

Providing Homes, Improving Lives, Strengthening Communities



Housing Needs

Northern Rivers Housing Study 2018

Dr Tony Gilmour
Report commissioned by North Coast Community Housing



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Front cover: Rainforest Creek development in Goonellabah NSW at the launch of the NCCH/Enova/NSW Office of Environment & Heritage Solar Home Project. April 2018

Introduction to Revised Northern Rivers Housing Study, October 2018

In the Introduction to the research report, by the Centre for Enterprise Development and Research at Southern Cross University, titled 'Housing Affordability on the NSW North Coast', Ray Battle the Chief Executive Officer of Banana Coast Credit Union, at the time, led off with this comment:

'Affordable Housing - a growing need in Northern NSW'

As a result of changes to housing policy in Australia over the last two decades the supply of affordable public rental housing has declined and its role has increasingly focused on meeting the housing needs of the most disadvantaged in the community. When combined with the dramatic increase in property prices over the past decade, which has far outstripped wages growth, the need for affordable housing for low to moderate income households has become ever more urgent.

Affordable housing, particularly for first time buyers and low income families, is essential to ensure sustainable and balanced growth of regional communities along the coastal strip of Northern NSW'

The really concerning issue about the comments, which appear especially relevant in the present climate of housing need and lack of affordability in our region, is that the report was written in 2005 (Kelly et al., 2005)

I have been in my role as General Manager/CEO of North Coast Community Housing (NCCH) since July 2009 and the fact that the housing affordability issue has been seen as a major problem on the North Coast since the turn of the 20th century, and that the 'Housing Affordability on the NSW North Coast' report was written 13 years ago, highlights the fact that the housing affordability issue is a wicked social problem and, sadly, little to nothing has been done to alleviate the problem, which continues to worsen.

North Coast Community Housing has again engaged Dr Tony Gilmour of the Housing Action Network to prepare this revised Housing Study with the updated information from the 2016 Australian Census.

While this study mostly follows the same format as our 2013 study, we have attempted to do more than just report on the census and housing need. We have included sections on what NCCH has done, and is doing, to meet the affordable housing need in the region and also what may be required to significantly reduce the social housing waiting list in the Northern Rivers.

This revised study has been updated in an effort to continue the discussion around how we might deal with the continuing unaffordability of housing for those buying or renting and hopefully come up with workable solutions to the issues.

The compounding issues impacting the housing needs in the Northern Rivers region are relatively low average incomes, ranging from 56% to 78% of the NSW average, lack of reasonable transport infrastructure, lack of affordable rental housing options, a lower than state average amount of social housing and the relative price of property to incomes, particularly on the coastal strip.

The findings in our Regional Housing align with those in the February 2018 AHURI report 'Paying for affordable housing in different market contexts', the authors highlight six key lessons about financing affordable housing in their research:

1. Government facilitated access to land is central to generating development opportunities and a key means of improving long-term project viability.
2. Government equity investment offers considerable potential for delivering feasible projects and net benefit to government.
3. Reducing up front debt loads and lowering finance costs are critical to long-term project viability.
4. Delivery across the housing needs continuum helps to meet overall social and tenure mix objectives as well as providing opportunities to improve project viability through cross subsidy.
5. Planning policies can deliver additional sources of cash or land, however, the financial benefit of planning bonuses are limited.
6. Increasing the scale of not-for-profit housing provision will offer financial benefits for the long-term delivery of affordable housing (Randolph et al., 2018).

Another key point raised in the report is the need for a fit-for-purpose subsidy ('gap funding') to cover operational losses under private financing to enable the ongoing development of social and affordable housing.

We need to investigate the opportunities to work with all levels of government, private developers and the finance sector to come up with solutions to the identified shortage of accommodation across the housing continuum in the Northern Rivers.

North Coast Community Housing have positioned themselves to be a central part of the solution and not part of the issue, in solving this wicked social problem in the Northern Rivers.

In the words of Piers Williamson, the CEO of the UK's Housing Finance Corporation, at the recent Powerhousing Exchange in Canberra, **'You can't have subsidised housing, without subsidy!'**

John McKenna
Chief Executive Officer NCCH

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Executive Summary



The Northern Rivers region, in the north-east corner of NSW, has a justified reputation as a lifestyle destination for both residents and visitors. Yet, beneath the brochure images of Byron Bay surfers and the alternative lifestyle of Nimbin lies some of the most challenging housing conditions - not just in Australia, but in the world.

Local factors

The growing gap between rising housing costs and incomes is not unique to the Northern Rivers. However, special local characteristics have accentuated the problem:

- Sea-change and tree-change migration has increased demand for well-located housing, often in the form of holiday homes that are only occupied for part of the year
- Economic prosperity and population growth over the border in South East Queensland have made the Northern Rivers more attractive, accessible and affordable to more people.
- These trends are accentuated by the long-overdue upgrade of the Pacific Highway. Unfortunately significant investment in road infrastructure has far exceeded investment in community and social services
- Coastal resorts are a continuing mecca for backpackers, families and grey nomads. This has led to a loss of caravan parks offering affordable longer term accommodation, and the rise of the AirBnB and Stayz holiday-lets

Low incomes and disadvantage

Fast-rising property costs have not been met by a commensurate rise in incomes:

- The highest household incomes are found in Ballina, Byron Shire, Lismore and Tweed council

areas, though they are still generally 35% lower than the NSW average

- Household income across in the more inland areas of Clarence Valley, Kyogle and Lismore council areas have risen between 2011 and 2016 at a slower rate than the NSW average
- Nearly all areas in the Northern Rivers have a very low household income, defined as under \$650 per week. The most challenged areas of inland Kyogle and Clarence Valley council areas have up to 40% of households on very low incomes, compared to an average of below 20% across NSW
- All Northern Rivers council areas have below the NSW average of higher earners, those with household incomes over \$3,000 per week. Even in relatively prosperous Byron Shire fewer than 10% of households are classed as higher earners, less than half the average in NSW

Low incomes, coupled with poor intra-region transport, isolation and limited supply of social and support services has led to many in the Northern Rivers facing many challenges. Some areas in the region are likely to decline - Kyogle Shire will see a reduction in population between 2016 and 2036.

Many Northern Rivers locations are in the 20% most disadvantaged in NSW

Homelessness rates increased by 23% from 2011 to 2016

The region's Aboriginal population is up to three times higher per capita than NSW. Many face discrimination and disadvantage

Housing markets

In terms of housing affordability, parts of the Northern Rivers are as expensive for property purchasers and private renters as well located Sydney suburbs in the eastern suburbs and north shore. Weekly rents in Byron Shire are over \$600 and rising, and median sales prices over \$800,000. Unlike in Sydney, few residents are able to access the high-paying professional jobs that would make these properties affordable.

House prices are rising in part due to there being insufficient new homes built. Between 2011 and 2018 the average supply of new properties was 356 in the Northern Rivers against a Government-predicted housing demand of 1,293 per year in the period from 2016 to 2036.

Tweed Heads was the 8th least affordable housing market in the world (Demographia, 2017)

Up to 59% of Northern Rivers renters are in 'housing stress'

Byron Shire had the least affordable rents of any council area in NSW in 2017

Only 1 rental property in Ballina and 1 in Byron Bay were affordable to low income renters and people on benefits

Private rental vacancy rates in the Northern Rivers are the lowest in NSW, at 1.1%. Between 2011 and 2016 the proportion of private rental households fell, bucking the trend in NSW. In March 2018 Anglicare noted that of 660 private rentals advertised, none were affordable to a single person

on a Newstart Allowance and only three to a single person on the Age Pension.

Social housing is in short supply. All Northern Rivers council areas have less than the NSW average of 4.9% of all dwellings as social housing. The figure is only 1.8% in Kyogle Shire. Rates of social housing are falling due to little new supply being built. If the rate of decline continues at this rate the proportion of social housing will be less than 0.5% of housing stock within 50 years.

Northern Rivers social housing waiting list rose from 2,257 in 2012 to 3,026 in 2018. Most people wait over 10 years

It would cost nearly \$1.8 billion to buy properties to clear the Northern Rivers social housing waiting list

The regional shortage of social and affordable homes is 6,200

The housing shortfall

The 'Everybody's Home' 2018 campaign estimates a backlog of half a million social and affordable rental homes in Australia. The shortfall in the Northern Rivers is over 6,000 with around 60% of these social housing targeted at very low income households.

This report pioneers an approach that estimates the cost of clearing the current Northern Rivers social housing waiting list of just over 3,000 properties. No calculation is made of the cost of meeting shortfall of private rental dwellings as these could probably best be addressed through using the planning system.

To procure enough social housing to accommodate everyone on the waiting list in the Northern Rivers would cost \$1,775,910, 150. This is a large amount

of money, though not out of line by NSW Government spending on infrastructure: the 155 kilometre Pacific Highway upgrade from Woolgoolga to Ballina will cost \$4.36 billion alone.

An alternative approach to clearing the regional waiting list would be for a community housing provider such as North Coast Community Housing (NCCH) to develop new homes. These would be smaller, to meet demand - over 80% of current demand for social housing is for one and two bedroom properties. Also, a community housing provider can take advantage of tax benefits, and access in time to cheaper debt finance from a Commonwealth backed bond aggregator.

If NCCH develop the properties, the cost falls to \$0.85 billion, and further to \$0.78 billion if the organisation raises debt based on small surpluses from tenant rental income. This is a more realistic figure that State Government could afford, and would be as important a form of 'infrastructure' as highways and bridges.

Ways forward

Challenges in the Northern Rivers housing market are largely 'off the radar' for State Government. Investment in a single region would lead to calls for investment across the state. The NSW housing market has been poorly coordinated over several decades by Governments across the political spectrum, and potentially solutions will also take decades to implement. However, now is a good time to start before conditions worsen.

Governments, led by NSW, have become increasingly sophisticated in delivering good housing outcomes while minimising up-front capital outlay. The Social and Affordable Housing Fund (SAHF) is an example of how the capital funding 'gap' required to deliver new below-market housing can be met, while maximising all other options such as favourably priced land supply and debt finance.

To date the main focus of Government has been addressing the undoubted problems with Sydney's housing market. Both SAHF and the Communities Plus redevelopment of social housing estates have largely been directed at metropolitan locations where land values are high and where it is more acceptable to deliver medium density housing.

The top 6 recommendations are shown below. These steps are agreed by housing academics, are tried-and-tested, and do not require an upfront investment of many billions of dollars. Without a change, Northern Rivers economic growth and quality of life will be significantly compromised.

Make more public land (state and council) available at low/no cost for social/affordable housing projects

Devise a coordinated Northern Rivers housing strategy, with extra State Government funding

Introduce a mandatory 5% to 10% affordable housing inclusion in all new larger housing developments

Make current Government social housing initiatives better suited to regional areas, and match need

Leverage the role of community housing providers, including transferring more public housing

Government to provide 'gap funding' to make viable the delivery of more social/affordable housing



1 Background



North Coast Community Housing (NCCH) commissioned the Housing Action Network to prepare an independent report on the housing markets in the areas where the organisation operates. Launched in October 2018, the report was presented at the Northern Rivers Housing Forum in Lennox Head on 11 October

This report uses a study area region of the seven Local Government Areas (LGAs) where NCCH manage properties: Ballina, Byron Shire, Clarence Valley, Kyogle, Lismore, Richmond Valley and Tweed LGAs. This area is often known as the ‘Northern Rivers’, a term used in this report (Figure 1).

1.1 Regional Characteristics

Due to their differing housing and population characteristics, the seven council areas in this study act as distinct housing sub-markets. While impacted by wider trends in NSW, they have distinct characteristics based on existing housing stock, new dwelling supply and buyer/renter preferences.

Population in the region is relatively dispersed, with around half of residents living in coastal or non-coastal villages or smaller communities. The area has over 20 national parks and a bush character that has been popular with sea-changers and people looking for an alternative lifestyle.

The region’s economy has been transformed over the last three decades from largely agricultural to one driven by tourism, which has increased development pressure and disparity between popular coastal destinations like Byron Bay and less visited inland areas.

Service industries now account for over 80% of all employment, followed by manufacturing and construction, education and teaching. Some agriculture, forestry and fishing jobs have been maintained. Government strategies aim to

encourage visitors to other parts of the region, away from the increasingly congested coastal strip.

Figure 1: Northern Rivers region



The region’s coastal areas, east of the Pacific Highway and including Tweed Heads, have the most biodiversity and natural hazards and also have the greatest growth pressures. Key environmental issues include coastal inundation and erosion and instability, bushfires, flooding, acid sulphate soils and contested coal seam gas resources.

Coastal growth has been in part driven by ‘sea changers’ moving from Sydney, Melbourne and other regions, and people relocating from SEQ as their costs of living, housing and industrial land rise. In the Tweed Shire, the majority of the growth is predicted to occur in the northern and coastal areas closest to the border with Queensland.

Pacific Highway construction and other building projects such as the new Grafton Jail have led to something of an infrastructure 'boom'. Existing housing is increasingly targeting temporary workers at premium rates, and the average cost of rental has increased by up to 36% over two years.

The availability of permanent housing in the tourist centres in the region is also affected by unregulated holiday letting through platforms such as Airbnb. This leads to permanent residents often no longer able to afford to live there, stripping communities of social and community capital.

An ageing population is expected to increase demand for senior's living housing and local services and amenities such as transport, health care and recreational facilities. The proportion aged over 65 is expected to double by 2036. By contrast the proportion of young people is expected to decline. This will drive greater demand for diversity in housing, particularly smaller properties for one and two person households.

