



Affordable rental housing

PENRITH SPEAKS LOUD AND CLEAR

Joint report of Sydney Alliance & Churches Housing
Survey of Penrith, Sydney, Saturday 17 March 2018



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1. EXECUTIVE SUMMARY

Penrith voters are saying loud and clear that they want affordable and secure rental housing and that the NSW Government is not doing enough in this marginal seat to ensure affordable rental units in new housing and protection from eviction without good reason.

On the morning of Saturday 17 March, 2018, 131 volunteers with the Sydney Alliance had 628 face-to-face conversations with Penrith residents and visitors. Key results:

- 82% are concerned about the lack of affordable rental housing in Western Sydney
- 97% agree that everyone has a right to affordable rental housing
- 98% agree that everyone has a right to housing that is secure
- 70% disagree that it is easy for lower-income people to find affordable rental housing
- 87% say new housing developments in Western Sydney should include units that lower-income people can afford to rent
- 82% disagree that landlords should be able to evict tenants without giving any good reason
- 72% disagree that the NSW Government is doing enough to make housing more affordable

Magnus Linder, Chair of Sydney Alliance's Housing Committee, calls on the NSW government to:

establish city-wide minimums of at least 15% on private land and 30% on government-owned land, and end no-grounds eviction in line with recent changes in Victoria.

2. REASONS FOR THIS SURVEY

The latest release of the Rental Affordability Index (RAI) in late 2017 showed that Sydney remains the least affordable city in Australia. Low- and moderate-income households are struggling to afford rents, especially in Sydney where 31% of households rent.

So, Churches Housing and Sydney Alliance devised seven questions to ask Penrith residents and visitors about affordable rental housing – their concerns and thoughts, their attitudes to no-grounds evictions and their opinion of the State Government’s actions on rental affordability.

What is affordable housing?

Affordable housing is affordable for low- to moderate-income earners. Two generally accepted measurements are:

- this housing will cost no more than 30 per cent of gross income for the lowest 40 per cent of earners,
- and
- rent charged is no more than 80 per cent of market rent.

This housing may be public housing (owned and managed by the government, usually State) or community housing (managed by private non-profit community housing providers or CHPs).

What is inclusionary zoning?

Inclusionary zoning is a planning mechanism where governments mandate zoning rules for identified new-development proposals.

These require the provision of certain uses or facilities as a pre-condition before a planning authority may grant approval.

Tenants face eviction without grounds

The problem:

- landlords can terminate leases without grounds, and
- the NSW Civil and Administrative Tribunal (NCAT) must order termination if no grounds are given

Under current renting laws in New South Wales, landlords can give notices of termination for various reasons, such as rent arrears, or where the premises have been sold and the buyer is to move in.

