

Inner Sydney Tenants' Advice & Advocacy Service

Tenancy Advice (02) 9698 5975



SUBMISSION: WATERLOO ESTATE (SOUTH) PLANNING PROPOSAL

AUTHOR: Ned Cooke, Inner Sydney Tenancy Service Team Leader

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1. Introduction: Redfern Legal Centre

Redfern Legal Centre (RLC) is an independent, non-profit, community-based legal organisation with a prominent profile in the Redfern and Waterloo area. RLC has a particular focus on human rights and social justice. Our specialist areas of work are tenancy, consumer law, credit and debt, financial abuse, employment law and police and government accountability. By working collaboratively with key partners, RLC specialist lawyers and advocates provide free legal advice, conduct casework, deliver community legal education and produce publications and submissions. RLC works towards reforming our legal system for the benefit of the community.

2. RLC's work in tenancy

RLC has a long history of providing advice, assistance and advocacy to the local community, with a key focus on the provision of information and services to public housing tenants and a strong emphasis on the prevention of homelessness. Since RLC was founded in 1977, tenancy has been one of our core areas of advice. Since 1995, RLC has been funded by NSW Fair Trading to run the Inner Sydney Tenants' Advice and Advocacy Service ('ISTAAS'). ISTAAS assists tenants living in the City of Sydney, Randwick, Inner West and Bayside local government areas through the provision of advice, advocacy and representation.

The Inner Sydney area has a significant number of people living in public housing and these tenants make up approximately 30% of all people advised by our practice. We are keenly aware of the issues faced by tenants facing relocation and redevelopment through our work providing City of Sydney funded tenants' advice services for tenants of the Millers Point relocations and Waterloo redevelopment.

Our submission is informed by the experiences of our clients, many of whom will be impacted by the proposed Waterloo Estate (South) redevelopment.

3. Executive Summary

The proposal to upgrade and improve social housing stock in Inner City Sydney is welcomed. Every day our tenancy team speaks with tenants living in ageing, poorly maintained public housing with chronic maintenance issues. However, there is an opportunity for the proposed redevelopment to better meet the needs of existing social housing tenants and to enhance the delivery of social housing within Inner City Sydney.

On review of the proposal it is recommended that it:

1. Include an increased allocation of social, affordable, and Aboriginal housing on the site.

2. Meet the current and future housing needs of social housing tenants in terms of density, universal design and dwelling size and configuration through undertaking and implementing a Social Impact Assessment.
3. Incorporate a comprehensive plan to meet the ongoing support needs of social housing tenants including appropriate locating of a Community Centre that incorporates tenancy support services.
4. Include commitments to support the existing social housing community through the development of the site and any relocation of existing tenants, including appropriately resourced tenancy advice and support services.

4. Response to specific issues

A. Social, Affordable and Aboriginal Housing

Social Housing

The net increase in social housing dwellings under the proposal is inadequate in the context of the waiting list for social housing. In the Inner City (CS01) Allocation Zone, which includes the suburb of Waterloo, the current expected waiting time for a studio, a one-bedroom property or 3-bedroom property is 5 to 10 years. For a two-bedroom property or 4-bedroom property the waiting time is 10 or more years. At June 2021 there were 626 applicants on the waiting list for the CS01 Inner City Zone and 267 on the priority list.ⁱ

In NSW overall there are 44,127 people on the waiting list and 5,801 on the priority list.ⁱⁱ These numbers may reflect higher numbers of people as more than one person may be listed on an application. Additional impacts from the pandemic have left more people in urgent need of housing. In December 2021 the housing waitlist was more than 53,000 people, up from 49,000 before the Delta lockdown began, while NSW falls far behind other states such as Victoria and Queensland in social housing construction.ⁱⁱⁱ

The current proposal would see an increase of less than 100 social housing dwellings on the Land and Housing Corporation (LAHC)-owned land on the site. This increase will not make a meaningful impact on the social housing waiting list. The proposed allocation for social housing is only 28.2% of dwellings, which does not even meet LAHC's own 30% target under the Communities Plus program.

Redfern Legal Centre through its Tenants' Advice and Advocacy Service sees the impacts of the shortage of social housing every day. The lengthy waiting list means that social housing is simply not a solution for people facing an unexpected crisis that impacts their ability to maintain a tenancy in the private rental market. It also inhibits the capacity of social housing tenants from taking steps to move out of social housing, because if they were to fail in the private rental market they would risk homelessness. The shortage of available social housing also affects people with a social housing tenancy who need to be transferred to a property that meets their changing housing needs as there is simply not the availability of stock.

