

# Closing the Gap refresh

30<sup>th</sup> April 2018

**A submission from the NSW Aboriginal Community Housing Industry Association and the NSW Federation of Housing Associations**



## About this Submission Authors

### NSW Aboriginal Community Housing Industry Association

The Aboriginal Housing Office (AHO) has partnered with the Federation to support the development of a new peak for the Aboriginal Community Housing sector in NSW - the NSW Aboriginal Community Housing Industry Association NSW (ACHIA). There is an overwhelming view from Aboriginal Community Housing Providers (ACHPs) that the time is right for a body to play the same role for Aboriginal housing as the Federation does for 'mainstream' community housing providers. ACHIA is founded on the principle of self-determination and will ensure that the Aboriginal housing sector is well represented as the NSW Government establishes and implements its new social housing and homelessness strategies and, plans for affordable housing.

Currently ACHIA is auspiced by the Federation but will have its own governing committee. Both the Federation and ACHIA recognise the mutual benefits that collaboration brings.

### NSW Federation of Housing Associations

The NSW Federation of Housing Associations (the Federation) is the industry peak body for registered community housing providers in NSW.

The community housing industry in NSW is growing and diversifying. It now manages more than 38,000 homes and is due to manage a further 14,000 homes which are being transferred from public housing management over the next three years.

Registered community housing providers in NSW manage both social housing and affordable rental housing - they are grounded in their local communities and understand local housing need.

The Federation's purpose is to support the development of a not-for-profit rental housing industry which makes a difference to the lives of lower income and disadvantaged households in NSW. The Federation seeks to ensure that registered community housing providers are active in all housing markets, providing a full range of housing products.

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## Closing the Gap Refresh

Our short submission is strongly focused on the argument for housing to be explicitly recognised in the Refresh of Closing the Gap.

In our submission we have explained why access to safe, secure and adequate housing is a core foundation of improved social and economic outcomes, provided information about Aboriginal people's experiences and need for housing in NSW and made recommendations on a new national target and institutional arrangements to help ensure the target is met.

First however we want to acknowledge the importance of the Closing the Gap strategy. While only one of the seven national targets is on track the process should not be abandoned. As the Refresh document itself recognises progress can be made but, 'Australian governments ...need to work differently with Aboriginal and Torres Strait Islander Australians' – i.e. we need a different approach. Moreover, as more government services are outsourced and thus delivered by the not for profit and private sectors, the Closing the Gap implementation process needs to ensure these non-government providers are actively engaged and also work differently with our first peoples.

In our view, it is also vitally important that all spheres and agencies of governments 'stay the course' on Closing the Gap targets. Policy certainty and continuity along with well-led and strongly coordinated implementation over the medium to long term will be crucial to achieving systemic change and lasting improvements in wellbeing outcomes for all Aboriginal and Torres Strait Islander peoples in remote, rural and urban contexts.

Both ACHIA and the Federation would welcome further involvement in the development of the Closing the Gap refresh.

## Housing and Human Capital

The accessibility, security, condition and location of housing have a significant effect on the development of human capital. In a recent report exploring the links between housing and productivity, (MacLennan et al 2018)<sup>ii</sup> commissioned by the Federation, and supported by the Greater Sydney Commission the authors clearly illustrated the impact that housing can have on an individual's wellbeing and prospects, and thus on achieving wider targets, such as those on which Closing the Gap is centred. In Gibb 2017<sup>iii</sup> three national outcomes dependent on a well-functioning housing system are identified. In summary these are:

- longer healthier lives
- Sustainable places close to jobs, services and amenities people need
- Strong resilient communities

Specifically there is substantial evidence to demonstrate the link between overcrowded, poor quality housing and slower childhood development and lower school performance. Dockery<sup>iv</sup> identified a

list of housing characteristics that could account for levels of child development and school attainment including: cleanliness, housing disrepair and safety; opportunities for outdoor play; crowding, affordability and frequent residential moves, and homelessness. Of these indicators, crowding was found to have the largest negative impact on children's learning outcomes.

While overall, the Australian studies showed relatively minor health impacts on children from these housing characteristics (possibly reflecting the relatively high quality of housing in Australia) there was a notable exception for Aboriginal children. The researchers found that Aboriginal children have markedly worse housing circumstances compared to non-Aboriginal children. Poorer health outcomes were generally attributable to the physical standard of housing while school performance and social / emotional outcomes were associated with crowding levels, being in financial stress, moving frequently and living in disadvantaged neighbourhoods.