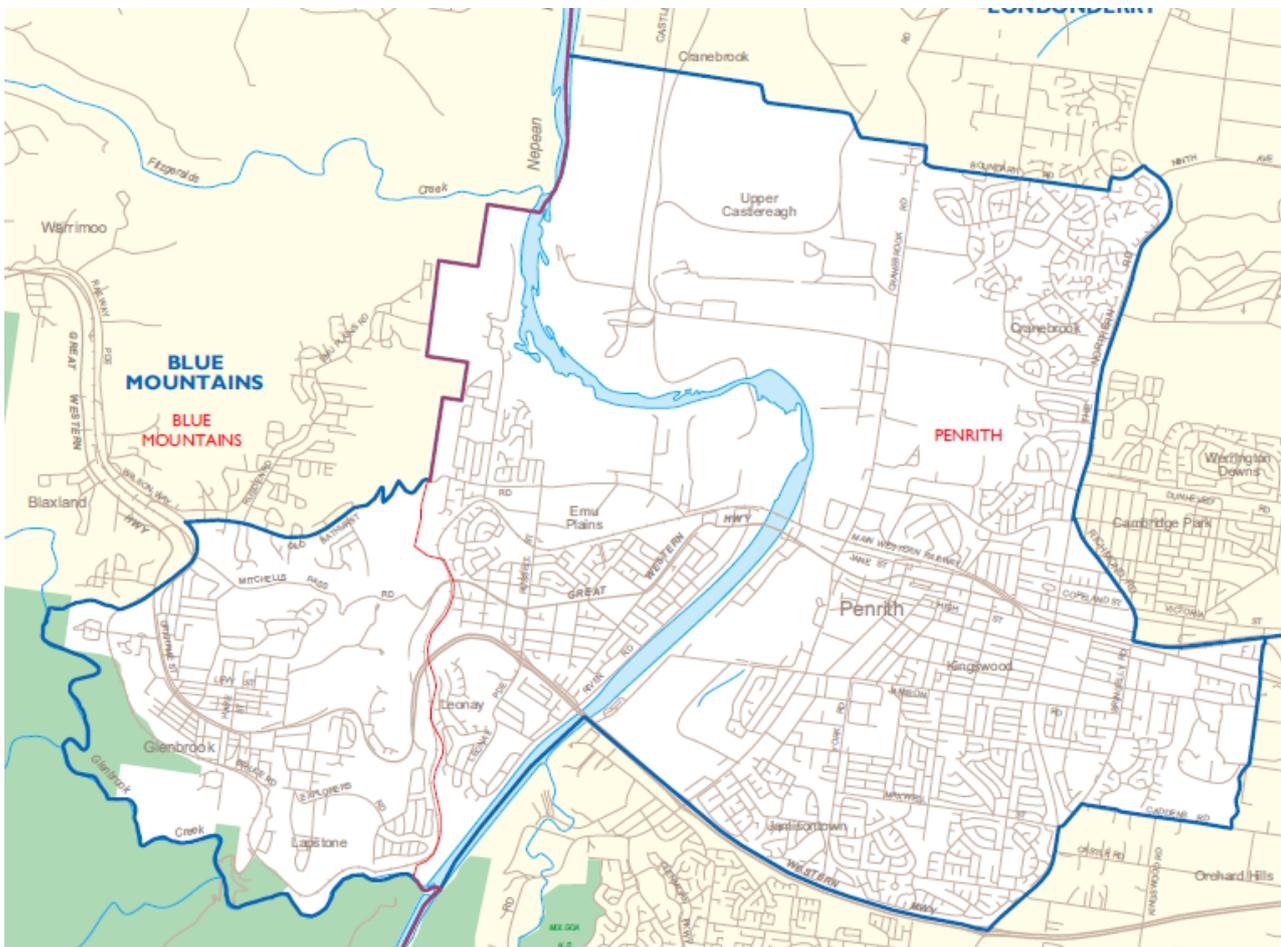
Landlords can also give notices of termination without grounds. The period of a ‘without grounds’ notice is 90 days – or just 30 days, if given at the end of the fixed-term of your tenancy. If you receive a ‘without grounds’ notice, you are not entitled to know the landlord’s reason for wanting to end your tenancy. *Source: tenants.org.au*

3. METHODOLOGY

The Sydney Alliance is a coalition of more than 40 not-for-profit community, educational, faith and union organisations. It has been campaigning for NSW and local governments to adopt meaningful inclusionary-zoning targets for affordable rentals in new developments, and to end no-grounds eviction of tenants after the end of their lease, currently allowed by NSW law.

Data collection methodology

This survey sought to engage a random sample of at least 500 people over the age of 18 in the Penrith Local Government Area (LGA). The sampling was done by door-knocking a selection of interview areas throughout the Penrith LGA (see map) and walk-up interviews at sporting fields, shopping centres and market day stalls.