The planning region of South East Queensland (SEQ), bordering the Northern Rivers region to the north, has for some years been one of the fastest growing regions in Australia. The main impacts of the growth of SEQ on the region, and its greater connectedness through Pacific Highway upgrades, are:

- Increased demand through tourism on the facilities of Northern Rivers towns, especially along the coast
- Higher levels of sea-change migration, and more holiday homes only occupied for part of the year
- More households living in the Northern Rivers region but commuting north to jobs in SEQ

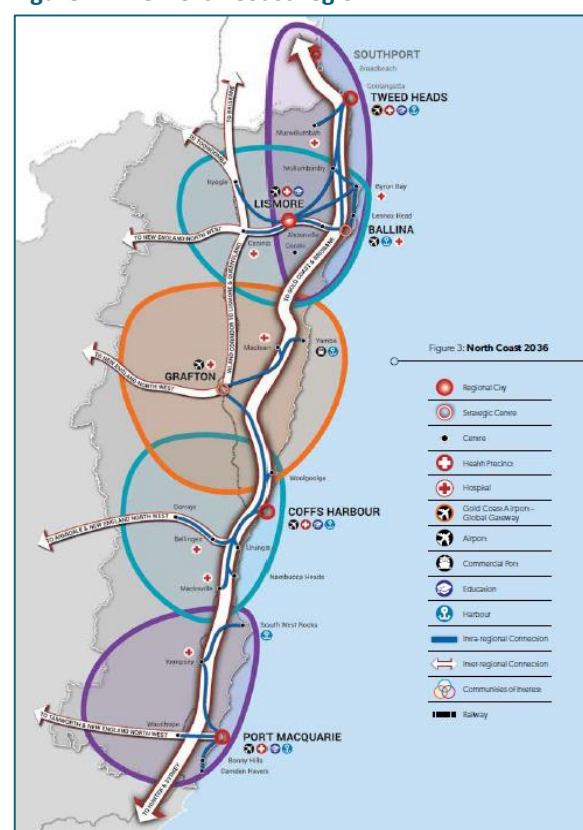
1.2 Regional planning

In 2017 State Government issued a new regional planning strategy covering the period to 2036 (NSW

Government, 2017). This is based on a newly defined 'North Coast' region from Tweed Heads south through Grafton, Coffs Harbour to Port Macquarie. The previous 2012 approach used two planning regions, the 'Far North Coast' and the 'Mid North Coast' (south from Yamba).

The 2017 plan builds on the State Government's investment in upgrading the Pacific Highway to a dual carriageway. It therefore develops the idea of a linear corridor connecting the main coastal cities, with 'regional connections' to Grafton and Lismore.

Figure 2: The North Coast region



Source: NSW Government (2017) p.10

In the Northern Rivers region, Government defines an urban hierarchy with Tweed Heads and Lismore 'regional cities', Ballina and Grafton 'strategic centres' and Casino, Kyogle, Byron Bay, Mullumbimby and Murwillumbah 'important

centres'. Three quarters of anticipated population growth over the next two decades will be in 'regional cities'.

1.3 Planning for affordable housing

The seven local councils in the Northern Rivers region play an important role in preparing and implementing planning policies that affect housing supply. However, the NSW Government also has a key role, being responsible for regional planning strategies. It also controls drivers such as investment in transport, social infrastructure, land release and incentives to locate major new employment opportunities.

State Government

There have been few new affordable housing planning initiatives since the election of the current State Government in 2011. The State Environmental Planning Policy (SEPP) Affordable Rental Housing 2009 remains in place. However, the terms have been changed making it harder to deliver certain types of affordable housing.

The NSW Government North Coast Plan for affordable housing is high level and does not specify targets. There are a range of tools that need to be delivered through local planning:

- Planning bonus development provisions, where a percentage of affordable housing is included
- Reduced contributions or other development incentives that may boost construction of secondary dwellings (granny flats) as alternative affordable housing
- Planning incentives or negotiated planning agreements to encourage private investment in social and affordable housing
- Promotion of new caravan parks and manufactured home estates on unconstrained land in existing settlements and new land release areas in the urban growth areas
- The preparation of local affordability analyses and precinct plans to support local growth management strategies and planning proposals that identify responsive lot size and planning controls (NSW Government, 2017: p.57)

Most of these actions need to be undertaken by local councils, not State Government. There is no mention of additional funding being provided.

Councils will be encouraged to 'deliver more opportunities for affordable housing by incorporating policies and tools into local growth management strategies and local planning controls that will enable a greater variety of housing types and incentivise private investment in affordable housing' (ibid, p.57).

State Government has recently prepared guidelines and templates for local housing strategies that include planning for and addressing local affordable housing needs (NSW Government, 2018).

Local Government

Some Australian councils have been proactive in addressing housing affordability issues. Actions include establishing and supporting community housing providers, inclusionary zoning schemes to raise developer contributions, direct property ownership and innovative planning policies promoting smaller lots and cheaper buildings.

In April 2013 the Independent Local Government Review Panel published proposals for local government amalgamation and reform (ILGRP, 2013). The initial proposal was that Tweed, Byron Shire, Ballina, Lismore, Richmond Valley and Kyogle merge to form a 'Northern Rivers County Council'. Clarence Valley would be part of the 'North Coast

County Council'. Due to strong local protests, the amalgamations did not proceed.

The housing affordability policies of the councils in the Northern Rivers region are shown in Table 1 and discussed below. Policies vary from council to council, with the main approach to partner with local activist groups, community housing providers, State Government and developers.

Table 1: Council affordable housing strategies

Area	Strategies
Ballina Shire	Housing Strategy 2010
Byron Shire	Residential Strategy 2018 under discussion
Kyogle	Community Strategic Plan 2016 to 2026.
Lismore	Housing Strategy 2012
Richmond Valley	None
Tweed Shire	Draft affordable, attainable and appropriate housing policy statement
Clarence Valley	Affordable Housing Policy 2009

Source: Ballina Shire Council (2010), Kyogle Council (2018), Clarence Valley Council (2007), Lismore City Council (2012), Tweed Shire Council (2017)

The *Ballina* council strategy adopted 2010 has not been updated. The governance framework includes demographic trends, and a policy toolkit.

Byron Shire local council has a webpage dedicated to proactive initiatives including:

- Draft residential strategy to be approved late 2018
- NCCH project at Station Street, Mullumbimby. Affordable housing mix 24%
- Lot 22, Stuart Street, Mullumbimby to encourage diverse and affordable housing. Draft planning approval has been granted

The Community Strategic Plan 2016 to 2026. Housing Strategy for *Kyogle* council:

- Positions Kyogle as a council recognised for its implementation of social equity principles for its community, including older people and people with disability service needs
- Continues to use and implement the NSW Affordable Housing Guidelines as a basis for a local affordable housing strategy including for transitional housing arrangements for older people and people with disability service needs

Lismore LGA Housing Strategy was adopted in 2012 with no updated plan. In March 2018, Lismore City Council called for expressions of interest from housing providers, community organisations and/or private developers for partnerships to access up to \$3.5 million in subsidies to deliver key worker housing in Lismore.

Lismore's funding is from the Commonwealth's Building Better Regional Cities program, which provided \$5 million to Council in 2016 to achieve more affordable housing options across the city. Lismore Council offered 200 grants of \$20,000 for residents to purchase and build homes on new land releases, however, less than a quarter of the available fund was used.

Tweed Shire Council's draft housing policy statement is part of their strategic plan 2017-2027. The policy highlights the council's commitment to affordable, attainable and appropriate housing. The principle is to leave a legacy for future generations and managing community growth. The main strategy is to encourage housing diversity and choice that meets the needs of the community.

Clarence Valley Council's Affordable Housing Policy was adopted in 2009. However, council has recently reduced their focus on their affordable housing approach due to a change in priorities but still have a 10% inclusionary zoning option on all new large developments.



2 Social and Economic Factors



The region is impacted by inward migration, including lifestyle migration, resulting in a fast-rising population. While there are pockets of wealth in the North Coast, especially in coastal areas, the biggest challenges are faced by the relatively large number of low income households. Social issues and disadvantage are a feature of many communities, with services and transport often lacking

2.1 Migration

Migration is a key component of population change in the Northern Rivers region. Its level changes over time, being strongly affected by external factors, for instance a lack of new housing (which particularly affected Byron Shire in the early 2000s) or a lack of employment options which still affects Kyogle.

The Global Financial Crisis moderated the previously high levels of retiree migration to coastal locations, though this is now returning to trend. The Northern Rivers region is also heavily impacted by the 'sea change' phenomenon. Dating from the late 1960s, this is the migration of households from metropolitan areas and inland communities to coastal locations. Due to factors such as these, population change has varied by geography and time.

Although retirees form a large part of the sea change movement, they are not the only type. Many new residents moving to coastal areas are younger than for Australia as a whole, and considerably younger than the local population of these areas. Typically, they move for reasons of lifestyle and living costs.

Researchers have developed a typology of five different types of movers, based largely on distance from metropolitan centres (Gurran et al., 2005). Due to distance from capital cities in NSW and Queensland, coastal locations in the Northern Rivers region are best characterised as 'coastal lifestyle destinations' using the Gurran typology.

Coastal lifestyle destinations are more than three hours' drive from large cities, and attract visitors and new residents for lifestyle, tourism and leisure opportunities. Ballina and Byron Shire LGAs fall into this definition.



Byron Bay. An attractive coastal location for 'sea change' migration, and investment in holiday rentals

In the north of the region, Tweed Heads may fall within the 'coastal getaway' category. These are small and medium sized towns within three hours' drive of a capital city. At this distance from the capital city, locations can be attractive for holiday homes used initially for weekend trips. Coastal getaway locations are likely to attract a younger demographic than coastal lifestyle destinations.

In addition to the sea change phenomenon, 'tree change' is the move of people to inland rural communities to escape the pressures of city life. Though the term is more loosely defined than sea change, it tends to be used for locations within three hours' drive of a capital city. The inland areas of the North Coast fall within this definition, although the numbers moving into many of these areas are thought to be very small.

With the baby boomer generation approaching retirement, the rate of lifestyle migration is likely to rise further. This will place further pressure on the

availability and affordability of properties in the area. Lifestyle migrants typically have sufficient capital to buy in their sea/tree change locations, pushing up local house prices. Future generations of existing residents on lower incomes may be unable to afford to buy in the same area.

Short term holiday rentals also impact the Northern Rivers, with properties advertised through real estate agents, Stayz and AirBnB. A recent University of Sydney found 2,740 AirBnB listings in Byron Shire in December 2017, equivalent to 17.6% of all housing. This was the highest percentage of the 12 coastal locations studied (Gurran et al., 2018).

The authors characterised the impact of the online holiday rental sector in Byron Bay as 'tourism displacement', where:

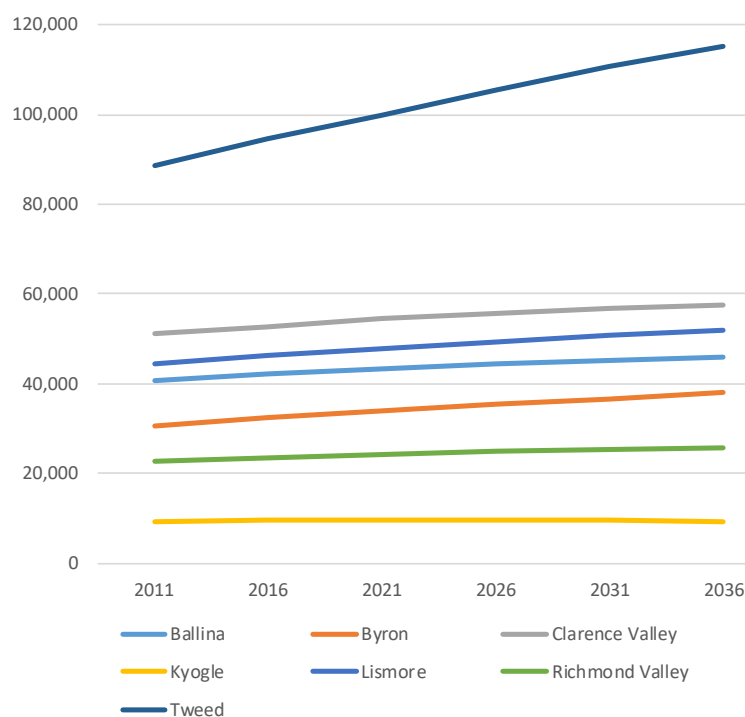
'Local workers and aspiring home owners can no longer afford to rent or buy in the locality, but there are abundant short term rentals. New housing supply is at high risk of conversion to the short term rental market. Byron exhibits the characteristics of a housing market which has been distorted by holiday rental accommodation' (ibid. p.37)

2.2 Population growth

The NSW Government uses assumptions on fertility, mortality and migration to predict future population growth to 2036. These are informed estimates, not targets, and do not claim to be precise, as demographic trends can change.

Figure 3 shows State Government figures for population growth. These were last revised in 2016, and the 2016 figures are projections as the Census numbers were not available (2011 figures are actuals). The Northern Rivers region's population is anticipated to increase by 42,450 between 2016 and

Figure 3: Population growth forecast to 2036



Source: NSW Government (2016)

2036. Government also include a 'low' prediction of 30,350 and a 'high' prediction of 56,400.

The increase of 42,450 in the Northern Rivers region represents a 14.1% increase between 2016 and 2036. This is around half the rate of increase predicted for NSW (28.1%). LGAs with the largest increases in the Northern Rivers region are Tweed (+22.1%) and Byron Shire (+17.1%). Growth is lowest in Ballina, Clarence Valley and Richmond Valley LGAs (+8.9%). In Kyogle LGA the population is expected to fall by 50 people from 2016 to 2036 (-0.5%)

2.3 Household composition

In Table 2, families with children represent between 32% and 39% of households, while in 2011 the range was 37% and 41%. The table also shows couples comprise between 26% to 33% and singles households represent 28% to 32%. Couples without

children and singles compositions have increased by around 2% percentage points since 2011.

Table 2: Household composition, 2016

	Families with children	Couple	Single	Group
Ballina	36.6 %	31.8 %	28.2 %	3.4 %
Byron Shire	38.7 %	26.2 %	27.4 %	7.8 %
Clarence Valley	34.5 %	33.3 %	29.1 %	3.1 %
Kyogle	32.2 %	32.4 %	32.4 %	3.1 %
Lismore	39.4 %	26.7 %	29.2 %	4.7 %
Richmond Valley	38.7 %	29.0 %	29.2 %	3.0 %
Tweed	37.3 %	30.4 %	28.5 %	3.8 %
Total	37.1 %	30.1 %	28.7 %	4.1 %

Source: ABS (2016). The higher numbers of group households in Lismore and Byron Shire may be linked to the relatively high number of students (Lismore) and young people (Byron Shire)

This trend of increased couples and singles with no children is set to continue and can be mostly explained by an ageing population and people having less children. The North Coast region is expected by 2036 to have over 30% of the population aged over 65 compared to 22% in 2016 (NSW Government, 2017).

Age distribution

Table 3 shows that the proportion of people over 65 varies across the LGAs from 17% in Byron Shire to over 25% in Ballina, Clarence Valley, Kyogle and Tweed LGAs. In all LGAs in the Northern Rivers region the proportion is above the NSW average of 16%. There were also large increases from the 2011 census results: Clarence Valley's proportion increased by 8% percentage points and Richmond Valley and Tweed by 3% percentage points.

The percentage of people over 65 is also expected to increase by 36%, from 2016 to 2036. This represents an increase of 4 percentage points as a proportion of total population, reflecting the increase in the aged demographic of retirees.

The proportion of children aged 14 or less dropped by between 1% and 2% points from the 2011 census. The NSW percentage also drops in 2016 from 2011 by 0.6% points. Only Richmond Valley has a higher proportion of children than NSW.