As well as affecting children, at any age an individual's housing circumstances will impact on particular outcomes such as health, longevity, and labour force participation. There is considerable research linking health and housing throughout a person's life cycle. Mallet et al (2011)<sup>v</sup> identify the links between poor quality but expensive homes and poorer health, including mental health. Apart from the more obvious impacts of poor health on employment, insecure housing has been shown to inhibit individual's seeking paid work<sup>vi</sup>.

Housing quality also has a locational component - both the neighbourhood's characteristics and how close the place is to jobs and services. Pawson et al (2015)<sup>vii</sup> in a major report highlighted the impacts on individuals of living in spatially disadvantaged places including the concentrations of poverty, levels of crime and antisocial behaviour and stigma associated with living in the locality.

Housing must therefore be recognised as one primary foundation which contributes to the success of the all other seven indicators in Closing the Gap.

## **Aboriginal People's Housing Experience in NSW**

Across NSW the evidence is clear that Aboriginal people have poorer housing circumstances in comparison to those of non-Aboriginal people.

The number and proportion of Aboriginal people on the social housing register in NSW is steadily increasing. As Table 1 below illustrates, in 2016, Aboriginal people made up 12.5% of the register despite being 2.9% of the NSW population. Given the eligibility criteria for social housing, acceptance on the list this is indicative of likely poor current housing circumstances. When new tenancies, which are allocated in order of priority are profiled, we see that in 2016/17 26 % and 17% of new lettings were made to households with Aboriginal members in public and community housing respectively.<sup>viii</sup>

*Table 1: Applicants on the NSW Social Housing Register*

Year end	Aboriginal applicants	Total applicants	Proportion
<b>2012</b>	5468	55479	9.9%
<b>2013</b>	5884	57454	10.2%
<b>2014</b>	6356	59534	10.7%
<b>2015</b>	6666	59035	11.3%
<b>2016</b>	7363	59097	12.5%

The 2016 homelessness census data shows that 2,278 people identified as Aboriginal or Torres Strait Islander descent, marginally over 6% of the total homeless population. This is a small numerical increase but a proportionate decrease from the 2011 census where 2,205 people (or 7.8%) were of Aboriginal or Torres Strait Islander descent. The 2016 figures may underestimate the numbers (over 4,000 people did not respond to the question) and other information collected or analysed by Homelessness NSW about Aboriginal homelessness in NSW suggests Aboriginal people use homelessness services in far greater numbers than non- Aboriginal people<sup>ix</sup>. For example 25% of service users were reported by specialist homeless services to be Aboriginal people. This work also vividly illustrates the other disadvantages homeless Aboriginal people experience with high levels of interaction with the criminal justice service and poor physical and mental health.

The critical point however is that even if the reduction between 2011 and 2016 is correct, the rate of Aboriginal homelessness is far higher than for non-Aboriginal people. The respective national rates of homelessness per 10,000 population in 2016 were 361 and 38. Thus, the Aboriginal homelessness rate remains ten times that experienced by the non-Aboriginal population.

The Federation has also carried out analysis of tenancy exits from community housing, wanting to understand whether there was a difference in number and types of exit between Aboriginal and non-Aboriginal households in order to inform the development of tenancy sustainment practice. Further work needs to be done but preliminary analysis suggests that Aboriginal households are significantly - sometimes more than twice as - likely to leave their tenancy for 'negative' reasons such as eviction or abandonment after a breach notice is served than non- Aboriginal people.

Unpublished information presented by the NSW Government on tenancy exits from public housing also shows that Aboriginal households are over represented among negative exits. For example in 2017, 40% of abandoned tenancies involved Aboriginal households although they only comprised 11% of total tenancies.

While not as high as rates in states and territories with more remote housing, the 2016 Census data indicates that Aboriginal households nevertheless experience more overcrowding in NSW than does

the non- Aboriginal population. 8.5% of the Aboriginal households need one or more extra bedrooms compared to 5.1% of the non- Aboriginal households.

Information about property conditions experienced by Aboriginal tenants in NSW is partial. The AIHW social housing tenant survey suggests that Aboriginal people are more likely to live in homes that meet their definition of 'poor condition' i.e. have less than four 'working facilities' or more than two 'major structural problems' than non- Aboriginal tenants. For public housing, 40% of Aboriginal tenants responding stated they lived in poor condition housing as opposed to 25% of all responding tenants.