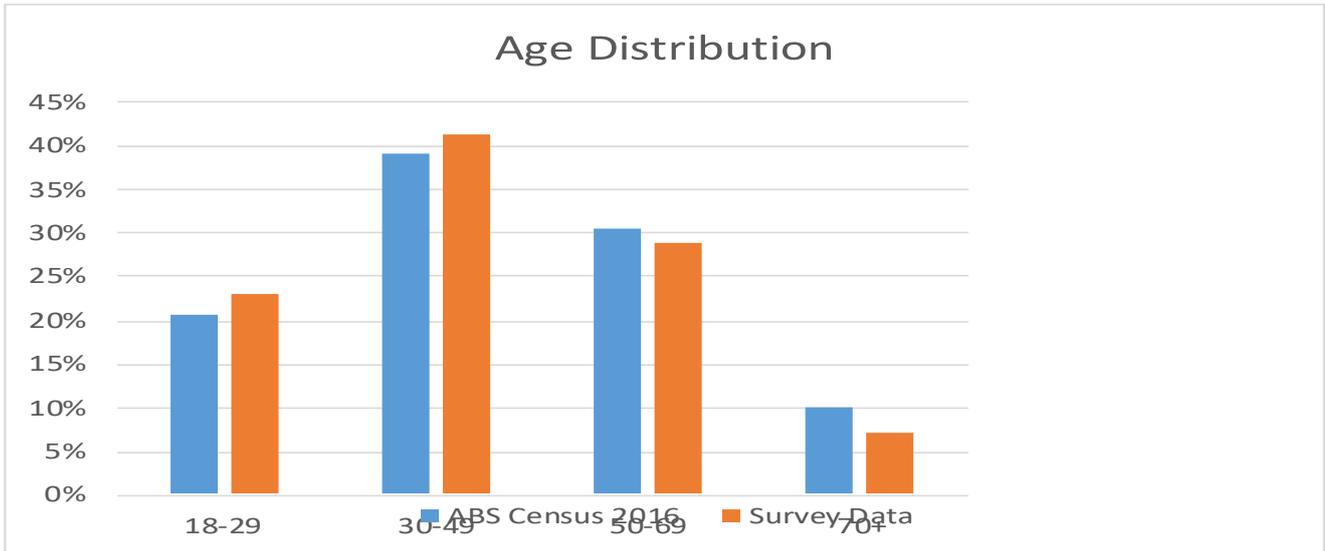


Demographics collected were:

1. age group (18-30, 31-50, 51-69, 70+)
2. housing situation (home owner, renter, rent-free, homeless and other) and
3. postcode (to be aggregated by LGA).

All calculations were based on raw counts, not weighted to population.

The following graph shows that age distribution of the sample closely resembles that of the ABS 2016 Census for the Penrith LGA for people aged 18+, so the absence of weighting is negligible on results. Note that the ABS age category for 18-29 is 20-29 which explains a slightly lower percentage.



Source: ABS 2016 Census Penrith LGA

Survey interviews were conducted by pairs of interviewers and recorded either online or on paper.

The survey data collected comprised of:

Quantitative data

Responses to seven statements about affordable housing in Sydney (Strongly Agree, Agree, Neither Agree nor Disagree, Disagree, Strongly Disagree, Don't Know).

Care was taken to have a mixture of statements that both affirm and contradict the opinions of the Sydney Alliance.

Qualitative data

One question asking how the respondent feels about the affordable housing situation

4. SNAPSHOT of PENRITH

The Australian Bureau of Statistics' Census of Population and Housing 2011 and 2016, shows:

64% fully own or are buying their house

29% rent

7% not stated

The rental figure of 29% in 2016 is up 3% from 26% in 2011.

Housing tenure							
Penrith City - Households (Enumerated)	2016			2011			Change
Tenure type	Number	%	Greater Sydney %	Number	%	Greater Sydney %	2011 to 2016
Fully owned	16,618	24.8	27.7	15,976	26.0	29.1	+642
Mortgage	26,001	38.8	31.5	26,058	42.4	33.2	-57
Renting	19,333	28.8	32.6	15,989	26.0	30.4	+3,344
Renting Social housing	2,970	4.4	4.6	2,951	4.8	5.0	+19
Renting Private	16,125	24.0	27.6	12,775	20.8	25.0	+3,350
Renting Not stated	238	0.4	0.4	263	0.4	0.5	-25
Other tenure type	312	0.5	0.8	291	0.5	0.8	+21
Not stated	4,795	7.2	7.4	3,192	5.2	6.5	+1,603
Total households	67,059	100.0	100.0	61,506	100.0	100.0	+5,553

Source: Australian Bureau of Statistics, *Census of Population and Housing 2011 and 2016*
Compiled and presented by .id, the population experts

Analysis of the five-year age groups of Penrith City in 2016 compared to Greater Sydney shows more people in the younger age groups (under 15) and fewer people in the older age groups (65+).

Overall, 21.1% of the population was aged between 0 and 15, and 11.7% were aged 65 years and over, compared with 18.7% and 13.9% respectively for Greater Sydney.