Table 3: Population by age, 2016

	aged 0-14	aged 65 +
Ballina	16.7%	25.0%
Byron Shire	16.8%	16.9%
Clarence Valley	16.4%	25.7%
Kyogle	16.3%	26.5%
Lismore	17.8%	18.2%
Richmond Valley	19.1%	22.6%
Tweed	16.8%	25.4%
NSW	18.5%	16.2%

Source: ABS (2016)

2.4 Regional incomes and employment

Table 4 shows household incomes in the Northern Rivers region compared to NSW. The LGAs of Clarence Valley, Kyogle and Richmond Valley are considerably lower than the NSW average, having more rural industries.

Table 4: Household weekly income, 2011-16

	2011	2016	Change
Ballina	\$930	\$1,156	24.3%
Byron Shire	\$885	\$1,149	29.8%
Clarence Valley	\$768	\$910	18.5%
Kyogle	\$714	\$832	16.5%
Lismore	\$907	\$1,067	17.6%
Richmond Valley	\$789	\$953	20.8%
Tweed	\$845	\$1,064	25.9%
NSW	\$1,237	\$1,486	20.1%

Source: ABS (2011, 2016)

The highest incomes are found in Ballina, Byron Shire, Lismore and Tweed LGAs, though they are still generally 35% lower than the NSW average. Rates of increase in household income across the Northern Rivers region since 2011 are much higher than for NSW, except in Clarence Valley, Kyogle and Lismore LGAs.

Figure 4 highlights households with a low income below \$650 per week and more than \$3,000. As in 2011, the higher incomes are the coastal LGAs and in the regional centre of Lismore, than inland. Income differentials are the lowest in Kyogle LGA and greatest in Ballina and Byron Shire LGAs.

On average across NSW in 2016, 19% of households had an income above \$3,000. No LGA in the region has more than 10% with higher incomes in this band. Furthermore, while on average 20% of NSW households had incomes less than \$650 per week, all Northern Rivers region LGAs were above this figure. In Clarence Valley and Kyogle around one third of all households had very low incomes. This is a probably a combination of low paid jobs, retirement, and relying on welfare payments.

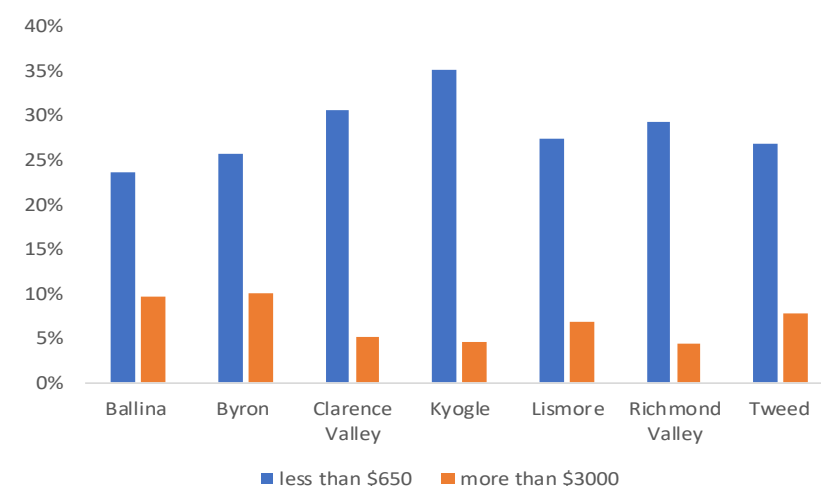
Income is the key factor in the unaffordability of housing in the Northern Rivers region. While the median figures are often reasonable (Table 1), the income distribution is skewed towards a large number of low earners and a few very wealthy households (Figure 4).

The low income households in the Northern Rivers region face the greatest issues in securing housing, and there are a large number of households in this category chasing few available properties.

Figure 5 shows the distribution of low income households across the Northern Rivers region (see next page). These are defined as having a household income below \$650 per week. Around 20% of NSW households have weekly income below this figure, but only a few selected locations coloured green on the map have this lower proportion.

Nearly all locations in the Northern Rivers region have more than the state average of low income households (shared pink). Some areas have nearly 40% of the population as low income households, more than twice the state average.

Figure 4: Weekly household income 2016

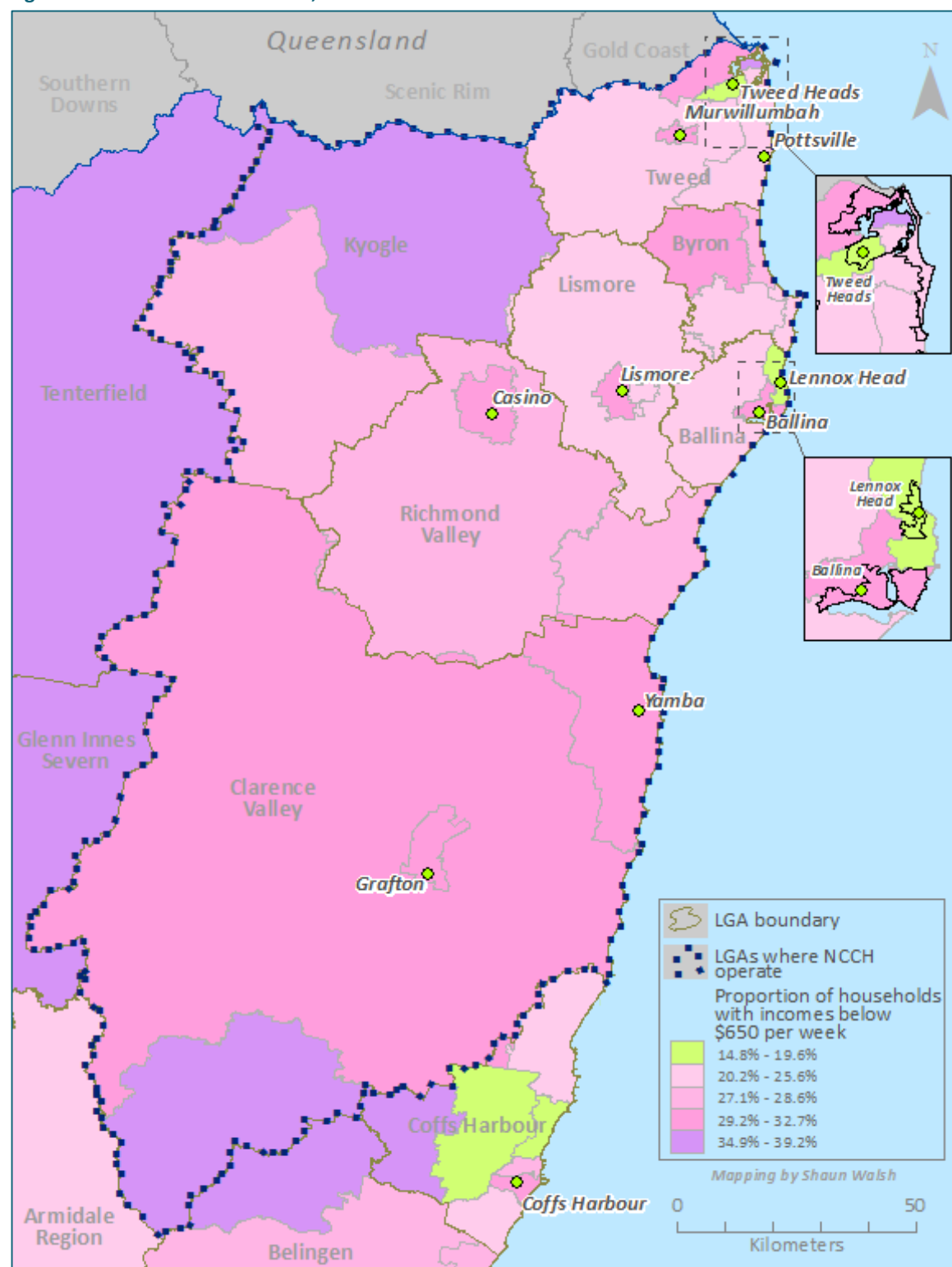


Source: ABS (2016)

Occupations

Table 5 on p.22 shows variations in occupational mix in the Study Region LGAs. The largest numbers of higher paid professional and managers are Byron Shire, Ballina and Kyogle LGAs. The Kyogle farm managers, however, may not earn as much as managers in Ballina and Byron Shire. The rates are comparable to NSW, except for Clarence Valley, Richmond Valley and surprisingly Tweed LGA.

Figure 5: Low income households, 2016



Richmond Valley, Kyogle and Clarence Valley have a larger proportion of tradespeople, drivers and technical operatives than the other LGAs due to the more rural nature of trades.

Table 5: Occupation sample, 2016

	Managers and Professionals	Labourers	Trades, Technical operatives, Drivers
Ballina	35.4%	10.5%	18.2%
Byron Shire	39.4%	9.7%	17.7%
Clarence Valley	27.1%	12.8%	21.6%
Kyogle	34.7%	15.8%	19.7%
Lismore	31.7%	12.4%	18.5%
Richmond Valley	23.5%	20.2%	21.6%
Tweed	28.4%	11.7%	21.4%
NSW	37.1%	8.8%	18.8%

Source: ABS (2016). Selected occupations only

There were significant changes from the 2011 census. Ballina labourers fell from 18.9% to 10.5% and trades, technical and drivers up 8% to 18.2%. The proportion of Byron Shire labourers halved between 2011 and 2016 and trades, technical and drivers were up by 7% points. Lismore and Tweed trades, technical and drivers were up 6% from 2011, while labourers fell by 5% points. This may be due to the increasing urbanisation of these areas resulting in more professional roles.

Table 6 shows the top three employment sectors in each LGA. Agriculture and manufacturing continue to be an important employer in Kyogle and Richmond Valley. In Byron Shire the tourist industry dominates. Hospitals are the only industry significant larger employer type in each of the LGAs, though aged care is a strong employer in all areas except Byron Shire and Kyogle LGAs.

NSW had an unemployment rate of 6.3% at the time of the 2016 census, with the average being noticeably higher at 7.5% in the Northern Rivers region. Rates in 2016 varied considerably from a low

of 5.9% in Ballina and 6.5% in Byron Shire up to 8.7% in Kyogle and 7.8% in Lismore LGA.

Table 6: Selected employment, 2016

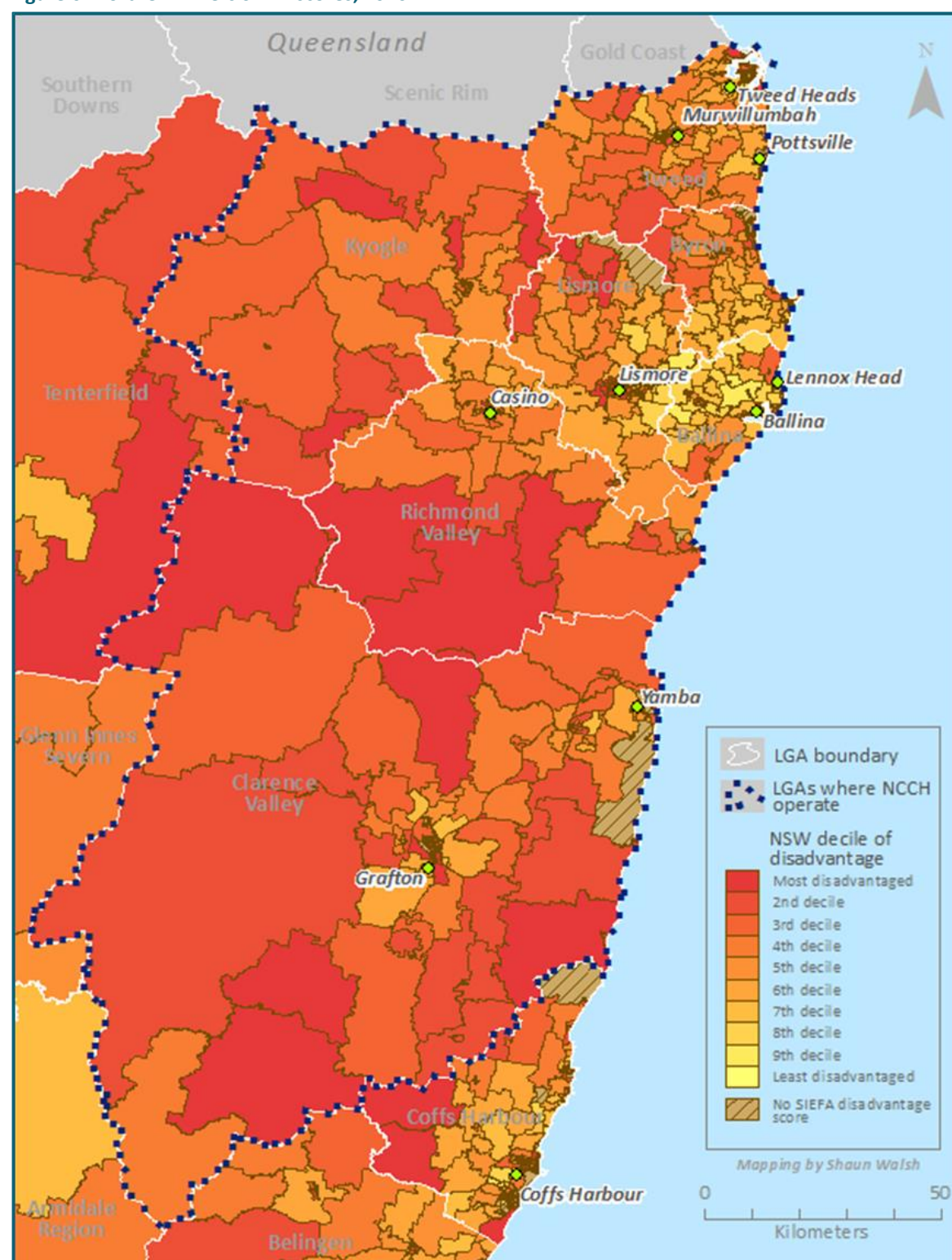
	Sector	%
Ballina	Hospitals	4.0
	Aged Care	3.7
	Secondary education	3.1
Byron Shire	Cafes and restaurants	4.0
	Accommodation	4.0
	Hospitals	2.8
Clarence Valley	Aged Care	4.1
	Hospitals	3.5
	Local government	2.8
Kyogle	Beef cattle farming	10.2
	Hospitals	4.3
	Supermarkets	2.8
Lismore	Hospitals	6.1
	Other social assistance	3.5
	Aged Care	2.9
Richmond Valley	Meat processing	7.1
	Aged Care	4.0
	Hospitals	3.0
Tweed	Hospitals	4.4
	Aged Care	4.0
	Supermarkets	3.0

Source: ABS (2016). Selected industries only top 3 responses in each region. Percentage of employed adults

2.5 Social disadvantage

A widely-used measure of social disadvantage is the Australian Bureau of Statistics' SEIFA (Socio Economic Index for Areas) data. The most recent analysis is based on the 2016 census and was published in March 2018. It is shown for the Northern Rivers region in Figure 6.