We are familiar through our regular work with social housing transfer applicants that properties with certain features are in particularly high demand in the inner city – people who have reached the top of the waiting list, with clear needs to be housed in an area close to their supports and networks, may still wait months or years to be matched to a property that meets their housing needs. Common housing needs that are under-catered for in current housing stock include ground floor dwellings, dwellings with flat access and/or accessible bathrooms, dwellings in low-rise buildings or low-density areas, properties with gardens and space for pets, properties with space to park and charge mobility scooters, and larger family sized properties.

It is recommended that the proposal reconsider and increase the social housing allocation so that it at least meets the NSW Government target of 30%. The redevelopment of Waterloo should be a centerpiece project that not only meets the government's social housing targets, but exceeds them.

Aboriginal housing

LAHC's draft design guide only specifies 10% of the total number of affordable housing dwellings on the site to be provided for Aboriginal and Torres Strait Islander Housing (or 0.75% of the total units to be built). The Aboriginal affordable housing target is 'aspirational' as it is only set out Design Guide. There is no defined target for Aboriginal social housing on the site. Given the history and cultural significance of the area as a home and meeting place for First Nations people a significant target for both social and affordable Aboriginal housing should be cemented within the planning proposal itself.

Affordable housing

The proposed affordable housing allocation is also inadequate - only 7.5% of the dwellings on the redeveloped site, or about 227 units. Sydney "remains critically unaffordable to significant proportions of the renting population".^{iv} The Independent Advisory Group Report concludes that even within the viability constraints, 10% affordable housing could be achieved in addition to 30% social housing on the site, noting that there is \$24 million available to contribute towards affordable housing sitting in the Redfern-Waterloo Affordable Housing Fund, and that an additional 2-2.5% could realistically be delivered through the tender process.^v The IAG Report states that ideally, there would be more than 10% affordable housing on the Waterloo South site "due to the demography, the clear need and the income circumstances of the population in this area" but that this could not be delivered without government subsidy.^{vi}

The low allocation of social and affordable housing on the Waterloo South site stems from an inflexible approach to the 'viability' of the project. The test for viability is that there be 'no cost to government'. The underlying premise is that this will maximise public benefit from the renewal. The assumption that 'no cost to government' is the best measure of public benefit when a public asset is being sold off should be robustly challenged as part of this exhibition process. There is no evidence that the resulting housing mix is optimal from a social and community perspective. There is also a real question of whether this framework

delivers the best financial return on public land assets, because it ignores the income generated in the form of rental return and capital gains.^{vii}

There are a number of alternative tenure spreads that have been proposed, including by the City of Sydney and Counterpoint Community Services. At a minimum, Redfern Legal Centre supports the City's proposal to deliver 30% social housing, and 20% affordable housing on the site. With a more flexible approach to the financing of the project, a much higher yield of social and affordable housing could be achieved, such as the equal spread of social, affordable and private housing proposed by Counterpoint Community Services.

B. Meeting current and future housing needs:

Waterloo is one of the most prominent social housing estates in NSW. The current Waterloo South social housing community is primarily made up of older, long-term, single-person households. Approximately a third of people are on the Disability Support Pension. The proposal should ensure that the current and future needs of existing residents are met. This will require an approach that incorporates universal design principles and prioritises flexibility to allow existing tenants to age in place in dwellings that meet changing mobility and support needs.

The future demography of the social housing community on the site is not considered in depth in the exhibition documents. Because of existing tenants' right to return to Waterloo after the redevelopment, the social housing community will initially not be all too different to what it is now. But as new tenants move in, the make-up of the community will start to be shaped by the kinds of dwellings that are built and by allocation decisions made by the Department of Communities and Justice (DCJ). LAHC has very good data about what the Waterloo social housing community could look like in the medium-term because it knows, through DCJ's role administering the social housing waiting list, who the next 10-plus years of applicants are.

Evidence-based assessments need to be made about the dwelling sizes and configurations required to best accommodate a vibrant and sustainable social housing community in the medium- and long-term. While all newly constructed social housing must meet the needs of the existing community, and the right to return is an absolutely essential commitment, it is important that these considerations do not become constraints. For example, if the evidence shows that more 2- and 3-bedroom dwellings will be needed in the future, then it follows that some current tenants will return to larger units than they had previously. An initial period of under-occupancy would therefore need to be accepted and factored in to viability assessments.