The main differences between the age structure of Penrith City and Greater Sydney are:

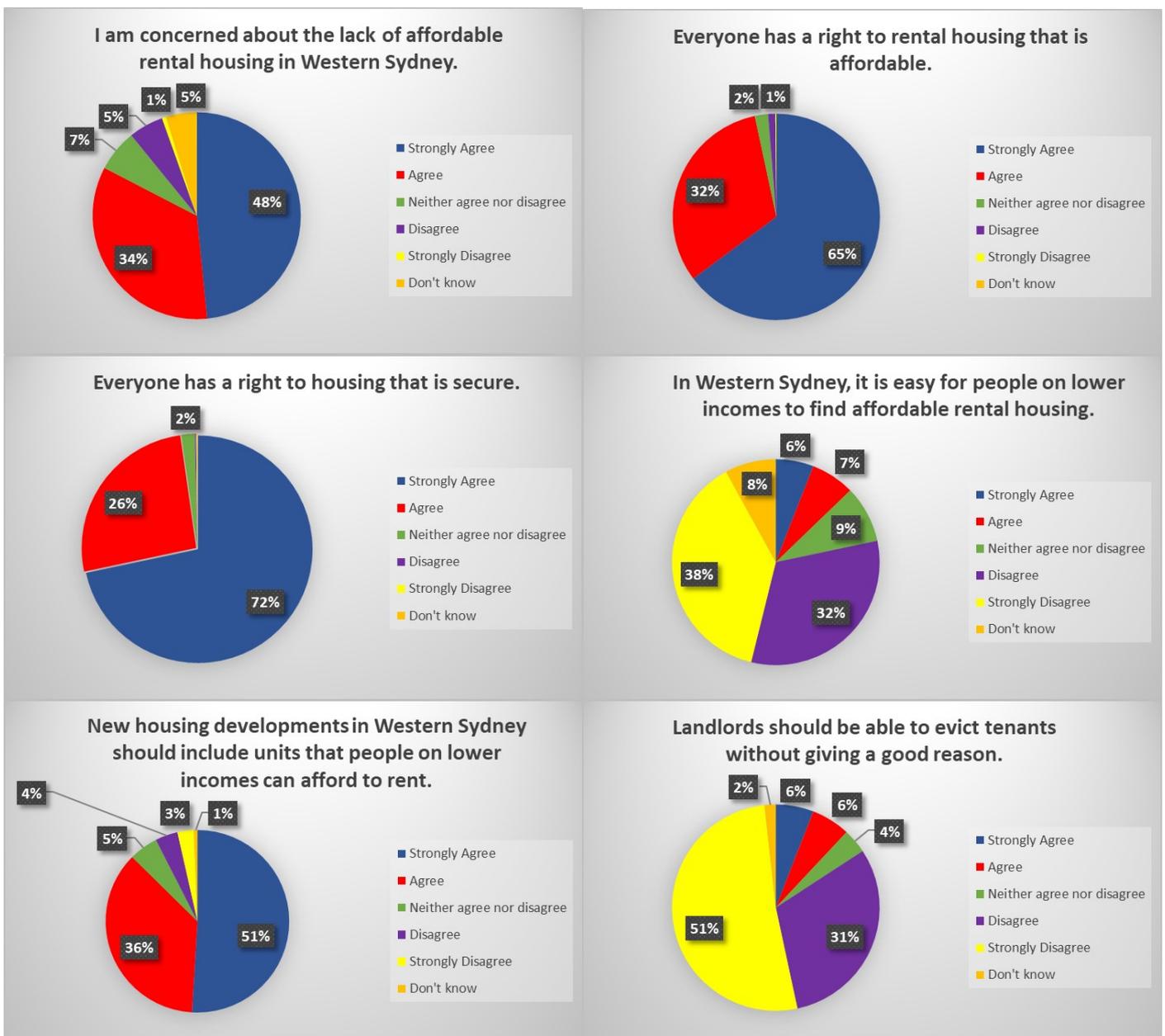
- more people aged 0 to 4 (7.4% compared to 6.4% in Greater Sydney)
- more people aged 5 to 9 (7.2% compared to 6.4%)
- more people aged 15 to 19 (6.6% compared to 6.0%)
- fewer people aged 85 and over (1.2% compared to 2.0%)