Figure 6: Northern Rivers SEIFA scores, 2016



The 'Index of relative disadvantage' is the measure shown based on a range of information about the economic and social conditions of people and households within an area. A low score indicates relatively greater disadvantage such as many households with low income, many people with no qualifications, or many people in low skill occupations.

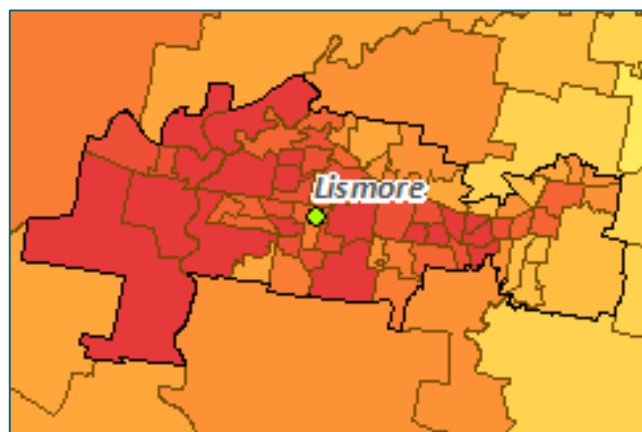
Scores are grouped in 10 categories (deciles) in this case across NSW. Hence a score in the first decile (red) indicates the area is within the top 10% of disadvantaged areas in NSW. Figure 6 shows the least disadvantaged areas clustered around Ballina and Lennox Head, as well as close to Coffs Harbour and Tweed Heads. There are large areas of the most disadvantaged areas in Richmond Valley and Clarence Valley LGAs.

Many of the most disadvantaged areas are in regional and rural areas. These are locations where skills are often low, and good jobs hard to find. Neighbourhoods along the Pacific Highway spine are better connected. Coastal areas are also attractive to higher income, often higher educated sea-change migrants and local retirees.

The Northern Rivers region shows a varied pattern of advantage and disadvantage, with such areas often in close proximity. This can be seen in more detail on maps of the main urban settlements.

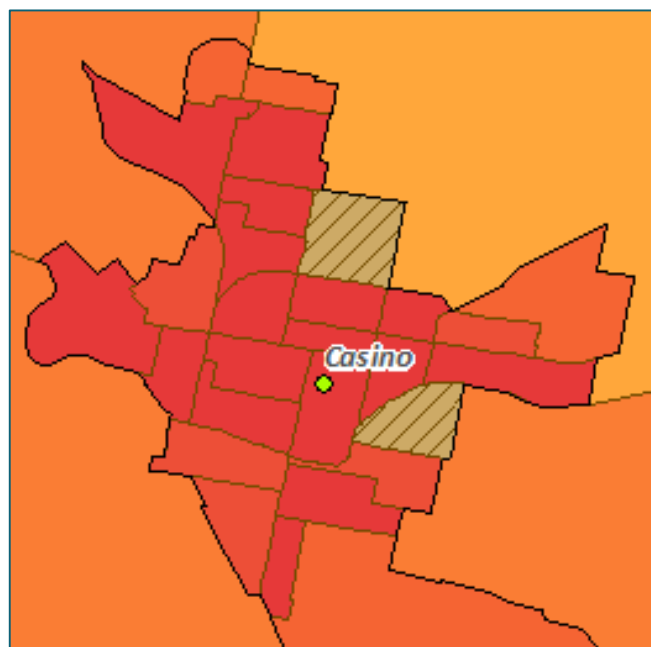
In Lismore, many of the neighbourhoods to the west of the town centre are amongst the most disadvantaged in the State (see Figure 7). More advantaged areas are to the east of Lismore, and in the areas surrounding the town.

Figure 7: Lismore SEIFA scores, 2016



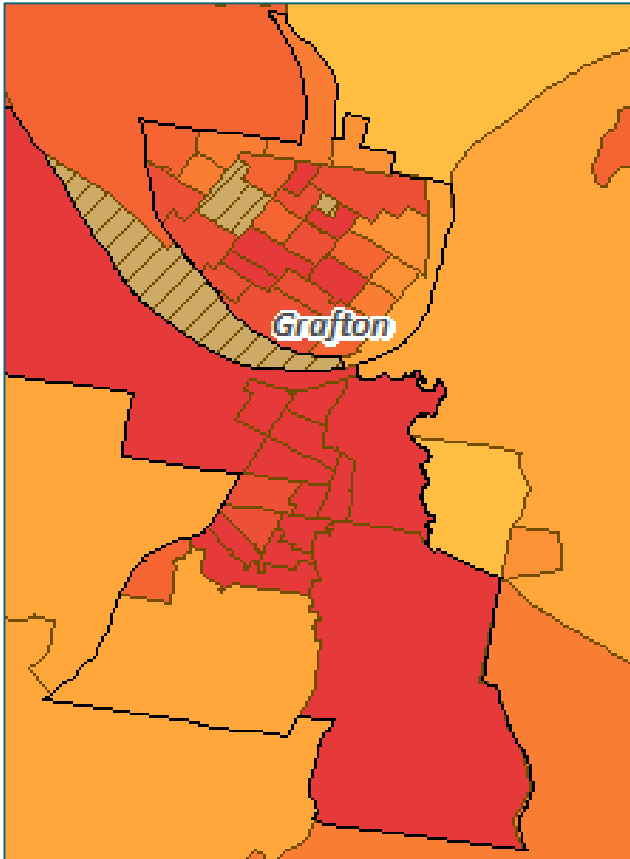
From Figure 8, Casino can be seen to be a town with highly disadvantaged neighbourhoods throughout the township and surrounded by areas with medium disadvantage.

Figure 8: Casino SEIFA scores, 2016



By contrast Grafton has a more mixed pattern, with a divide along the Clarence River and more disadvantaged areas to the south.

Figure 9: Grafton SEIFA scores, 2016



The SEIFA maps show the complex socio-economic patterns in the Northern Rivers region, both in rural and urban locations. Many of the towns are relatively disadvantaged and would benefit from urban regeneration, which could include new supplies of affordable housing to buy or rent.

2.6 Regional social issues

There are many districts in the Northern Rivers region where social disadvantage is in the top 40% of all districts across NSW. The area is characterised by a number of smaller towns and villages with poor public transport links. Lower income groups living in areas of high social disadvantage may not be able to easily and affordably travel to areas with jobs.

Population and economic changes in the area have also helped create a two-tier community. Some older, wealthier residents have a longstanding connection to place - though there is a growing underclass who lack access to lower paid unskilled work. Recent population growth has not always been accompanied by a similar rise in the number of jobs. Many of the newer jobs in the service sector are relatively low paid. Unemployment and under-employment may lead to social issues emerging.

The issue of social disadvantage is particularly important to community housing providers such as NCCH. Most new tenants taken from the social housing waiting list have complex needs rather than simply being in a low income group. This provides challenges to both FACS Housing and community housing providers.

NCCH has procedures to help tenants with complex needs, through their own staff, often working in partnership with local and regional not-for-profit social service providers. This has led to strong networks of support being built in the region, helping build community cohesion.

Support services

Steady population increases in the area are challenging existing social support both in terms of demand for service, as well as the variety and complexity of services needed. A barrier for delivering outreach health support services in the area, especially for older people, is the geographic spread of clients requiring care, and the time and cost of travelling to reach them.

Other identified regional barriers included a long-standing shortage of occupational therapists and physiotherapists within the public health sector in the Far North Coast especially. These difficulties are expected to be exacerbated as the population in the region ages rapidly

2.7 Specific housing needs

Many housing and community needs are best assessed by examining the housing needs of particular groups, not the whole population.

Older people

The composition of the population is changing. Nationally, the proportion of older people in the population is growing each year, and this trend is particularly notable in parts of the Northern Rivers region which are favoured by retirees or older sea-changers.

The whole of the Northern Rivers region already has a larger proportion of older residents than the average for NSW, and the proportion is particularly high in Ballina, Clarence Valley, Kyogle and Tweed LGAs. For older residents in rural areas of Clarence Valley and Kyogle, provision of services is challenging.

Older people in private rental accommodation are particularly vulnerable. Many have fixed or limited incomes and are unable to afford regularly rising rents. Others experience housing crises when a partner die.

Homeless people

Census data for 2016 is included in Table 7. The most recent census saw a sharp increase in the national homelessness totals from 102,439 in 2011 to 116,427 in 2016. NSW saw one of the fastest rates of increase, from 27,479 to 37,715.

Homelessness figures include people living in different forms of shelter. In NSW in 2016 the largest categories were living in severely overcrowded dwellings (44.6%), living in boarding house (18.2%), accommodated in specialist homelessness accommodation (15.5%) and 'couch surfing' (14.2%). One of the smallest categories was rough sleeping or living in tents (6.7%).

In the 7 LGAs in the Northern Rivers region, the highest absolute numbers of homeless people are in Tweed followed by Byron Shire. Byron Shire LGA also has the highest rate of homelessness at 104 people per 10,000, which is twice as high as the NSW rate of 50. Lismore LGA is also higher than the NSW average, and Clarence Valley and Tweed LGA close.

Table 7: Homelessness 2016

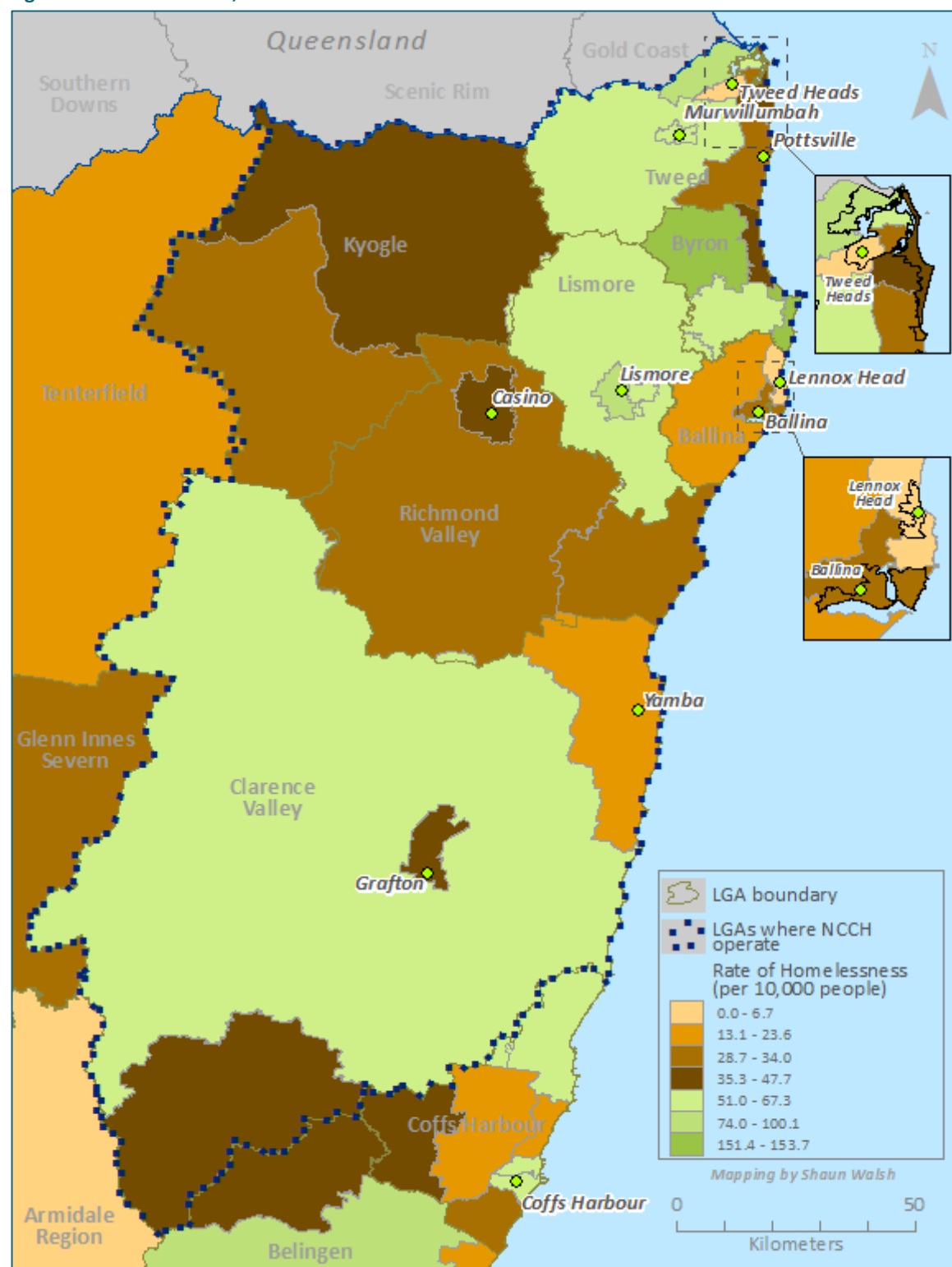
	persons		Increase	2016 Rate per 10,000
	2011	2016	%.	
Ballina	142	77	- 46 %	18.4
Byron Shire	279	327	17 %	103.6
Clarence Valley	198	230	16 %	45.4
Kyogle	21	34	62 %	38.0
Lismore	283	309	9 %	71.6
Richmond Valley	69	73	6 %	32.0
Tweed	308	444	44 %	48.6
Northern Rivers	1,300	1,494	15 %	
NSW	27,479	37,715	37 %	50.4

Source: ABS (2016)

The pattern of homelessness across the Northern Rivers region is shown in Figure 10. Areas coloured green are above the NSW rate of homelessness. People classified as homeless increased from 1,300 in 2011 to 1,494 in the Northern Rivers region. This is a significant increase, with the biggest increases in Kyogle and Tweed LGAs, while in Ballina LGA the number of homeless people fell.

Homelessness figures in Table 7 includes all people classed as such by ABS. Reviewing figures for just rough sleepers - i.e. people living in improvised dwellings, tents, or sleeping out - there were 483 in the Northern Rivers region in 2016. This represents 18.7% out of the total 2,584 rough sleepers across NSW. By contrast the region has only 3.9% of the population of NSW. Hence there is a clear over-representation of rough sleepers in the Northern Rivers region.