There is also anecdotal and individual Aboriginal housing provider evidence to demonstrate the poor physical condition of considerable numbers of homes on former missions and reserves across NSW. High running costs (including charges for water and energy and the cost of maintenance services) and inaccessibility to jobs and services compounds the problems for Aboriginal people in these places Further work to establish property condition and the resources that will be needed to bring all Aboriginal housing up to standard or if necessary replaced is urgently required.

Lastly while the 2016 Census demonstrates that Aboriginal home ownership has increased in NSW, the rate (44%) is below that of the general population, which is 67%.

## **Closing the Gap Housing Targets**

ACHIA and the Federation strongly believe that a refreshed Closing the Gap must include housing targets. We support the first two proposals put forward by the University of Tasmania led submission (Habibis et al) i.e.

- A reduction in the levels of crowding amongst Aboriginal households
- A reduction in levels of Aboriginal homelessness
- An increase in home ownership rates

There are other indicators that we would have put forward for consideration but at this time the date to establish a baseline position is not available. These include:

- Reductions in Aboriginal households living in rental stress (defined as paying more than 30% of household income in housing costs - applicable to households in the bottom two income quintiles)
- Increase in numbers of Aboriginal occupied properties meeting a defined property condition standard

Analysis of the demand and supply gaps for housing from Aboriginal people in NSW is currently being prepared by the NSW Aboriginal Housing Office (the NSW Government's statutory agency with responsibility for Aboriginal housing), updating earlier estimates derived in part from the 2011

census. This will provide for a NSW target for closing the gap between demand and supply for affordable housing.

As important as the targets is the commitment to meeting them from all levels and agencies of Government and those non-government organisations providing homes and services to Aboriginal people. This should start with leadership from COAG and a commitment to including national housing Closing the Gap targets in the multilateral Housing and Homelessness Agreement, and state specific targets and funded actions to meet them, in the states' housing and homelessness strategies. The Federation has argued for a National Housing Strategy and an Aboriginal specific housing strategy within that National Strategy to set an overall framework for the State plans.

With regard to ways of working with Indigenous communities, ACHIA and the Federation would also like to emphasise the well evidenced claim that Aboriginal outcomes are improved when services are delivered in culturally appropriate ways. In the housing sphere, there is strong research evidence that recent mainstreaming approaches to service provision across several jurisdictions have been inappropriate and/or ineffective for many Indigenous tenants, and have also constrained or burdened service providers (Habibis et al. 2016; Milligan et al. 2011).<sup>x</sup>

This research has recommended an overarching approach that acknowledges and respects Aboriginal cultural norms and adapts practice. To help do this mainstream services should build and maintain close working relationships with Aboriginal organisations, recruit and support more Aboriginal staff and strengthen their own cultural competency. As one instance, introducing an Aboriginal competency performance requirement into the National Regulatory System for Community Housing would signal commitment and encourage adoption of improved ways of working with Aboriginal people.

Alongside the adaptation of mainstream services, it is vital to recognise the essential role played by Aboriginal organisations in providing housing and related services to Aboriginal people. As highlighted in a comprehensive Inquiry into the capacity of the affordable housing system (Milligan et al 2017),<sup>xi</sup> priority should be given to attaining more effective and enduring Aboriginal engagement across the whole housing support system and also to safeguarding and improving the viability of Aboriginal housing organisations. Importantly, that Inquiry also underlined that housing responses to meet Aboriginal people's needs should be better integrated with other Aboriginal 'closing the gap' strategies.

Although considerable challenges for the Aboriginal housing sector remain in NSW, with the support of the NSW Aboriginal Housing Office, Aboriginal Community Housing Providers are in a position to help Close the Gap on Aboriginal housing disadvantage and hence contribute to greater Aboriginal wellbeing.

## Summary of our Position

ACHIA and the Federation support the refresh of the Closing the Gap Strategy. The refreshed strategy should recognise safe, secure and adequate housing as essential and a prerequisite for achieving improved social and economic outcomes.

Housing and homelessness targets should be included in the new strategy. We recommend that targets should be set to address the following:

- the levels of crowding amongst Aboriginal households
- levels of Aboriginal homelessness
- Aboriginal home ownership rates.

The Commonwealth State and Territory governments must demonstrate commitment to achieving progress and the National Housing and Homeless Agreement should be used to set out explicit strategies and associated actions to meet the targets.

