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## Department of Communities Tasmania

Tasmanian Government

Re: Tasmanian Housing Strategy Discussion Paper Feedback

To Whom It May Concern:

Thank you for the opportunity for Sustainable Living Tasmania (SLT) to provide feedback on the Tasmanian Housing Strategy: Discussion Paper. While preventing homelessness and providing our communities with quality and dignifying housing has long been a priority for Australian governments, it remains a nuanced and complex ambition. The Department of Communities has a great opportunity to leverage off significant funding at a State and Federal level and pursue a program that significantly contributes to Tasmania's public-funded housing stock. Given the inherent longevity of the built form (ie 50+ years), it is critical that the full design and construct process of building social and affordable housing takes into account the lifespan of the physical buildings and their associated infrastructure, as well as the social infrastructures linked to their use. Similarly, it is important that these buildings not only stand the test of time, but remain abreast of future client and community needs.

Such longevity should be considered in terms of resilience<sup>1</sup>, robustness, social connection and environmental sustainability. While the work of local councils and appropriate interpretation of the Tasmanian Planning Scheme should, and indeed does, take into account these considerations, it is felt that they can be strengthened in the Tasmanian Housing Strategy. The Discussion Paper is successful in highlighting the need for the establishment of Homes Tasmania for the construction of much-needed new homes, yet consideration for the design, management and construction of *suitable* homes should be strengthened. The responses below address some of the Discussion Questions raised in the Discussion Paper around this, as well as introduce some points for consideration by the Department of Communities team.

### **New Initiatives and Investment**

- The Tasmanian Government has committed to investing over \$1.5 billion to deliver a 10-year housing package, building on existing initiatives to build or acquire 10,000 new social and affordable homes by 2032. Clarification is requested around the allocation of these funds. With the aforementioned figures, a budget of \$150,000 exists for each household, which is not sufficient for even a small, reasonable quality dwelling. Taking into account statutory

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<sup>1</sup> Resilience should be planned for with consideration of the fundamental principles of awareness, diversity, integration, self-regulation, adaptability.



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planning, consultant and rising building costs, this budget is not enough for quality housing. Even if built en-masse, construction and design quality will need to be forsaken to remain within budget. It is the position of SLT that these compromises should not be made. All buildings should be constructed to a high environmental standard in order to lower operational costs. This can be achieved using innovative and forward-thinking design typologies and construction systems.

- The role of Homes Tasmania is not clearly defined. It is the perspective of SLT that this authority should function beyond a Project Manager role to ensure homes are designed in built with appropriate architectural typology, construction systems and community connectiveness in mind. Accountability for all stages of the construction program should rest with the authority, and be open to ongoing public feedback.

### **Towards a Sustainable Housing System**

*Are there additional housing outcomes that are important for Tasmanians and should be included?*

- Generally speaking, housing considerations are covered across the 3 focus areas, however there is opportunity to consider client specific needs within the Housing Strategy. This includes provisions for social and affordable housing tenants seeking accommodation following circumstances of domestic and family violence, those with disabilities and requiring certain physical and non-physical building typologies (such as female-only and elderly communities, co-housing communities). Such considerations should be appropriately managed by Homes Tasmania and can include alternative housing models such as Baugruppe processes, intentional communities and cooperative living and ownership models.
- Fundamental concepts of successful social and affordable housing such as ensuring successful tenure blindness are lacking from the Discussion Paper. These [M1] should be researched and appropriately implemented in all housing projects to ensure liveable communities.

### **Focus area 1 – Affordable Housing**

*What additional interventions could governments consider to improve housing affordability?*

*What scope is there to increase the role of the private and community sectors in improving housing affordability?*

- Sustainable social housing models such as tenure blindness should be considered. An opportunity exists for public-private partnerships in developing housing projects. This is becoming common practice in social housing projects



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in Australia, and should continue to be researched, advocated for, and promoted to private investors. Similarly, consideration for various tenure models that include NDIS clients, private home-occupiers and affordable housing clients should be made. This offers an opportunity to leverage off private investment in the construction and maintenance of properties.

- Social and affordable housing can benefit from deliberative engagement with private developers of all scales, and Statutory Planners to support private investment in social, affordable and NDIS housing. This would include strategic support to formulate business cases for new projects and streamline the planning application process for investors seeking to invest in social housing. The Department of Communities has an opportunity to show leadership and administer alternative models private investment to increase rental property supply. For example, concessions or subsidies for the development of rental properties, such as those common in Europe, can be introduced in exchange for rent-capped tenancies.

*What are some of the ways the challenges in the private rental sector, particularly around security of tenure, could be addressed?*

- Organisations working within the social and healthcare sector in Australia are typically backed by investors, or the State and Federal Governments. These positions should be leveraged off to support clients facing difficulty entering the rental market by offering favourable conditions to landlords. For example, organisations working within the NDIS, social and affordable housing space can offer incentives to landlords such as offering a guarantee for rental incomes, providing basic property maintenance and garden maintenance. These organisations also typically offer asset management and property management services which can assist landlords with ensuring homes are properly managed in line with individual goals that align with State Government objectives.

### **Focus Area 2 – Housing Supply**

Rather than focus on building new housing, the first step should be reducing the housing demand, by making existing housing available and appropriate to need.