Figure 10: Homelessness, 2016



Overcrowding

Overcrowding represents a serious problem in NSW and Australia and the ABS defines residents of severely crowded dwellings as being homeless. These are dwellings which require 4 or more extra bedrooms. The largest increase in NSW homelessness figures in the 2016 census was of people living in severely overcrowded dwellings.

Table 8: Housing suitability

	Over-occupied	Appropriately occupied	Under-occupied
Ballina	2%	15%	83%
Byron Shire	4%	22%	74%
Clarence Valley	3%	16%	81%
Kyogle	4%	18%	79%
Lismore	3%	19%	78%
Richmond Valley	3%	18%	79%
Tweed	3%	19%	79%

Source: ABS (2016).

ABS use the Canadian National Occupancy Standard based on the Census question 'number of bedrooms' and the reported relationships between residents of the dwelling. Table 8 uses this definition to determine whether properties are overcrowded, appropriately occupied or under-occupied. Under 3% of dwellings in the Northern Rivers region are over-occupied, with 2,416 needing one extra bedroom, 425 needing two extra bedrooms and 115 needing three or more.

Byron Shire has the largest proportion of over-occupied and appropriately occupied compared to the other LGAs. Of interest is that over three quarters of homes in the Northern Rivers region are under-occupied, amounting to over 82,000

dwellings. Some 34,000 dwellings have 2 spare bedrooms, 11,298 have 3 spare bedrooms and 1,684 have 4 spare bedrooms.

People living in alternative dwellings

Traditionally residential parks, caravan parks and holiday villages have been significant sources of lower cost housing, particularly in coastal areas. These alternative housing options have been threatened by increasing competition for land from sea-change migrants and use for tourism purposes. Consequently, many residents are vulnerable.

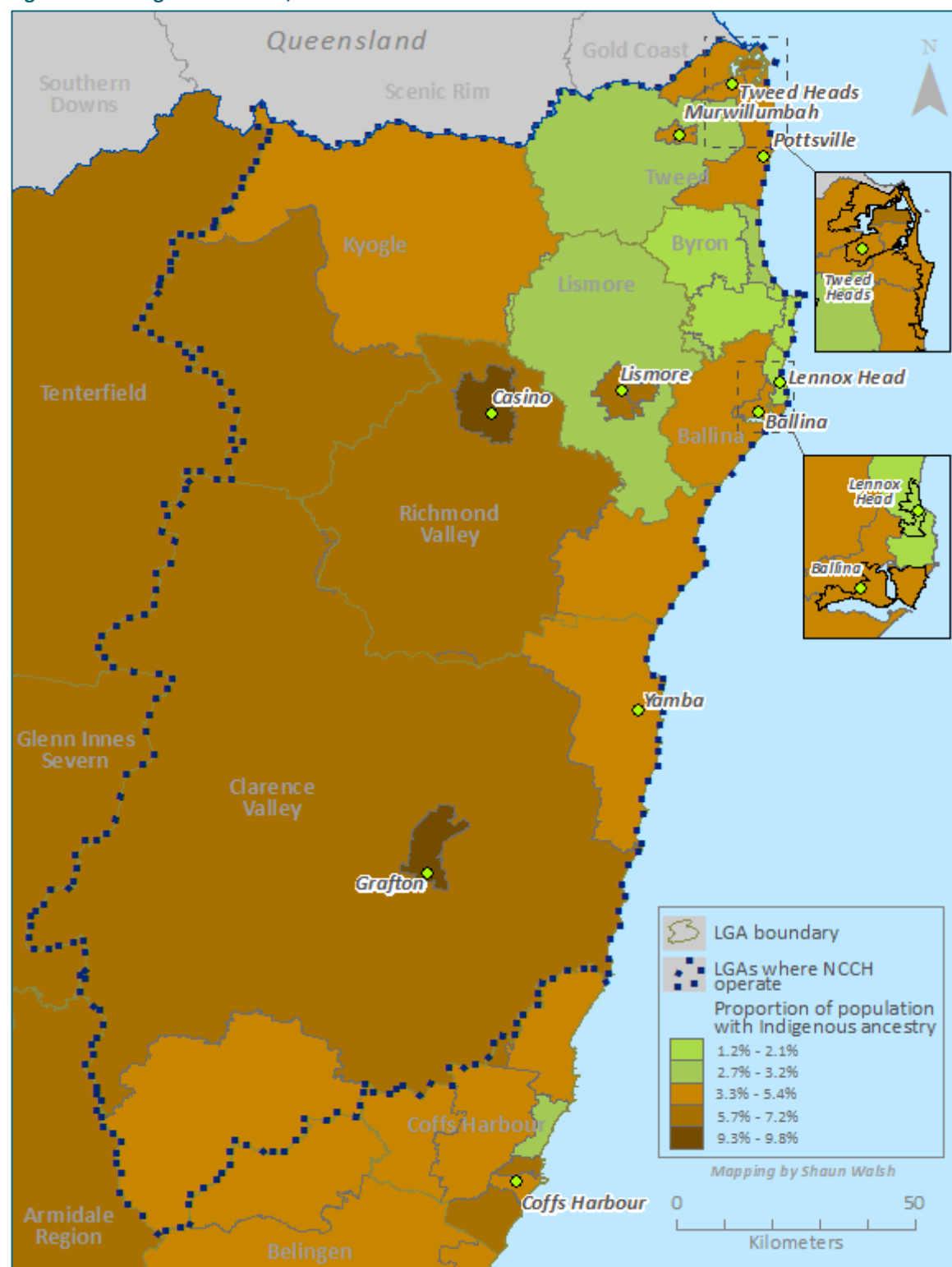
Some people live in caravans as homes of 'last resort' because they cannot secure rental housing due to poverty or a poor rental history. Many residents of residential parks own their own mobile home, but under existing arrangements its site is rented. Homelessness can occur if the park is closed for redevelopment, and FACS Housing has arranged to provide emergency assistance to people in this situation.

2.8 Aboriginal residents

Figure 11 shows the proportion of Aboriginal and Torres Strait Islander people compared to the total population. The NSW average is 3.2%, with areas on the map coloured orange/brown which are at a higher rate. Most areas have more Aboriginal people than the state average, with the townships of Grafton and Casino having between 9% and 10%.

Aboriginal people face a number of social and economic challenges in the North Coast region, as in the rest of Australia. These include worse health and education outcomes, and discrimination in the jobs and private rental housing market.

Figure 11: Aboriginal residents, 2016





3 Housing Markets



Housing supply in the region has failed to keep pace with demand, both in terms of numbers of new properties and particularly the availability of smaller, more affordable homes

3.1 Housing types and tenure

The region has a relatively traditional housing stock, dominated by detached houses. This type of housing is most common in the inner highlands and some coastal areas away from the larger centres. It represents up to 96% in Kyogle LGA, 87% in Clarence Valley and 84% in Richmond Valley.

Table 9 shows that attached homes and apartments comprise a much higher proportion of housing in the more urban areas of Ballina (27%) and Tweed (31%) compared to 11% in rural Clarence Valley.

Table 9: Housing type, 2016

	Separate house	Attached house	Apartment	Other
Ballina	69.6 %	22.4 %	5.0 %	3.0 %
Byron Shire	82.7 %	7.3 %	6.5 %	3.5 %
Clarence Valley	86.5 %	5.6 %	4.9 %	3.1 %
Kyogle	95.7 %	0.6 %	1.8 %	1.9 %
Lismore	83.3 %	9.6 %	4.7 %	2.4 %
Richmond Valley	84.4 %	5.7 %	7.4 %	2.5 %
Tweed	65.9 %	18.7 %	12.0 %	3.5 %
NSW	66.4 %	12.2 %	19.9 %	0.9 %

Source: ABS (2016). 'Other' includes mobile home, caravan, houseboat, tent and sleeping-out

'Other' dwellings are a mix of holiday homes and affordable accommodation such as residential parks. They have noticeable higher proportions than the NSW average in all areas, but especially Tweed and Byron LGAs. Loss of this type of accommodation to residential development can have a negative impact on the stock of affordable housing.

Table 10 shows housing tenure in 2016. More households own their properties outright in all areas

than the NSW average. This a more pronounced feature of the more rural areas such as Kyogle and Clarence Valley LGAs. Levels of outright ownership have marginally increased since 2011, which is against the trend in metropolitan Sydney where there is an increasing share of mortgage payers.

The proportion of home owners with a mortgage has remained steady or increased slightly since 2011. Interestingly, the rise in both categories of owner occupation has been at the expense of private rentals. In Tweed LGA, for example, the proportion of private renters fell from 26.1% in 2011 to 24.9% in 2016. This indicates a squeeze on the availability of all types of rental, not just social rentals - which are at a lower level in the Northern Rivers region than across NSW.

The proportion of social housing compared to total dwellings continues to decline, as nearly all new properties built are in the private sector. The biggest falls in the proportion of social housing were in Ballina (4.8% in 2011, 4.4% in 2016) and in Richmond Valley (4.6% down to 4.2%). This trend is seen across NSW. If the rate of decline continues at this rate the proportion of social housing will be less than 0.5% of housing stock within 50 years.

Table 10: Housing tenure, 2016

	Owned outright	Owned with mortgage	Private rental	Social rental
Ballina	42.9 %	27.7 %	24.9 %	4.4 %
Byron Shire	38.1 %	29.7 %	30.2 %	2.0 %
Clarence Valley	45.7 %	27.9 %	23.2 %	3.1 %
Kyogle	48.1 %	28.8 %	21.3 %	1.8 %
Lismore	37.4 %	32.6 %	25.9 %	4.2 %
Richmond Valley	40.2 %	29.3 %	26.2 %	4.2 %
Tweed	42.2 %	29.7 %	24.9 %	3.2 %
NSW	33.5 %	33.5 %	28.1 %	4.9 %

Source: ABS (2016). 'Social rental' includes rented from a State Housing Authority, cooperative or community housing group. All other sundry rental types are included in the 'private rental' category. Table excludes 'other' tenure type, and 'tenure not stated'

3.2 Private housing costs

Figure 12 shows the median rents in the Northern Rivers region for 3-bedroom houses from December 2015 to March 2018 in dollars per week.

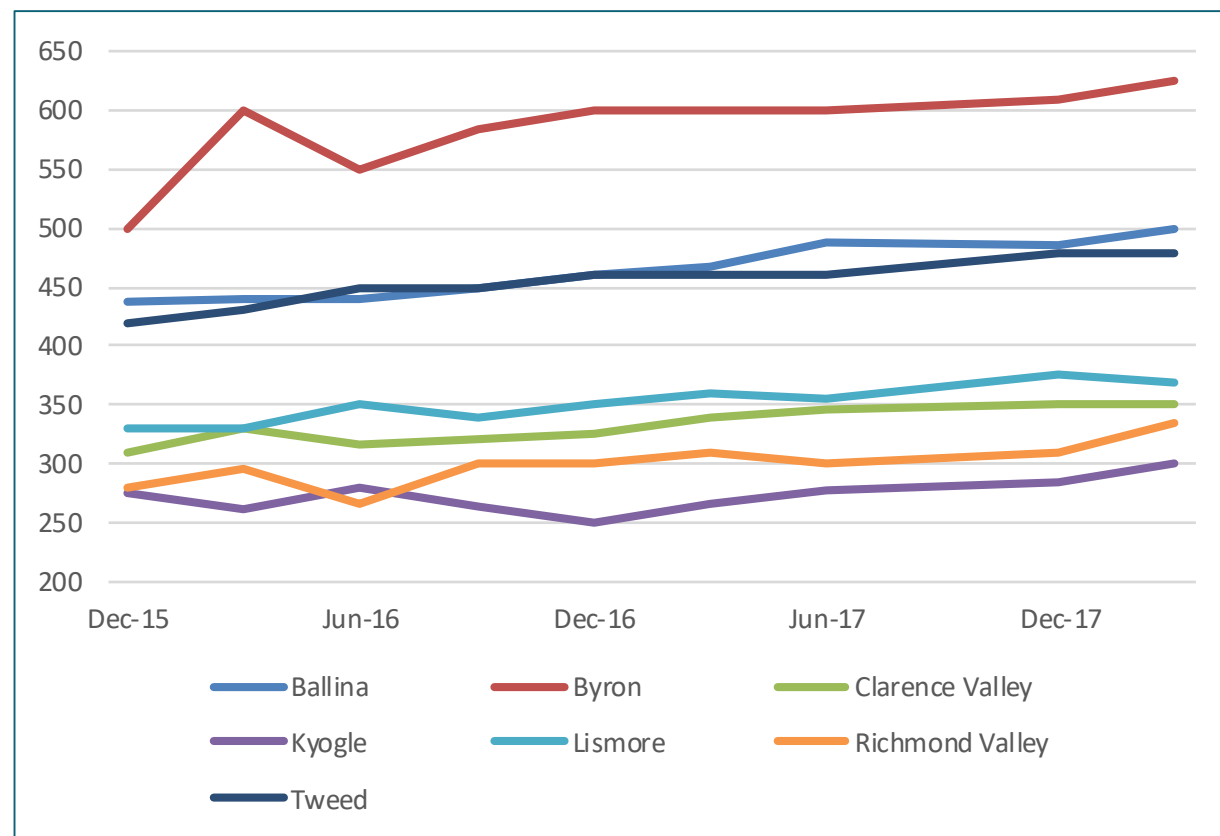
Byron Shire LGA has the highest rents peaking at \$625 per week in March 2018 and the fastest increase at 25% over the period. Rents are also high in Ballina and Tweed LGAs, the growth areas near Queensland, with both increasing by 14% in this period. The more affordable rents in Lismore, Clarence Valley, Richmond Valley and Kyogle LGAs are all in the \$300s range in March 2018. However, Richmond Valley rents grew more rapidly than the other hinterland regions at 20% over the 3 years analysed.

The cheapest rents continue to be in Kyogle (\$300 per week). Tweed LGA was relatively affordable in December 2012, but this growing area is now one of the most expensive in the North Coast region.

Over the last 3 years rent levels have been relatively stable but dipped in Byron Shire and Richmond Valley in June 2016. The most volatile rents have been in Byron Shire and the most stable in Kyogle.

Challenges in the private rental market are confirmed through very low rental vacancy rates. July 2018 data from the Real Estate Institute of NSW indicates the vacancy rate in the Northern Rivers region was just 1.1% over the previous year. This is the lowest of all NSW regions surveyed, and even lower than 2.3% in Sydney, 2.1% in Newcastle and 2.1% in the Illawarra region.

