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MEDIA RELEASE

IPART highlights scale of investment needed in social housing

IPART's draft report into social and affordable housing in NSW highlights the scale of investment needed to fix the state's social housing system, housing and homelessness peaks said today.

The NSW Federation of Housing Associations and Homelessness NSW welcomed IPART's acknowledgement that housing providers need an explicit subsidy to bridge the \$950 million a year it estimates is needed to run the social housing system properly.

Homelessness NSW CEO, Katherine McKernan, said large scale investment and government commitment to addressing the issue was needed to improve living standards for current housing tenants and fund investment in more homes for people who need them.

"IPART has shown very clearly that the system is unsustainable and can't continue as it is," Ms McKernan said.

"We agree with IPART that there need to be clear outcomes from the investment made. We need a clear property standard that everyone understands, improvements in tenant satisfaction across the board and a target for additional social housing that is consistent with the demand out there. Reporting on these outcomes must be transparent."

Federation CEO Wendy Hayhurst said IPART had highlighted the direct link between spiralling rents and house prices and increased pressure on the state's social housing system - with waiting lists up to 10 years in many areas and demand for homelessness services Sydney increasing by 35% between 2013/14 and 2015/16.

"IPART has understandably said that people in greatest need of social housing must be given highest priority for social housing, but there's a huge group of people who risk missing out in the current debate around housing policy," Ms Hayhurst said.

"They don't qualify for social housing but they don't earn anywhere near enough to consider buying and they're paying more half their income or more in rent. Many are working in important jobs but ones that don't pay high wages. It's why we argue for more ambitious affordable housing targets in the District plans and a comprehensive housing strategy that addresses the needs of the whole population.

"It makes good economic sense too. If more people are in affordable housing paying a reasonable rent then they have more to spend on goods and services and the government gets something back via GST."

The Federation and Homelessness NSW will be preparing submissions on the draft report.

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