



## Affordable Housing Position Statement

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### RATIONALE

Regional Development Australia – Northern Rivers (RDA-NR) is a non-profit community-based and regionally focused organisation that connects people and businesses in our region to opportunities through partnerships focusing on community, environment and economy.

RDA-NR recognises that adequate housing is a fundamental human right. The Northern Rivers has been identified as one of the areas of highest housing need in NSW. Affordability has deteriorated alarmingly due to high growth in the region (especially coastal centres) which is driving up house prices and rents. Median household incomes range from \$31,100 - \$40,500 and in many locations these low to moderate incomes cannot afford to rent or purchase suitable housing locally.

RDA-NR recognises the following difference between **affordable** and **social housing**:

- housing is defined as **affordable**<sup>1</sup> when households that are renting or purchasing are able to pay their housing costs and still have sufficient income to meet other basic needs such as food, clothing, transport, medical care and education. A commonly accepted measure is that housing is considered affordable when households in the bottom 40% of the household income distribution are paying no more than 30% of gross income on housing costs;
- **social housing**<sup>2</sup> is government-funded to provide appropriate and affordable housing to people who cannot afford, access or sustain housing in the mainstream housing sector<sup>3</sup>. In particular, people with disabilities, Indigenous people, low and middle income families and older people often have specific housing needs that are not always able to be met in mainstream housing.

### PRINCIPLES

RDA-NR recognises that adequate provision of affordable housing is necessary to promote family stability, health and well-being, encourage workforce participation, support educational success, improve labour mobility, promote economic growth and to reduce the region's reliance on welfare. The following position statement reflects the RDA-NR's belief that affordable housing is a fundamental foundation for maintaining a healthy and dynamic economy in the Northern Rivers.

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<sup>1</sup> Definition sourced from Centre for Affordable Housing website

<sup>2</sup> Definition sourced from Department of Families, Community Services and Indigenous Affairs (FaCSIA) website

<sup>3</sup> A major component of social housing is public housing, which is rental accommodation owned and managed by state and territory governments, generally sourced from funds from both the Commonwealth and State/Territory Governments. Community housing is rental housing for low to moderate income or special needs households, managed by not-for-profit community based organisations whose operations, in the main, have been at least partly subsidised by government (FaCSIA website).

RDA-NR:

- recognises that *unaffordable* housing impacts on a wide range of people within the community, including the aged, families with children, university students, workers on low to moderate incomes and young adults seeking to stay in the area where they grew up;
- believes that the provision of a range of different housing types and tenures to meet the needs of the diverse members of our society and changing household structures is necessary. The provision of affordable housing and housing choice is a critical in building diverse, viable and liveable communities;
- advocates that lower income and skilled workers should not be required to travel excessive distances to reach the place of work because housing is unaffordable within a reasonable travelling distance to the place of employment;
- acknowledges that affordable housing looks no different to any other development on the street. It is not made with cheap materials and does not result in slums or ghettos;
- encourages the development industry to become proactive in developing affordable housing solutions;
- recognises the importance of retaining existing affordable housing stock. Sometimes these assets (particularly low-cost rental accommodation) are at risk from new developments, and any affordable housing losses should be replaced by the developers in the same community (so that existing residents are not displaced);
- encourages councils to require a minimum of 15% affordable housing to be provided in developments in new urban release areas;
- encourages local councils to position themselves to be ready for opportunities to adopt solutions and be able to access the new tax incentives and credits when these emerge.

RDA-NR supports the Northern Rivers Social Development Council in building regional affordable housing capacity by developing an appropriate management entity and investment model.

## **DATE OF ADOPTION**

Version 1 adopted by Regional Development Australia – Northern Rivers 11 December 2009

## **DATE OF REVIEW**

December 2012