Figure 12: Property rental costs, 2015-18



Source: FACS (2018)

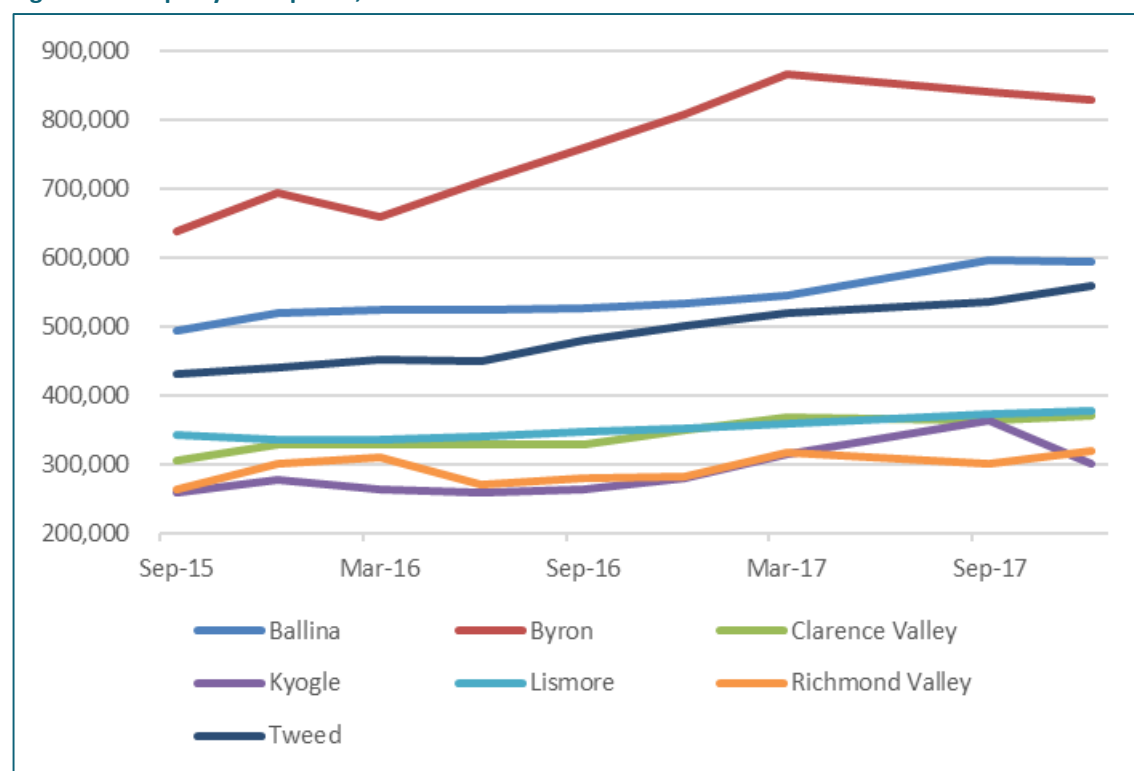
Figure 13 shows median property sales prices across the Northern Rivers region from September 2015 to December 2017. Prices in Byron Shire LGA are at a premium compared to the rest of those in the chart, and this continues a longer term trend. In December 2017 Byron Shire's median house price was 40% more expensive than the nearest council area in terms of median sales price, Ballina LGA.

Ballina, Lismore and Clarence Valley LGAs have shown stable prices and a steady growth between

2015 and 2017. Richmond Valley, Byron Shire, Kyogle and Tweed LGAs have all shown greater fluctuations in median prices, with Byron Shire dipping in March 2016 and peaking in March 2017 before dropping in the following quarters.

Byron Shire LGA as the most expensive in the region is subject to greater market sensitivity, and impact from changes in the economy. This may also be explained by the demand for housing for Airbnb and other holiday lets, as opposed to private purchase.

Figure 13: Property sales prices, 2015-17



Source: FACS (2018)

The median house price in the Greater Metropolitan Sydney region at December 2017 was \$870,000, and for the rest of NSW excluding metro Sydney was \$416,000. Byron Shire LGA's sales prices are more similar to metro Sydney, with Ballina and Tweed LGAs ahead of the 'rest of NSW' average. Prices in

the remaining LGAs are often significantly below the median for 'rest of NSW'.

Private housing stress

Table 11 shows data for purchaser households in housing stress. The ABS analysis compares the number of households in mortgage stress compared

to all households, including those renting. Therefore the figures in the table underestimate the level of housing stress.

Housing stress for purchasers is above the NSW average in Byron Shire but below in all the other LGAs. Richmond Valley and Clarence Valley are two percentage points below the NSW average. The region's LGAs all decreased by between 1.8 and 3.4 points since the 2011 census, and the NSW figure by 3.1 points. While good news for higher income purchasers, low to moderate income households are likely to have higher levels of housing stress.

Table 11: Purchasers in housing stress, 2016

	% in housing stress
Ballina	6.2 %
Byron Shire	8.5 %
Clarence Valley	5.4 %
Kyogle	6.8 %
Lismore	6.9 %
Richmond Valley	5.5 %
Tweed	7.0 %
NSW	7.4 %

Source: ABS (2016). Percentage of all households

3.3 Housing supply and demand

One of the main drivers reducing housing affordability has been the failure of housing supply to keep pace with housing demand. According to the National Housing Supply Council, before it was disbanded, the shortfall of supply compared to underlying demand since 2001 reached 228,000 nationally to 2012 (Australian Government, 2012).

Table 12 shows changes in anticipated dwelling numbers based on NSW Government population projections. The Northern Rivers region is expected to need an additional 25,850 new homes, or an 18%

increase. The greatest increase in dwellings will be in Tweed, Byron and Lismore LGAs. Based on this analysis, the region needs to deliver an additional 1,293 new dwellings each year over two decades.

Table 12: Housing demand, 2016-36

	Dwellings 2016	Dwellings 2036	Change	%
Ballina	19,450	22,000	2,550	13.1%
Byron Shire	16,100	19,250	3,150	19.6%
Clarence Valley	25,900	29,450	3,550	13.7%
Kyogle	4,800	4,900	100	2.1%
Lismore	20,550	23,900	3,350	16.3%
Richmond Valley	10,750	12,300	1,550	14.4%
Tweed	44,450	56,050	11,600	26.1%
Totals	142,000	167,850	25,850	18.2%

Source: NSW Government (2016)

Census 2016 data

Census information highlights the challenges over recent years in delivering additional housing. As shown Table 13, the number of dwellings has increased since 2011. However, the supply is not sufficient to keep up with anticipated demand.

Table 13: Housing supply and demand

All dwellings, Northern Rivers region, 2011	122,560
All dwellings, Northern Rivers region, 2016	124,389
Total increase	1,829
Annual supply	366
Annual demand (see above)	1,293
Annual shortfall	927

Source: ABS (2011, 2016)

Based on the level of new housing production between 2011 and 2016, the annual shortfall in new household supply is considerable. These figures are for all types of dwelling supply, regardless of whether price point or bedroom numbers is meeting demand.



4 Housing Affordability



North Coast NSW has some of the least affordable housing to rent or buy in the State. Social housing is in short supply, the waiting list long, and new housing supply increasingly aimed at the middle and upper market segments. As a result, more people are in housing stress

4.1 Key terms

Housing affordability is measured as the relationship between household income and household expenditure on housing costs. It can apply to all households, whether purchasing a property via a mortgage or renting from a landlord, and of varying income levels. Around one in six Australian households pay over 30% of income on housing costs and are defined as being in *housing stress*.

Housing stress increased from the early 1990s in Australia, principally because housing prices increased much faster than wages. As a result, entry to home ownership has become difficult or impossible for many households. Also, as a consequence there are shortages of affordably priced rental accommodation as rents needed to increase to cover investors' costs.

Affordable housing

The related but different concept of *affordable housing* refers to accommodation for low to moderate income households. In NSW this is defined as housing for:

- Very low income households, earning less than 50% the State average income
- Low income households, earning between 50% and 80% of the State average income
- Moderate income households, earning between 80% and 120% of the State average income

Affordable housing will often be supported through Government subsidy:

- Tenants of private landlords might receive Commonwealth Rent Assistance (CRA) to boost their income
- The planning system might be used to increase the supply of below-market priced homes to buy or rent. In exchange for being granted planning consent, developers may be required to deliver a certain proportion of affordable new homes
- *Social housing* is built through direct public subsidies, and managed either by a Government agency, FACS Housing (*public housing*) or by a not-for-profit organisation (*community housing*)

4.2 Regional affordability

The North Coast region shares many affordability issues with other parts of Australia. However, there are several important and distinct regional issues.

The region has become popular as a tourist destination, especially Byron Shire and Ballina LGAs with new residents attracted by the high-quality coastal living and environment. This has caused the emergence of two distinct coastal and inland sub-markets, with inequitable distribution of wealth and social advantage, land prices, population growth and housing approvals between them.

As noted in Section 3, house prices in areas such as Byron Bay are at Sydney levels. Incomes, however, are much lower. Also, the income distribution is skewed with a large number of very low income households. Therefore in the Northern Rivers region, while higher housing costs are a challenge, the greater problem driving housing stress is income levels.

While the general principles of housing affordability are understood, there are many different ways of measuring it. Is affordability being measured for renters or purchasers? Is the whole population being considered, or just lower income earners? Which

geographical units is being used? The five sub-headings below give a variety of assessments of housing affordability in the Northern Rivers region.

1 Demographia

The annual survey of housing affordability in predominantly English speaking countries regularly makes headlines. It is based on comparing median house prices to median household incomes in some 300 metropolitan housing markets. A multiplier is calculated of house prices divided by median incomes, then assessed in bands from 'affordable' to 'severely unaffordable' (Demographia, 2018)

The multiplier is 6.6 in Australia ('severely unaffordable'), ahead of 4.6 in Britain ('seriously unaffordable') and 3.8 in the US ('moderately unaffordable'). Selected metropolitan areas are shown in the table below:

Table 14: Domographia unaffordability, 2018

	Multiplier	World rank	Category
Sydney	12.9	2	severely unaffordable
Melbourne	9.9	6	severely unaffordable
Gold Coast	8.4	17	severely unaffordable

Source: Demographia (2018)

In 2017 the Demographia survey includes 'Tweed Heads', with a multiplier of 9.7 and ranking as the eight least affordable housing market in the world. Tweed Heads was not included in the 2018 survey, though the area would likely rank in a similar positional globally if it was included.

A 2017 international survey suggested Tweed Heads was the 8th least affordable housing market in the world

The Demographia survey is often criticised as it only assesses the affordability of house purchase and is

promoted by an organisation opposed to any form of planning controls. It does not assess the affordability for renters in general, and lower income renters in particular.

2 ABS rental stress

The Census figures for rental stress takes the number of rental households in housing stress divided by the total number of households. This has the effect of making the figures look less dramatic, as shown in Table 15. However, another way to interpret the numbers is that 12.9% of all NSW households are in rental stress - a high figure.

Table 15: Renters in housing stress, 2016

	% in housing stress
Ballina	12.9
Byron Shire	17.2
Clarence Valley	11.7
Kyogle	8.8
Lismore	13.3
Richmond Valley	12.3
Tweed	13.2
NSW	12.9

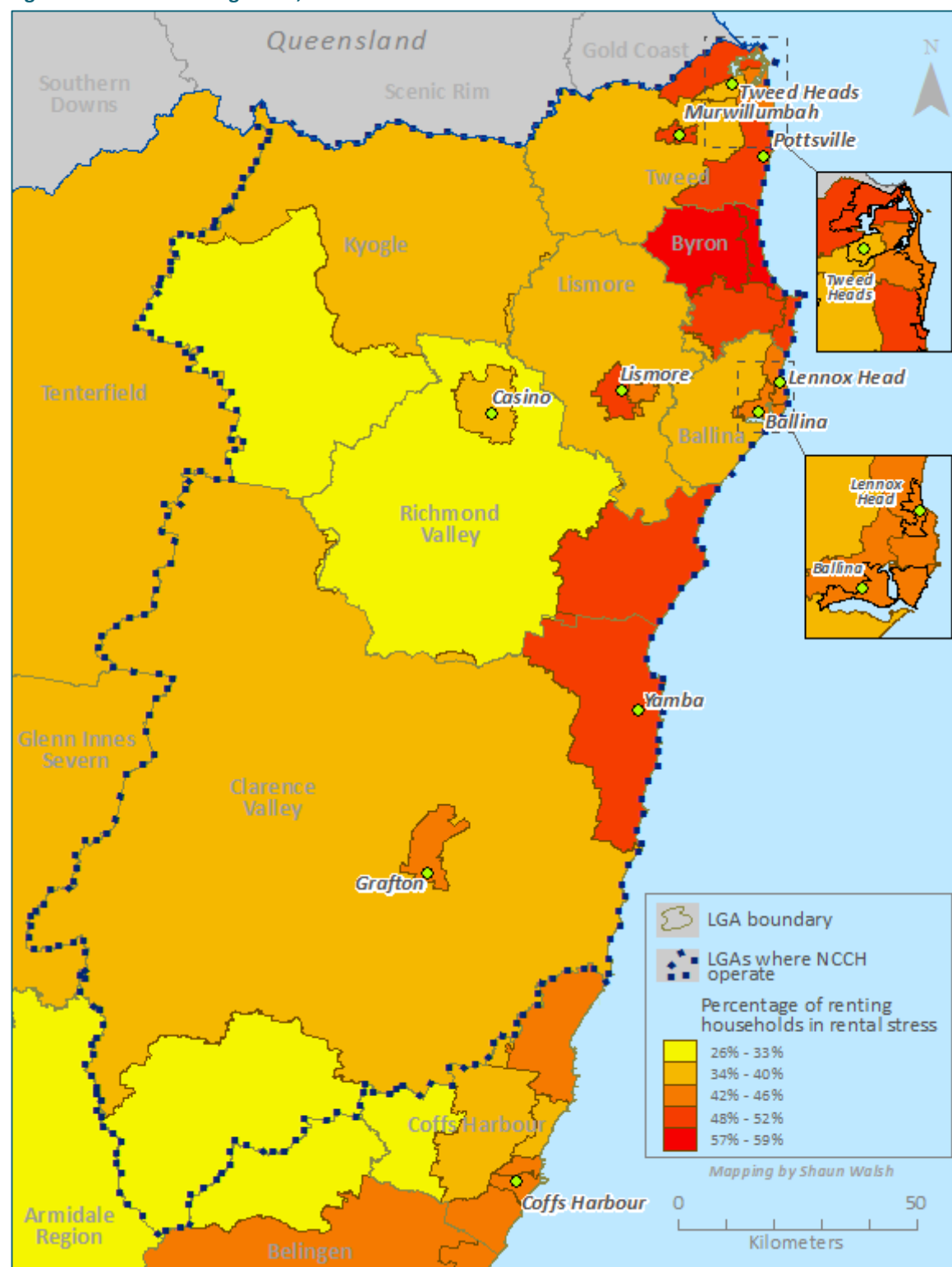
Source: ABS (2016). Percentage of all households

Table 15 shows levels of rental stress in the Northern Rivers are high, and in Ballina, Byron Shire, Lismore and Tweed LGAs are at or higher than the NSW average. The only LGA with a much lower level of rental housing stress is Kyogle LGA.