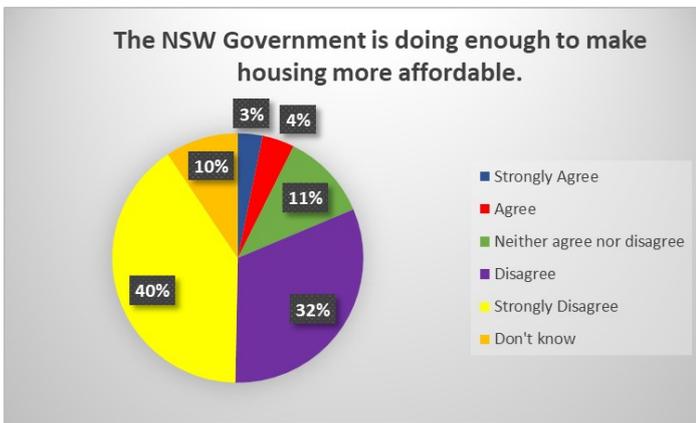
Source: Australian Bureau of Statistics, *Census of Population and Housing 2011 and 2016*
Compiled and presented by .id, the population experts

5. SURVEY ANALYSIS

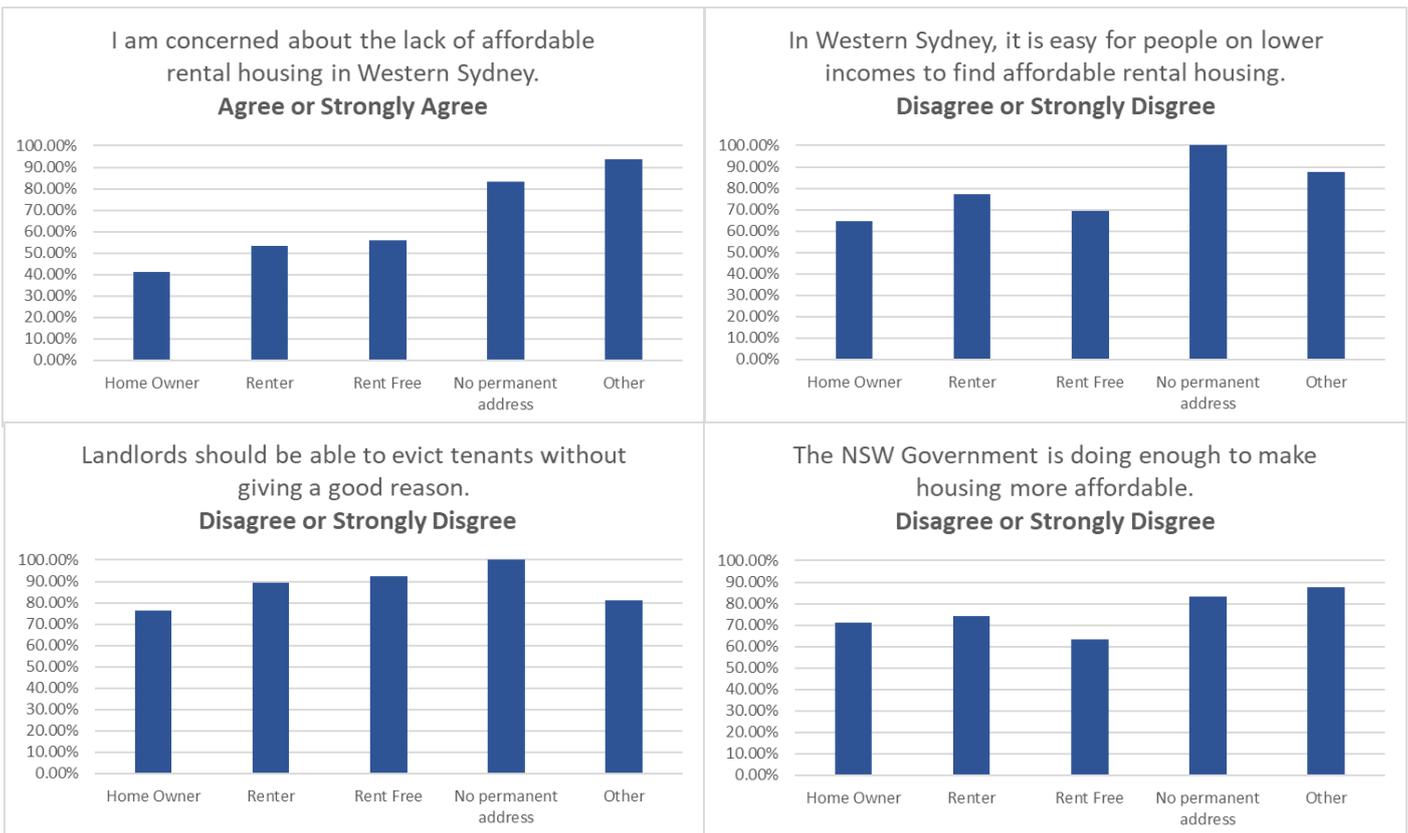
Overall there were strong trends in responses to each of the seven statements. Each show a strong concern for the availability of affordable rental housing in Western Sydney. There is also a desire to see legislation created to increase the amount of affordable rental housing and an opinion that the NSW Government is not doing enough in this area.

