers 	<p>Development of a capability program by October 2013</p> <p>Communication by June 2013</p> <p>Ongoing assistance to 2016</p>
	<ul style="list-style-type: none"> • A capability plan developed and implemented for procurement and contracting within the Department for social housing services. 	<p>Formal contract arrangements by October 2013, with contract management capacity built in tandem</p>
	<ul style="list-style-type: none"> • A new reporting process developed to align reporting and ensure demonstrable and empirically based outcome measurement to meet funding requirements 	<p>2013/14 Financial Year</p>

Outcome	Deliverables	Timing
	<ul style="list-style-type: none"> • Testing and evaluation for the National Regulatory System to support its introduction 	By December 2013
	<ul style="list-style-type: none"> • Develop the necessary capability to act as a regulator under the National Regulatory System, by: <ul style="list-style-type: none"> – determining capability requirements for the National Regulatory System – developing a training program and acquire staff where deficiencies exist – utilising skills of national providers 	From July 2013
Implement the new information system	<ul style="list-style-type: none"> • A shared IT system developed for client intake and assessment that is accessible to all funded housing providers that will: <ul style="list-style-type: none"> – provide access to social housing demand and supply information by providers and service partners – provide information for the transition of property and tenancy management from government to registered community housing providers 	July 2015 to 2020
Provide 3 aged accommodation projects	<ul style="list-style-type: none"> • A new model for affordable seniors accommodation developed in partnership with the private sector using contributions of government-owned land, subject to identification of funding source and development partners 	Beginning with land identification by September 2013 and proposals to be considered in 2015



3: Housing pathways into the private market

Outcome	Deliverables	Timing
Construct 12,000 new social and affordable housing dwellings	<ul style="list-style-type: none"> Finalise approximately 6,000 National Rental Affordability Scheme incentives under Rounds 1 to 4 2,200 incentives negotiated from Round 5, with priority to be given to land discounts as part of the State contribution 	June 2016
	<ul style="list-style-type: none"> Affordable housing sector revitalisation, through: <ul style="list-style-type: none"> releasing land to market for affordable housing to be offered through partnership approaches with private and not-for-profit organisations. At least 30 renewal and redevelopment sites will be identified and result in 2,800 new social and affordable housing dwellings developing partnerships with Economic Development Queensland to gain access to land in priority development areas 	First sites identified by July 2013, with future roll-out as per regional plans
Assist 250,000 low income households to remain in or move to the private rental market	<ul style="list-style-type: none"> Review of the Housing Needs Assessment process to better identify the most appropriate housing solution and ensure people have access to appropriate support services 	Proportional annual targets to 2020
	<ul style="list-style-type: none"> Expand the RentConnect program to enable greater access to assistance 	July 2013
	<ul style="list-style-type: none"> Develop new approaches to housing and employment type programs, including: <ul style="list-style-type: none"> expand existing Housing and Employment Program to two additional locations consider options for targeting programs to assist young people transitioning from care use the Employment Related Accommodation Program to support Indigenous Earning and Learning Programs 	July 2014
	<ul style="list-style-type: none"> Develop new approaches for private market assistance including: <ul style="list-style-type: none"> a savings scheme pilot to encourage and assist social housing tenants to save funds to help them move into the private market examining the market's appetite for sweat equity and other self-help approaches to home ownership 	To 2015

Outcome	Deliverables	Timing
Transition at least 200 Indigenous families to home ownership in remote communities	<ul style="list-style-type: none"> • Indigenous home ownership (Council of Australian Governments commitment) progressed by: <ul style="list-style-type: none"> – removing the barriers to sustainable home ownership on Indigenous land in Queensland – resolving the impact of the <i>Aboriginal and Torres Strait Islander Land Holding Act 2013</i> leases on housing in Indigenous communities – in collaboration with Trustees, developing processes to support home ownership on Indigenous land including the potential of housing trusts – families to enter into home ownership 	Ongoing
Reduce overcrowding in Indigenous communities by 25%	<ul style="list-style-type: none"> • 25% reduction in overcrowding and rent arrears for Indigenous Queenslanders, through: <ul style="list-style-type: none"> – delivering the remaining 820 dwellings under the National Partnership Agreement on Remote Indigenous Housing – implementing and delivering the ‘Plug-In’ program – increasing the monitoring of overcrowding and rent arrears at the local level and partnerships with Indigenous community housing organisations 	Progressive proportional targets to 2020



4: Better use of social housing and support resources

Outcome	Deliverables	Timing
Develop and implement new client intake and demand management strategies	<ul style="list-style-type: none"> Housing Service Centre activities reviewed and realigned to assist clients including: <ul style="list-style-type: none"> initial triage personalised needs management plan diversion to other services where appropriate initial tailored housing solution offer for each applicant 	June 2014
	<ul style="list-style-type: none"> Departmental and non-government organisation staff prepared for new client case management and tenancy planning activities, through conducting a skills audit and implementing a training plan 	Beginning in July 2013 and continuing to 2017
Assist social housing tenants who have the capability to move into the private market	<ul style="list-style-type: none"> Review existing policies to emphasise the transitional nature of housing assistance including: <ul style="list-style-type: none"> new ongoing eligibility benchmarks for social housing continuing use of fixed-term tenancies with a review at the end of each term Implement new procedures to identify households that can be assisted into the private market and ensure appropriate levels of support including: <ul style="list-style-type: none"> tenancy plans to help households identify strategies that will enable them to move into the private market 	Progressive to 2020
Review both Acts	<ul style="list-style-type: none"> Implement necessary changes to the <i>Residential Tenancies and Rooming Accommodation Act 2008</i> 	December 2013
	<ul style="list-style-type: none"> Review the <i>Housing Act 2003</i> to support the Government's housing reforms and provide a platform for the implementation of these strategies 	December 2014
Establish a Housing Solutions Forum	<ul style="list-style-type: none"> A Housing Solutions Forum is established to harness the expertise of key stakeholders and identify opportunities for increasing affordable housing in Queensland Housing Solutions Forum agenda setting that discusses methods for the development of innovative and flexible models of funding, social housing investment and initiatives, including those by the private sector 	Established 2013 continuing to 2016
Improve direct communication with clients, including households in the private market with disabilities	<ul style="list-style-type: none"> Develop innovative direct communication tools for clients, including: <ul style="list-style-type: none"> Social Housing Tenants Smartphone application to simplify maintenance requests and reduce costs Modified House Connect webpage 	June 2014

5: Improving the housing outcomes of Queenslanders most in need

Outcome	Deliverables	Timing
Ensure regional housing plans are well aligned to regional support services	<ul style="list-style-type: none"> Align regional housing plans with Homelessness Community Action Plans and other regional service plans for community services 	June 2014
Ensure changes to the social housing system are well understood by tenants	<ul style="list-style-type: none"> Deliver an effective communication strategy and ensure non-government providers managing outsourced stock deliver on strong engagement strategies 	From June 2013
Increase the number of households assisted	<ul style="list-style-type: none"> Annual increases in the number of households receiving housing assistance through the network 	Annual measure
Enhance tenancy support programs as part of the transfer arrangements	<ul style="list-style-type: none"> Procurement processes for social housing management transfers to include tenancy support and participation programs 	June 2014
Ensure that assistance to sustain tenancies for high need clients is delivered	<ul style="list-style-type: none"> Link Homelessness Community Action Plans and Regional Housing Plans The impacts of the introduction of Disability Care Australia are well understood by tenants and providers An ongoing role for smaller specialist providers that focus on particular target groups 	<p>June 2014</p> <p>From 2016</p> <p>From November 2013</p>



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