From a broader design perspective, this proposal will also need to meet the needs of the future social housing community as a whole. There has been no Social Impact Study lodged with this proposal, meaning there is no adequate evidence base upon which to assess potential adverse consequences of the project on the community. The report that has been lodged in lieu of a Social Impact Study is a 'Social Sustainability Report'. We refer to the

submission of Dr Alison Ziller for an analysis of the shortfalls of this report. The proposal needs to engage with the unique character and needs of the existing community, and to realistically anticipate what future community needs will be.

Of particular concern is the omission of a thorough assessment of the potential risks associated with a development of this density where a significant proportion of social housing tenants will live in close proximity to private households. We note that the housing density allowed for in the proposal is extremely high, even before accounting for a possible 10% floorspace bonus for 'design excellence'. There has been no assessment of the suitability of this extreme density for social housing residents who will be living on the redeveloped site.

There is no plan in place to ensure a thriving mixed income community.

The viability of the planning proposal must be tested through a social impact and sustainability lens, not just from a budgetary point of view.

We endorse the recommendation made by Counterpoint Community Services and others to conduct a Social Impact Assessment Report before determining the outcome of the planning proposal.

C. Meeting current and future support needs:

This redevelopment project will fundamentally change the character of Waterloo. While this will likely bring some positive outcomes, the planning proposal and the accompanying reports lack the evidence-based detail necessary to identify and manage the impacts of the redevelopment and maximise positive outcomes for the existing community.

The older demographic of the Waterloo South community will have increasing support needs.

As social housing increasingly becomes the housing option of last resort, it is to be expected that applicants, especially those on the priority waiting list, are more likely to have high support needs as well.

We have worked alongside a range of government agencies and NGOs to develop a Waterloo-specific Human Services Plan to support the community through the specific challenges of the Waterloo redevelopment project, address emerging service needs, and to plan for and implement a service structure for the community post-redevelopment. We endorse submissions including that of Counterpoint Community Services recommending guaranteed resourcing for this plan for the lifetime of the redevelopment project.

It is also noted that the current proposal commits to the building of a Community Centre which is welcomed, however, its proposed location is not considered accessible to the community. It is recommended that the Community Centre should be built early, located on the Central Park and include premises for support services such as Redfern Legal Centre.

D. The proposal should include commitments to support the existing social housing community through the redevelopment of the site and any relocations.

Even though no ground has been broken the Waterloo redevelopment project has already had a significant impact on the Waterloo community. Plans to redevelop the Waterloo estate have been discussed for many years but were officially announced in December 2015. Since that time, the community has been subjected to an at times confusing and frustrating process, with changing timelines and shifting parameters that have undermined the community consultation process.

Throughout this period, the prospect of tenant relocations has been lingering in the background. Based on our experience supporting tenants through the sell-off of Millers Point, it will be crucial to ensure that properly funded and resourced services, including a tenants' advice and advocacy service, are available to support relocating tenants. This need is widely acknowledged, for example in the "Compact for Renewal" prepared by the Tenants' Union of NSW, Shelter NSW and UNSW's City Futures Research Centre.^{viii} The City of Sydney has also acknowledged this need and previously provided (now ceased) funding to Redfern Legal Centre in anticipation of tenant relocations in Waterloo.

ⁱ <https://www.facs.nsw.gov.au/housing/help/applying-assistance/expected-waiting-time>

ⁱⁱ *Ibid*

ⁱⁱⁱ <https://www.smh.com.au/politics/nsw/nsw-social-housing-renewal-program-dwarfed-by-victoria-queensland-20211221-p59jf1.html>

^{iv} *Rental Affordability Index November 2021 Key Findings – SGS Economics & Planning*
https://www.sgsep.com.au/assets/main/SGS-Economics-and-Planning_Rental-Affordability-Index-2021.pdf

^v IAG report p55

<https://apps.planningportal.nsw.gov.au/prweb/PRRestService/DocMgmt/v1/PublicDocuments/DATA-WORKATTACH-FILE%20PEC-DPE-EP-WORK%20PP-2021-3265!20210629T080037.767%20GMT>

^{vi} *Ibid*

^{vii} *Murray, C. K. and Phibbs, P. (2021) Reimagining the Economics of Public Housing at Waterloo p8*
https://sheltersnsw.org.au/wp-content/uploads/2022/03/Reimagining-the-economics-of-public-housing-at-Waterloo_FINAL.pdf

^{viii} *A Compact for Renewal: What Tenants Want from Renewal* <https://files.tenants.org.au/resources/what-tenants-want-from-renewal.pdf>