- 82% are concerned about the lack of affordable rental housing in Western Sydney
- 97% agree that everyone has a right to affordable rental housing
- 98% agree that everyone has a right to housing that is secure
- 70% disagree that it is easy for lower-income people to find affordable rental housing
- 87% say new housing developments in Western Sydney should include units that lower-income people can afford to rent
- 82% disagree that landlords should be able to evict tenants without giving any good reason
- 72% disagree that the NSW Government is doing enough to make housing more affordable

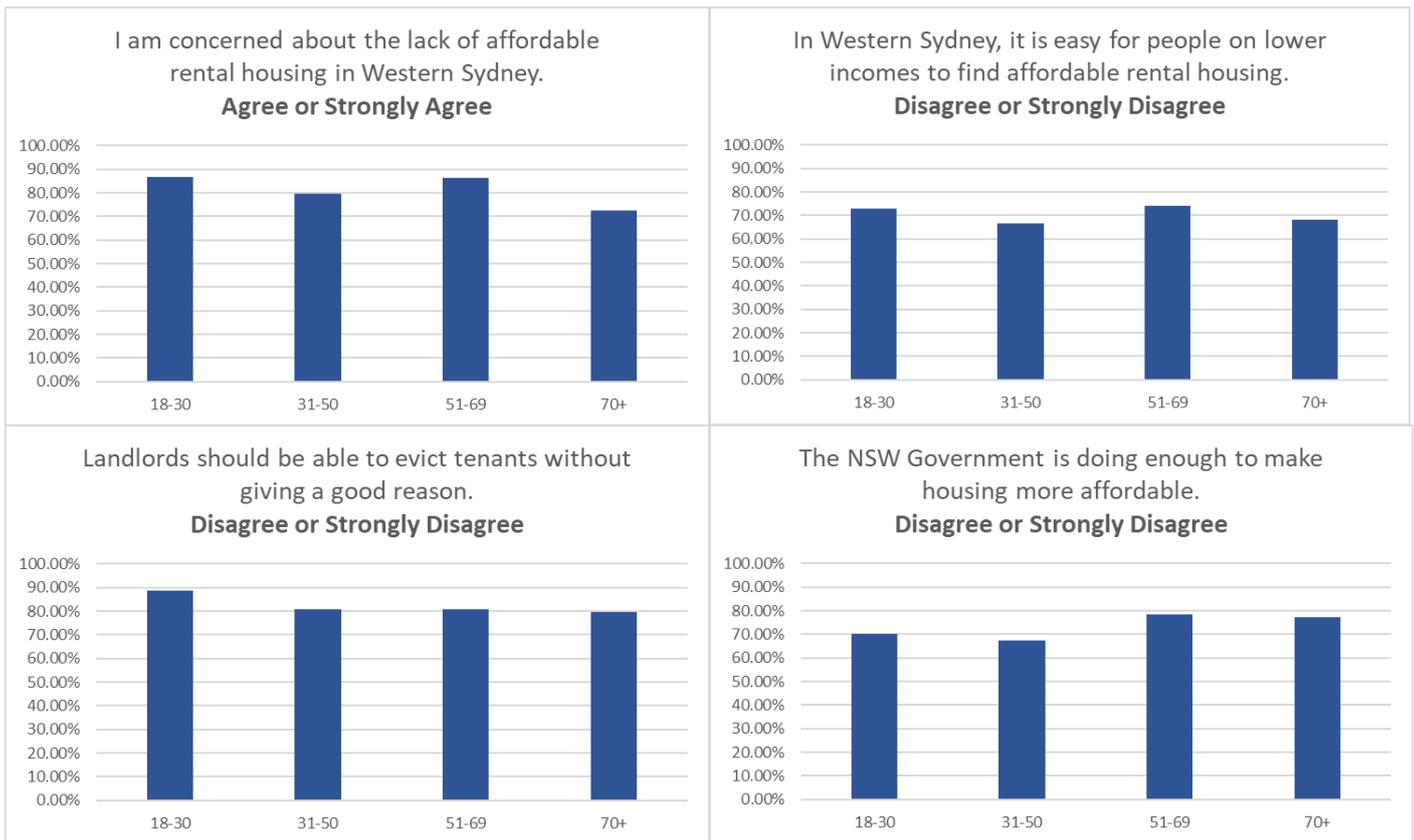




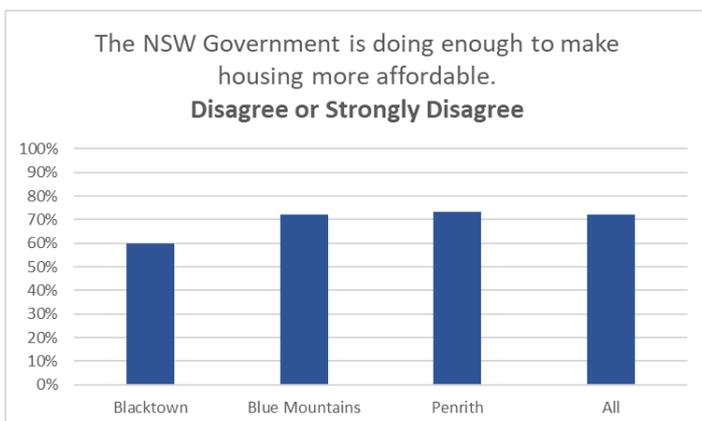
Respondents' current housing type shows less concern for affordable rental housing for those with their own homes. Those most vulnerable — homeless and those living in parents' houses rent-free — show most concern. All groups strongly supported a right to affordable and secure rental housing as was the agreement for new housing developments in Western Sydney to include affordable rental units. Over 75% of renters and the homeless disagreed that it is easy to find affordable rental housing in Western Sydney compared with 65% only of home owners. This trend was also reflected in responses to whether the NSW Government had done enough and whether landlords could evict tenants without good reason.



Across all age groups, a right to affordable, secure rental housing was strongly supported (>95%). More concern for the lack of affordable housing was shown by 18-30 and 50-69 year olds. Qualitative analysis shows the most probable reason is that 50-69 year olds (although mostly secure in housing) are now concerned for their adult children — the 18-30 year olds struggling to find affordable rental housing. Similar trends also showed in the response to whether it is difficult to find affordable rental housing in Western Sydney and that the NSW Government was not doing enough. 18-30 year olds more strongly disagreed (89%) with landlords evicting tenants without good reason compared to the other age groups (80% each).