Overall there have been a small decrease of rental housing stress in most LGAs, except in Richmond Valley, Kyogle and Clarence Valley. The more inland and rural areas' levels of housing stress are increasing towards the levels seen on the coast.

Figure 14 analyses ABS data, but takes the percentage of renters in rental housing stress, rather than the proportion of all households in rental housing stress. This gives a more accurate view.

Figure 14: Rental housing stress, 2016



From Figure 14, Byron Bay and surrounds have nearly 60% of renter households in housing stress. Several other coastal areas such as Yamba and north of Lennox Heads have around half of renters in rental stress. While figures are lower in some regional figures, no location has fewer than 26% of renters in rental housing stress.

3 Compass Housing income gap

Recent research by community housing provider Compass Housing has determined an Affordable Housing Income Gap (AHIG) index as a measure of housing affordability for renters in the private market. The index is calculated as the gap between the median figure for what households earn, and the median income they need to earn for their rent to be affordable (i.e. less than 30% of income).

For example, the median weekly rent for all Byron Shire dwellings is \$590. The income needed to avoid housing stress is \$1,967. Hence the affordable housing income gap is \$749 per. The AHIG Index is the percentage by which household income would need to increase to avoid housing stress. For Byron Shire LGA, this is 61% or an AHIG Index of 61.

The top LGAs with lowest rental affordability are shown in Table 16. Four of the nine least affordable LGAs in NSW are in the North Coast region:

Table 16: Affordable Housing Income Gap

LGA	AHIG Index	NSW rank	Measure
Byron Shire	61	1	Extreme housing stress
Woollahra	47	2	
Ballina	47	3	
Waverley	38	4	
Clarence Valley	29	5	Severe housing stress
Northern Beaches	24	6	
Tweed shire	21	7	
Ku-ring-gai	21	8	
Kiama	20	9	

Source: Compass Housing (2018)

Based on a 2018 report, Byron Shire LGA has the least affordable private rents of anywhere in NSW, including Sydney's eastern suburbs and north shore

4 Anglicare Rental Affordability Snapshot

The annual Anglicare Snapshot surveyed over 67,000 rental listings across Australia in early 2018, and determined if they were affordable to people in various low income groups. Across Australia, only 3 rental properties out of 67,365 were affordable to a single person on a Newstart Allowance.

In a regional study on Northern NSW region, as defined by state planning, on 24 March 2018

- 660 private rentals were advertised
- None were affordable to a single person on a Newstart Allowance
- 3 were affordable to a single person on the Age Pension
- Only 1 property in Ballina LGA, 1 in Byron Shire Bay were affordable to low income households and people on benefits. None were affordable to these groups in Tweed Heads LGA
- In total only 25 properties were affordable to people on benefits
- In total only 145 properties were affordable to people on the minimum wage

Anglicare also noted a steep drop in the number of private rental properties available in the Northern NSW region, down from 912 in 2013 to 795 in 2017 and 660 in 2018. 'it would suggest there is legitimate concern that the Airbnb business model is having a detrimental impact on the residential market' (Anglicare Australia, 2018: p.22).

‘Consistent with the last 6 years of our participation in this Snapshot, single people in receipt of a lower rate of benefit [in Northern NSW] cannot access any housing whatsoever’
Anglicare Rental Affordability Snapshot, 2018

5 SGS Rental Affordability Index

National Shelter, Community Sector Banking and SGS have released the Rental Affordability Index (RAI) since 2015. With the RAI, lower income households who are paying 30% of income on rent have a score of 100, indicating that these households are at the critical threshold for housing stress. A score of 100 or less indicates that households are in housing stress (SGS, 2018).

As shown in Figure 15, for a single pensioner private rentals in the Northern Rivers region are either

‘extremely unaffordable’ (in Byron Shire LGA) or ‘severely unaffordable’ elsewhere.

4.3 Social housing

Social rental housing, which includes public and community housing, is lower than the NSW average of 4.8% in all LGAs in the Northern Rivers region. Both Kyogle LGA (1.8%) and Byron Shire LGA (2.0%) are extremely low, with Clarence Valley and Tweed LGAs both around 3%.

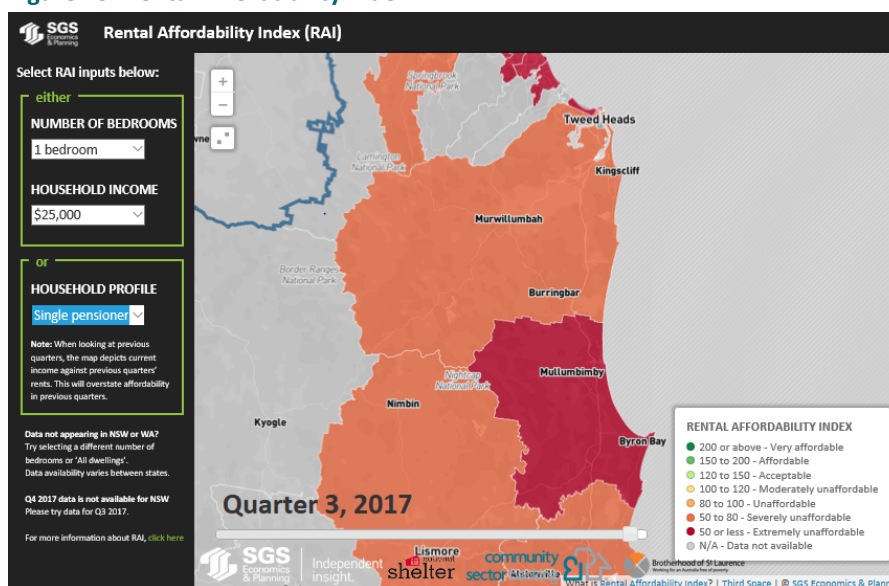
Figure 16 shows the regional distribution of social housing in the Northern Rivers region. The highest concentrations of social housing to all dwellings are in Ballina, Lismore, Casino and Grafton. There are also higher concentrations in some areas close to Tweed Heads. The highest concentration of social housing, at just over 9%, is at Ballina.

The lowest concentrations of social housing cover large rural areas of Clarence Valley, Richmond Valley, Lismore and Tweed. In these areas less than 1% of all dwelling are social housing. These numbers are very low in terms of comparisons in NSW, Australia and internationally.

Waiting Lists

The FACS website indicates as at June 2017 there were 51,453 general and 4,496 priority applicants on the waiting list. For the Northern NSW district, which covers an area wider than the Northern Rivers region, the waiting list had 2,929 applicants of which 683 were Aboriginal and Torres Strait Islander, and 789 single parent families. The waiting list had fallen from 3,014 in June 2016, but is still much higher than in June 2012 with 2,257 people.

Figure 15: Rental Affordability Index



Source: SGS (2018). Data is for a one bedroom rental property for a single pensioner with annual

Figure 16: Social housing % of dwellings, 2016

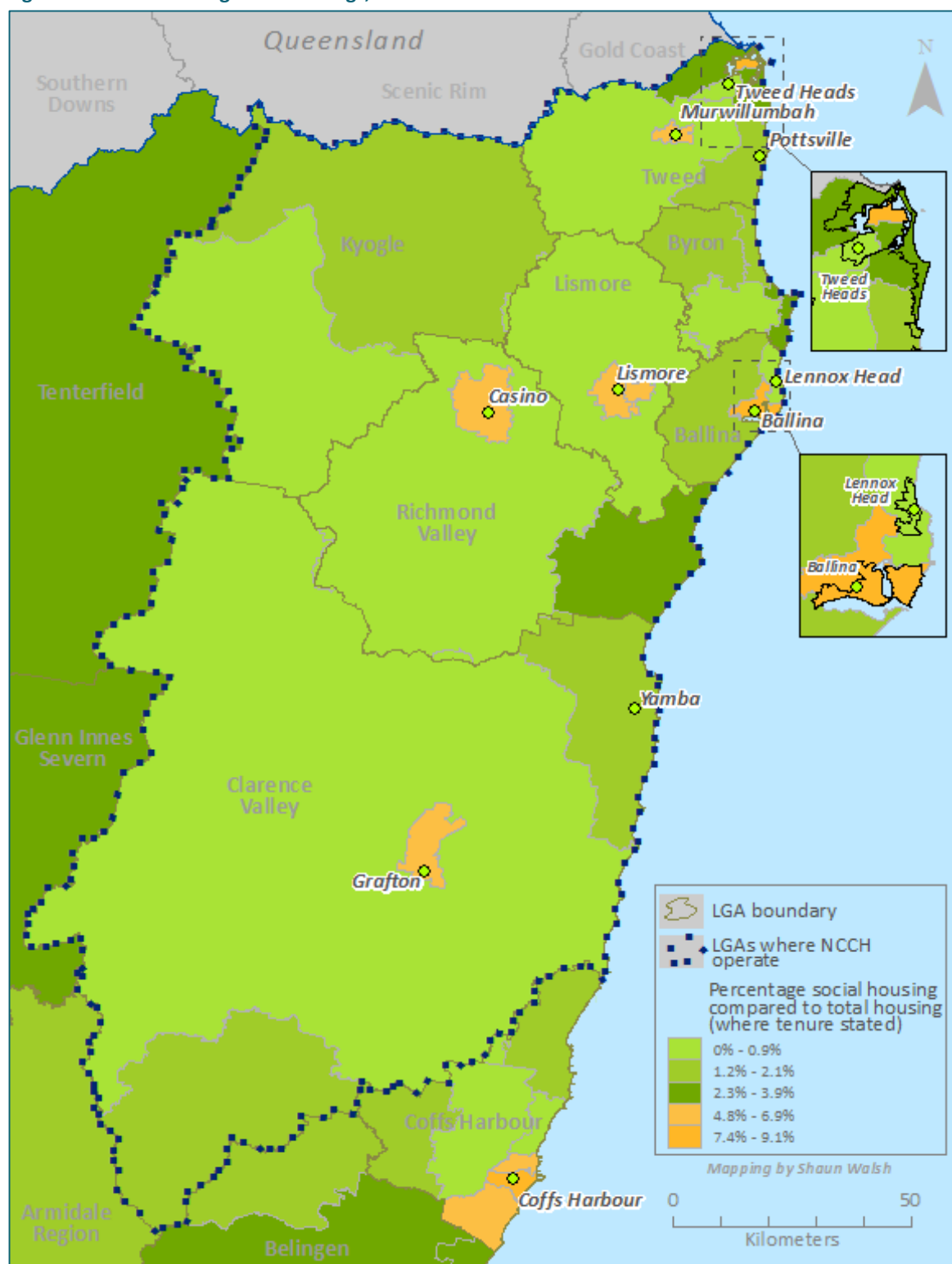


Table 17 shows the total waiting list for the Northern Rivers region, but based on FACS allocation zones. There are 3,026 applicants waiting for social housing, an increase of 34% since 2012.

Table 17: Social housing waiting list, Jun 2018

	General	Priority	Elderly (HEP)	Total
Tweed Heads	905	68	49	1,022
Lismore	462	34	5	501
Ballina	356	32	11	399
Grafton	309	12	2	323
Casino	138	12	0	150
Murwillumbah	130	10	3	143
Byron Bay	121	18	1	140
Lower Clarence	121	11	6	138
Brunswick Heads	68	10	4	82
Mullumbimby	48	12	0	60
Alstonville	31	5	0	36
Evans Head	27	3	2	32
Total	2,716	227	83	3,026

Source: FACS website and information supplied by NCCH. 'General' includes transfers, and 'priority' includes priority transfers.

A notable change from 2012 statistics was no waiting list for Kyogle residents in 2018.

North Coast Community Housing

NCCH is the largest community housing provider operating in the Northern Rivers region. It is a Tier 1 registered organisation and managed 965 properties at June 2018, of which 937 are social and 28 affordable housing. The portfolio has 975 tenants and houses more than 1,700 people. This is a significant increase from the 1,592 people housed in 2012.

NCCH's tenancies consist of single and family households. The property portfolio is made up of:

- 655 'Capital' properties leased from Housing NSW (2012: 602)

- 27 properties have been transferred under the Nation Building Economic Stimulus Plan(2012: 4)
- 206 properties leased from the private rental market (2012: 157)
- 32 affordable housing properties through the Social Housing Subsidy Program (2012: 32)
- 11 Home Purchase Assistance properties (2012: 15)
- 3 Rough Sleepers Program properties (2012: 4)
- 57 properties owned by NCCH (2012: 2)

4.4 Housing policies

Despite growing demand, social and affordable housing supply did not expand over an extended period from the mid-1990s until the late 2000s. While the Nation Building Economic Stimulus funded new and refurbished social housing, the program has not been extended.

The National Rental Affordability Scheme (NRAS) has provided around 36,000 new affordable rental homes at a minimum discount of 20% to market rents, but new incentive allocation ended in 2014. Very few of the NRAS properties built were in the Northern Rivers region.

Currently funded NRAS properties will come to the end of their ten year control period over the next few years, potentially reverting from affordable rentals to market rate rates.

Within the social housing sector, community housing has continued to increase their share of properties managed. The community housing sector is more able to harness private finance, benefit from additional income through their tenants receiving CRA, and enter into partnerships for new housing supply. The sector has taken a leading role in

community development, tenant engagement and partnering with councils and not-for-profits.

Accessible housing

Full National Disability Insurance Scheme (NDIS) roll-out started in June 2016, with over 400,000 support packages for people with disability due in place by June 2019.

NDIS funding includes a contribution to the capital cost of new or modified housing for NDIS participants. This is through Specialist Disability Accommodation (SDA) funding, totalling nationally \$700 million each year when all NDIS packages are in place. SDA is designed to help house 28,000 residents by providing gap funding over 20 years based on the type, modifications and location of property delivered.

In NSW, SDA providers must be either registered community housing providers or existing service providers in the state. SDA is likely to be an important source of development funding for community housing providers to develop new accessible homes. It will also provide funding for existing properties attracting SDA income. NCCH is registered as an SDA provider under the NDIA.

A March 2018 study by the Summer Foundation, AHURI and SGS found NSW needs the largest number of *new* SDA dwellings at 3,290. Greatest demand will be in locations with the highest population growth, such as Tweed and Byron LGAs in the Northern Rivers region. Community housing providers such as NCCH with an existing good knowledge of accessible housing will be well placed to use SDA funds to increase accessible and affordable housing numbers in Northern NSW.