There should also be a renewed commitment to supporting Aboriginal run service models and an expectation that mainstream services will strengthen their own cultural competency, adapt their own services to meet Aboriginal people's needs and work respectfully with Aboriginal organisations.



## References

- <sup>i</sup> Hereafter the submission uses 'Aboriginal' when referring to Aboriginal and Torres Strait Islander people
- <sup>ii</sup> MacLennan, Crommelin L, van den Nouwelant, R Randolph, B: Improving the Economic Arguments for more diverse and affordable housing models for Sydney, UNSW, 2018
- <sup>iii</sup> The Scottish Economy: A Living Book, edited by Kenneth Gibb, Duncan MacLennan, Des McNulty, Michael Comerford, Taylor and Francis, 2017
- <sup>iv</sup> [https://www.ahuri.edu.au/\\_data/assets/pdf\\_file/0015/2067/AHURI\\_Final\\_Report\\_No201\\_Housing-and-childrens-development-and-wellbeing-evidence-from-Australian-data.pdf](https://www.ahuri.edu.au/_data/assets/pdf_file/0015/2067/AHURI_Final_Report_No201_Housing-and-childrens-development-and-wellbeing-evidence-from-Australian-data.pdf)
- <sup>v</sup> Mallett, S, Bentley, R, Baker, E, Mason, K, Keys, D, Kolar, V and Krnjacki, L. (2011) *Precarious housing and health inequalities: what are the links?* Summary report. Hanover Welfare Services, University of Melbourne, University of Adelaide, Melbourne CityMission, AHURI and VicHealth, Australia. Available at: [https://www.vichealth.vic.gov.au/~media/resourcecentre/publicationsandresources/health%20inequalities/precarious%20housing/precarious%20housing\\_summary%20report\\_web.pdf?la=en](https://www.vichealth.vic.gov.au/~media/resourcecentre/publicationsandresources/health%20inequalities/precarious%20housing/precarious%20housing_summary%20report_web.pdf?la=en)
- <sup>vi</sup> Hulse, K & Pinnegar, S. (2015) *Housing markets and socio-spatial disadvantage: an Australian perspective*. AHURI Research Paper, Australian Housing and Urban Research Institute, Melbourne. Available at: <https://www.ahuri.edu.au/research/research-papers/housing-markets-and-socio-spatial-disadvantage-an-australian-perspective>.
- <sup>vii</sup> Pawson, H., Hulse, K. & Cheshire, L. (2015) *Addressing concentrations of disadvantage in urban Australia*. AHURI Final Report No.247. Australian Housing and Urban Research Institute, Melbourne. Available at: [http://www.ahuri.edu.au/\\_data/assets/pdf\\_file/0012/2163/AHURI\\_Final\\_Report\\_No247\\_Addressing-concentrations-of-disadvantage-in-urban-Australia.pdf](http://www.ahuri.edu.au/_data/assets/pdf_file/0012/2163/AHURI_Final_Report_No247_Addressing-concentrations-of-disadvantage-in-urban-Australia.pdf)
- <sup>viii</sup> Productivity Commission (2018) Report of Government Services, 2018, calculated from Tables 18.A5, 18A.6 and 18A.7
- <sup>ix</sup> [https://www.shssectordev.org.au/sites/shs/files/public/Aboriginal%20Homelessness%20research%20summary\\_Chris%20Hartley.pdf](https://www.shssectordev.org.au/sites/shs/files/public/Aboriginal%20Homelessness%20research%20summary_Chris%20Hartley.pdf)
- <sup>x</sup> Habibis, D., Phillips, R., Phibbs, P. and Churchill, B (2016) Reviewing changes to housing management on remote Indigenous communities, AHURI Final Report No. 271, Australian Housing and Urban Research Institute, Melbourne, <http://www.ahuri.edu.au/research/final-reports/271>. Milligan, V., Phillips, R., Easthope, H., Liu, E. and Memmott, P. (2011) *Urban social housing for Aboriginal people and Torres Strait Islanders: respecting culture and adapting services*, AHURI Final Report No. 172, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/final-reports/172>.
- <sup>xi</sup> Milligan, V., Pawson, H., Phillips, R. and Martin, C. with Elton Consulting (2017) *Developing the scale and capacity of Australia's affordable housing industry*, AHURI Final Report No. 278, Australian Housing and Urban Research Institute Limited, Melbourne, <http://www.ahuri.edu.au/research/final-reports/278>