Respondents across the local LGAs (Penrith - 412, Blacktown - 40 and Blue Mountains – 72) showed similar views for six of the seven statements. A lesser percentage of Blacktown respondents (60%) than respondents from Penrith (73%) and the Blue Mountains (72%) thought the NSW Government was not doing enough to make housing more affordable.



6. THE PEOPLE SPEAK



Arou Akot (above) registers to survey affordable housing. As a school cleaner, Arou – a single father with seven children – has first-hand experience of the city’s housing crisis. He says: ‘I am South Sudanese by birth and I have been in Australia for 13 years. It is getting too hard to buy a house in Western Sydney – even renting is too high.’

Of the almost 630 conversations, almost 400 people (64%) spoke about their experiences.

Age	Housing	Comment
18-30	Home owner	Large debt, long time to raise deposit, tight budget
18-30	Other/rent-free	Have to live at home longer to save up to rent or buy
18-30	Renter	Rent always increasing faster than wages, instability of rental accommodation
31-35	Home owner	Worried about the future housing for their kids High level of debt squeezes budget
31-35	Other/rent-free	Still living with parents
31-35	Renter	Going without extras to pay bills. Sport, food, kids’ clothes. Both parents have to work Anger
51-69	Home owner	Worried about children’s future housing Fortunate they bought whilst still affordable Kids moving back home
51-69	Renter	Less luxuries Most income goes to housing Life stressful and a struggle
70+	Home Owner	Very little first-hand experience Think it difficult for young
70+	Renter	Stuck in a situation they can no longer afford



... and more people speak

‘It has been good to be a surveyor because I face the same issues as the people I talked with. I am a new migrant. We’re starting off from the ground again when we get jobs. We have the same problems looking for an affordable place to rent. Housing is a basic necessity that we all need. It’s not about faith. It’s about basic needs.’