Bond finance

In July 2018 the National Housing Finance and Investment Corporation (NHFIC) was established to

allow community housing providers access to up to \$1 billion of lower-cost debt finance.

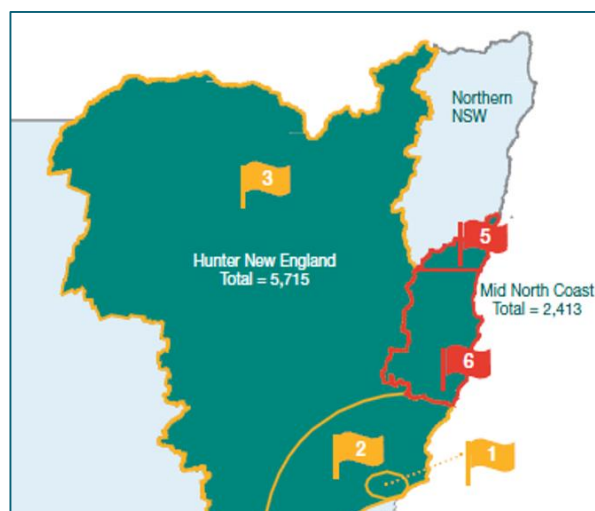
Community housing providers are currently negotiating borrowing arrangements with NHFIC. Funding will likely be provided for both new developments as well as to refinance existing debt. While there will still need to be a contribution of land and/or grants, cheaper finance is still likely to increase marginally the supply of more social and affordable housing.

NSW social housing

In January 2016 NSW Government launched their *Future Directions* social housing strategy. This aims to increase the supply of social and affordable housing, help tenants transition into work and training then potentially exit social housing, and modernise the services and quality of the public housing agency - FACS Housing.

The main Future Directions approaches are:

- *Social Housing Management Transfers* (SHMT): whole of area/region tenancy and asset management outsourcing of 14,000 homes across 4 FACS districts. There are 9 individual packages, most in regional areas except 3 packages in North Sydney district.



- Transfers are in planning, with the first to be undertaken in October 2018. The Northern Rivers region is an area where there will be no transfers, unlike the neighbouring Hunter New England and the Mid North Coast (see map).
- *Social and Affordable Housing Fund* (SAHF): gap funding paid over 25 years for the construction of up to 3,000 new social and affordable homes. Bidders need to bring their own land, or self-fund land purchase.

Five successful bidders in SAHF phase 1 were announced in 2017 offering 2,200 new properties, and SAHF phase 2 is currently out to tender. While a certain proportion of funding is reserved for regional areas, most schemes to date have been proposed in metro Sydney.

- *Communities Plus*: social housing estate renewal through knock-down, rebuild and partial sale to market purchasers to cross-subsidise. The first large project is at Ivanhoe, with an output of around 2,500 homes, was announced in 2017

Communities Plus only works in areas where land prices are high and it is possible to significantly increase the density of buildings and usually build taller structures. The majority of Communities Plus schemes are therefore likely to be in the metro Sydney, with potential over time for Newcastle and Wollongong. Projects in the Northern Rivers region appear unlikely.

4.5 Cost of clearing the social housing backlog

The 'Everybody's Home' affordable housing lobby group commissioned Dr Judy Yates to estimate how many more social housing dwellings would need to be commissioned to bring the stock back to 6% of total dwellings by 2026 (Yates, 2018). A total of

23,000 additional social dwellings would need to be added each year over a decade, or 230,000.

In addition, Yates estimated additional affordable rental dwellings would be needed in addition to the social housing. Figures were calculated based on numbers of people who would meet eligibility requirements for the National Rental Affordability Scheme (NRAS) but would otherwise be in Housing Stress. An additional 17,000 new affordable dwellings would be needed over the next decade to reach this target, or 170,000.

Hence the total shortfall in social and affordable housing by 2026 will be 400,000 based on Yates's calculations. The Everybody's Home campaign has called on Governments to fund an additional 500,000 social and affordable homes through a mixture of grants, tax incentives and private sector investment. The mix would be 300,000 new social and Aboriginal housing properties and 200,000 low cost rental properties.

'Everybody's Home' in Northern NSW

The total Australian social housing stock in 2016 was 426,000 dwellings based on the Productivity Commission Report on Government Services (PC, 2018). Social housing stock in the Northern NSW region is 5,279 dwellings as at June 2017 according to the FACS website.

Assuming the social housing shortfall is uniform nationally, the Northern Rivers region's share of the target would be 3,718. This is more than the current regional social housing waiting list of 3,223 applicants as there are likely to be households eligible for social housing who have not joined the waiting list as there are so few available properties.

Rental housing affordability is challenging in the region, and in some cases at a level with or in excess of a capital city such as Sydney. Assuming a similar ratio between additional social and affordable dwellings, an additional 2,478 affordable rentals

would be needed in the region. The total share of the 500,000 Everybody's Home target would therefore be 6,196 new social and affordable homes by 2026 in the Northern NSW region.

The region's share of the estimated 500,000 new social and affordable dwellings needed by 2026 is around 6,200

Clearing the social housing waiting list

From figures supplied by NCCH, there were 3,026 eligible households on the social housing waiting list in the Northern Rivers region. What would be the cost of providing all applicants with a home?

Applicant data has been analysed, and where residents have a disability an additional 10% has been added to the property purchase price. Prices have been taken from RP Data household data as at September 2018, based on the prices in particular FACS social housing allocation zones. These have then been multiplied by the number of people on the social waiting list in particular zones.

Property prices vary significantly across the Northern Rivers region, from \$310,000 in Grafton to \$1.3 million in Brunswick Heads and \$1.5 million in Byron Bay. The weighted average is \$587,500 after adding the costs of home modification where necessary.

The total costs of procuring 3,026 dwellings to clear the current social housing waiting list in the Northern Rivers region is estimated on the above basis to be \$1.8 billion. This excludes acquiring any new properties to rent to people needing affordable rental homes.

Table 18: Clearing waiting list by purchase

	Waiting list	Cost
Tweed Heads	1,188	\$ 815,163,750
Byron Shire	286	\$ 367,402,600
Ballina	386	\$ 212,242,500
Clarence Valley	470	\$ 145,700,000
Lismore	509	\$ 173,060,000
Richmond Valley	184	\$ 62,341,300
Kyogle	-	-
Total	3,023	\$ 1,775,910,150

Table 18 is calculated on the basis that Government would need to purchase properties on the market in the locations at the median price that properties of all bedroom configurations in these areas are currently for sale. This is unlikely to be adopted as an approach, due to the considerable capital costs.

An additional calculation has been made by determining the size of properties needed based on the household composition of applicants on the social housing waiting list. Table 19 shows the most common type of property required is one bedroom dwellings, followed by two bedroom.

Table 19: Clearing waiting list by development

	Waiting list	Cost
1 bed	1,691	\$ 422,750,000
2 bed	733	\$ 183,250,000
3 bed	261	\$ 130,500,000
4 bed	122	\$ 61,000,000
5 bed	7	\$ 4,550,000
Not determined	209	\$ 52,250,000
Total	3,023	\$ 854,300,000

The above table is based on assumptions provided by NCCH as to the cost of developing new properties. This takes advantage of the tax and other advantages community housing providers can enjoy as not-for-profit developers. Properties are assumed

to cost \$250,000 to deliver, apart from 3 bedroom and above which are assumed to cost \$500,000.

As social housing landlords, community housing providers earn a modest surplus on each property managed, based on their tenants' income being supplemented by Commonwealth Rent Assistance. Based on discussions with NCCH, and assuming availability of bond finance at 3.5% (see Section 4.5 below), and capital and interest payments over 20 years, an estimated \$70 million could be borrowed by NCCH against the 3,023 newly developed homes.

Hence the 'gap' funding between the cost of developing 3,023 new homes, and the amount that can be raised by NCCH, is \$784 million.

\$ 1.78 billion

Cost of buying properties from the market to clear the Northern Rivers social housing wait list

\$ 0.85 billion

Cost of NCCH developing properties to clear the waiting list

\$ 784,000,000

Capital funding gap after debt raising

4.6 Meeting the funding gap

As shown in Section 4.5, The availability to borrow long term finance at lower interest rates through the NHFIC bond finance is only one part of the financial cocktail required to meet the social and affordable housing shortage in the region.

This level of subsidy makes it financially unsustainable to provide the quantity of housing required to close the social and affordable housing needs gap without some form of long term subsidy either at the construction end or the long term tenancy end of the equation.

NCCH has completed a small, nine by two bedroom mixed tenure townhouse development in Goonellabah, which required them to sell four of the units, to cross subsidise the three affordable and two social housing outcomes, that are being held for long term rental. This project was completed with no government subsidy other than the opportunity offered by Lismore City Council to purchase the land for an affordable price.



NCCH developed property at Goonellabah

What needs to change?

The amount of housing required to meet the current housing shortfall in the Northern Rivers region cannot be met on a large scale using the approach at Goonellabah. A February 2018 AHURI report contained the following policy options, to help solve the housing crisis (Randolph et al., 2018):

- Rather than seeking 'highest and best' land value for sales of government land for affordable housing, a preferable approach would be to treat public land as a subsidy input with the sale price reflecting the housing needs that the development seeks to address
- Governments should assess the costs and benefits of supporting affordable housing developments over at least 30 years

- The NIHFIC bond aggregator will have a significant impact on affordability outcomes and the cost to government of funding the gap between revenues and required investor yield
- Public subsidy for affordable housing should be targeted to community housing developers to ensure long-term social benefit is retained
- Community housing providers need to develop sufficient scale to support delivery of a diversity of housing outcomes without sacrificing their ability to serve house high needs groups. Large-scale development can generate valuable cross-subsidy opportunities
- Australian and state governments should develop a coherent long-term policy framework and mix of strategies to support housing provision across the continuum of housing need. Subsidy levels and the amount of public funding should be matched to needs along that continuum
- Subsidy arrangements to support social and affordable housing delivery will need to respond to the spatial variation in costs that affordable housing providers face.
- A well-designed and funded national shared ownership program would help to make the housing needs continuum work more effectively

The AHURI researchers have proposed a tool to better assess new affordable housing projects (Figure 17). This tool could usefully be used to show the long term financing options required to deliver the additional affordable housing outcomes needed over the coming decade in the region.

Final thoughts

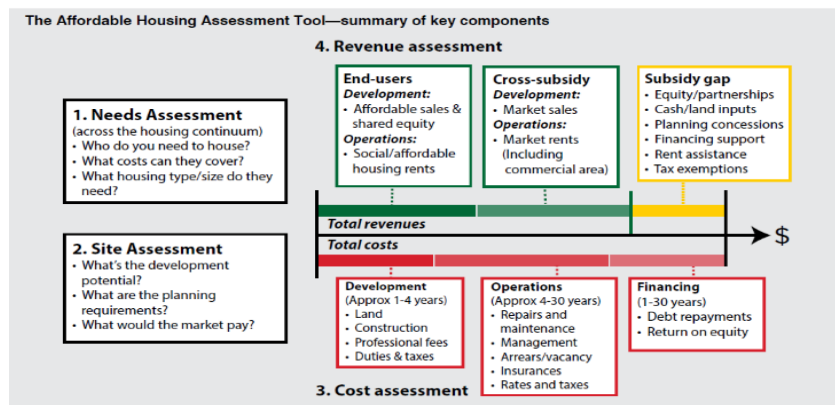
A major barrier to providing the quantity of social and affordable housing needed in the Northern Rivers region is access to suitable reasonably priced land

The biggest opportunity in the region is to access the NSW Land and Housing Corporation's social housing property portfolio and use the uplift in density bonus available to provide social and affordable housing to meet the majority of the social housing need. This is the approach used in the Communities Plus scheme, mainly restricted to metro Sydney.

The Social Housing Waiting list statistics show the majority of new housing needed in the region is of one and two bedrooms. The majority of social housing in the region is 40 to 50 year old fibro cottages on large blocks of land. These properties could be redeveloped to provide the bulk of the new one and two bedroom homes needed.

Currently State Government has no long term plan to meet the growing social and affordable housing needs in Regional NSW. By partnering with the not-for-profit and finance sectors a realisable plan could be put in place to meet the housing needs over the next decade in the Northern Rivers region.

Figure 17: AHURI housing assessment tool



Source: Randolph et al. (2018)



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Glossary & Abbreviations

ABS: Australian Bureau of Statistics

Affordable housing: Rented or purchased accommodation that can be paid for out of the incomes of people living in the housing without placing pressure on their finances. There are no agreed definitions of the term, though it often refers to housing that is affordable for low- and moderate-income groups

Communities Plus: NSW public housing renewal scheme, launched 2016.

Community housing: Social housing managed and/or owned by not-for-profit organisations.

CRA: Commonwealth Rent Assistance. A payment to lower-income households in private or community housing to minimise the chances of the households being in housing stress

FACS: NSW Department of Family and Community Services. Government department responsible for welfare services

Future Directions: *Future Directions for Social Housing in NSW* (2016). The state's most recent housing discussion paper and strategy

Greenfield development: new residential building in areas with little prior housing construction and infrastructure provision

Housing stress: A situation where residents are paying what is considered to be too high a proportion of household income on housing-related costs. Generally this is where housing costs exceed 30 per cent of income, and often the impact is measured on the poorest 40 per cent of households (the 30/40 rule).

LGA: Local Government Area

NCCH: North Coast Community Housing Company Limited, a community housing provider

NHFIC: National Housing Finance and Investment Corporation. A Commonwealth agency established in mid-2018 to issue aggregated bonds to part-fund affordable housing.

Northern Rivers region: the LGAs of Ballina, Byron Shire, Clarence Valley, Kyogle, Lismore, Richmond Valley and Tweed. These are areas where NCCH provides community housing

NRAS: National Rental Affordability Scheme (2008–14). A subsidy for constructing new affordable housing rented at below market rates to eligible tenants

Public housing: social housing owned and managed by the public sector

Residualisation: allocation of social housing to tenants with high, complex or multiple needs - not just those on low incomes

SAHF: Social and Affordable Housing Fund (2017–present). \$1 billion investment by the NSW government in new social and affordable homes, open to tender for community housing providers

SEPP: State Environmental Planning Policy

SEQ: South East Queensland

Sea change: migration from urban centres to coastal locations

SHMT: Social Housing Managing Transfer. Large-scale transfer of asset and tenancy management from public housing to community housing, part of the 2016 Future Directions strategy

Social housing: Rental housing provided to eligible applicants with rents generally set at a maximum percentage of household income. Properties are managed either by public or community housing organisations

Tree change: migration from urban centres to rural or small-town locations