Christina, St Nicholas of Myra

‘I volunteered to help with the survey because I believe that housing is an important aspect of the community. So many people are struggling. I meet them every day in their homes, their flats or even on the street. There is a lot of homelessness if you know where to look – go to Judges Carpark at breakfast and dinner, and the community kitchen at lunchtime.’

Anthony, St Vincent de Paul Society, Penrith

‘We surveyed people in Cambridge Park Basketball Stadium. I’m glad I helped in the survey because I rent and we both work full-time and it is hard. It is a struggle. I can’t turn back time.’

Yasmin, Penrith

7. CONCLUSIONS

The Penrith Speaks survey on affordable housing provides strong support for clearer goals and stronger targets for affordable rental housing.

The responses to the questions speak for themselves and demonstrate a genuine concern for the younger generation caught in the trap of having to pay a very high cost for rent at a time when housing prices have dramatically escalated.

This concern was reflected strongly in the older demographic, many of whom had older children and whole families still living at home.

In a society where family wealth has been primarily based on home ownership, this shift in our society is generating great concern.

In the light of significant future investment in infrastructure around Sydney's second airport, these concerns may be very well-founded unless strategic action is taken to protect existing and vulnerable renters.

Owners of older homes and homes that may be compulsorily acquired may also find themselves priced out of a booming market at a time when there is much less land to be found for any future development.

Anecdotal feedback from the survey also pointed to the struggle many owners of compulsorily acquired properties in Badgery's Creek and Luddenham to find suitable affordable housing, particularly those with animals and who had older homes.

Penrith has spoken, but will anyone listen before it is too late?

— Magnus Linder, Chair of Sydney Alliance's Housing Committee

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8. APPENDICES – SURVEY

Hi, I wonder if you could help us with a quick survey about affordable rental housing. My name is [...] and I'm with the Sydney Alliance, a group of community organisations working together to make the city a better place to live. The survey will only take 3 minutes.

I'm going to read seven statements about affordable housing. For each statement, can you please tell me if you strongly agree, agree, neither agree nor disagree, disagree or strongly disagree?

1. I am concerned about the lack of affordable rental housing in Western Sydney.

- * Strongly agree
- * Agree
- * Neither agree nor disagree
- * Disagree
- * Strongly disagree
- * Don't know

2. Everyone has a right to rental housing that is affordable.

- * Strongly agree
- * Agree
- * Neither agree nor disagree
- * Disagree
- * Strongly disagree
- * Don't know

3. Everyone has a right to housing that is secure.

- * Strongly agree
- * Agree
- * Neither agree nor disagree
- * Disagree
- * Strongly disagree
- * Don't know

4. In Western Sydney, it is easy for people on lower incomes to find affordable rental housing.

- * Strongly agree
- * Agree
- * Neither agree nor disagree
- * Disagree
- * Strongly disagree
- * Don't know

5. New housing developments in Western Sydney should include units that people on lower incomes can afford to rent.

- * Strongly agree
- * Agree
- * Neither agree nor disagree
- * Disagree
- * Strongly disagree
- * Don't know

6. Landlords should be able to evict tenants without giving any good reason.

- * Strongly agree
- * Agree
- * Neither agree nor disagree
- * Disagree
- * Strongly disagree
- * Don't know

7. The NSW Government is doing enough to make housing more affordable.

- * Strongly agree
- * Agree
- * Neither agree nor disagree
- * Disagree
- * Strongly disagree
- * Don't know

8. In a few words, could you tell us how the cost of housing has affected your life and your family?

Before you go, may I ask a few questions about yourself?

<p>9 What is your age group?</p> <ul style="list-style-type: none">* 18-30* 31-50* 51-69* 70+	<p>10 What is your postcode?</p> <p>_____</p>
<p>11 Which of the following describes your current housing situation?</p> <ul style="list-style-type: none">* I own a house or unit* I rent a house or unit* I live with my parents or family and do not pay rent* I do not have a permanent address* Other, please describe _____	<p>12 <i>If renter...</i> Who do you rent from?</p> <ul style="list-style-type: none">* Private landlord or real estate agent* Public housing authority* Church or community organisation* Other, please describe _____

Thank you so much for answering our questions.