- Stop actively attracting higher population
- Incentivise downsizing. Eg. Financial and social incentives for 'Empty Nesters' to downsize, making larger dwellings available

*What must be considered to make sure new housing meets diverse needs into the future?*



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- It is noted that new housing supply must align with the appropriate infrastructure to accommodate an increased population. It is also noted that housing supply is to be matched to the needs of urban and rural populations. With a growing Tasmanian population, it is imperative substantial investment in public transport is made alongside housing. This will benefit all facets of the population, but particularly respond to the generally critical need of social and affordable housing clients that are completely reliant on shared or public transport options. Similarly, it is important to ensure new housing is exclusively built along public transport corridors. Connectivity for leisure and work should be considered in all concept planning for new developments. Where suitable public transport does not connect a proposed development site, negotiation with public and shared transport service providers should take place. The Housing Strategy should sit complimentary to a community housing transport plan which includes a mix of shared, public, private, and active transport considerations.
- Changes to the Planning Scheme to ensure new developments are suitably connected by public transport. This may imply new subdivisions are only approved subject to suitable public transport connectivity.
- Taking into account current architectural and climatic trends, considerations should be made for active and passive heating and cooling requirements of buildings to cope with future temperature changes. Under a high emissions scenario (RCP8.5), Tasmania is expected to increase an average of 2.9°C over the 21<sup>st</sup> Century. The number of extreme heat days are expected to double in Hobart, and almost triple in Launceston. Our buildings, especially multi-residential buildings, need to be adaptable enough to cope with these temperature increases, and utilise sustainable design systems to ensure active temperature control (ie HVAC) is not solely relied upon to moderate internal temperatures.

*What can be done to further improve planning processes in Tasmania, particularly in the context of the delivery of social and affordable housing and increased density via infill development?*

- Strong and targeted engagement with developers to communicate the potential concessions and incentives is needed to support investor buy-in for social and affordable housing. This could be achieved by creating a dedicated investor liaison division within Homes Tasmania to understand opportunities and assist in formulating business cases for investors and property developers.
- Strong and targeted engagement with the Planning Departments of local councils should occur on an ongoing basis to ensure Statutory Planners are able to offer right advice and level of support to investors seeking to build



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social and affordable housing. Some concessions are already made in the Tasmanian Planning Scheme to those seeking to build community housing. Statutory Planners should be competent in interpreting and discussing these concessions to potential homebuilders. Where possible, discretionary planning approvals should place great value on the social and affordable housing projects especially those with strong sustainability objectives, that are beyond the scope of 'permitted' planning applications. Statutory Planners should be made aware of the opportunities associated with this, and be consistent in their recommendations and interpretations of the Planning Scheme.

- Future updates to the Tasmanian Planning Scheme should provide increased support for social and affordable housing projects through planning application concessions.
- Future updates to strategic policies such as the Launceston City Deal, Hobart City Deal and 30-year Greater Hobart Plan should place focus on the provision of quality and sustainable affordable housing.
- Councils and associations such as LGAT should be encouraged to develop municipal and regional social and affordable housing plans for their municipality, with support from Homes Tasmania.

### **Focus Area 3 – Sustainable Housing**

*What actions are needed to improve sustainability of housing*

- There are several fundamental aspects to residential and multi-residential building sustainability. These include but are not limited to: access to public transport, energy efficiency and sustainable energy (procurement or on-site generation). A variety of government-supported interventions can support actions within these areas and should be considered for scalability. Some intervention examples include:
  - Mandatory star rating disclosure for all real estate, both selling and renting
  - Education campaign to ensure tenants and landlords are aware of the environmental and financial benefits of investing in sustainable building solutions.
  - Working with real estate agents, tenants and landlords to discuss opportunities associated with split incentives for technologies such as solar panels. Distribution providers and energy retail companies should be included in such discussions.
  - Ensuring building surveyors and Statutory Planners are effectively able to communicate and encourage sustainable building design technologies.



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- Ensuring building surveyors and Statutory Planners aptly enforce sustainable building design.
- Mandatory education for builders and designers
- Partner with public transport, and shared-transport service providers to ensure suitable transport options are available to residents.
- Work with local councils to ensure active transport infrastructure is in place for residents seeking to walk or cycle in lieu of other transport options.
- Invest directly in community transport (such as community mini-buses) and active transport infrastructure such as bike paths.
- Grant, loan or tax incentives for landlords for energy upgrades to rental properties
- Raise minimum star rating to 7, then 8 stars, on the path to net-zero construction within the next 10 years
- Support for energy efficient renovations and new construction, e.g. The Tasmanian Government to work with councils to offer concessions by way of waiving of building application fees for houses rated over 8 stars or with sufficient PV production to offset power consumption

*What Government assistance programs could help young people and people with changed life circumstances access affordable house ownership?*

*What can be done to improve the energy efficiency of existing and new homes?*

- Partner with retailers and community organisations to research appropriate and scalable solutions. This could include investigating the impact of bulk-buy programs, sustainable building finance and offering incentives to low-income households via a subsidy to improve energy efficiency of homes. These programs have been successfully executed in Tasmania in the past and should be re-introduced.
- Local and State Governments can play a significant role in administering and promoting sustainable finance mechanisms to homes. This would allow homeowners to retrofit their homes to a suitable standard with no immediate out-of-pocket expenses while adding value to their equity and reducing operational costs.
- Raise minimum star rating to 7, then 8 stars, on the path to net-zero construction within the next 10 years
- Support for energy efficient renovations and new construction, e.g. The Tasmanian Government to work with councils to offer concessions by way of



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waiving of building application fees for houses rated over 8 stars or with sufficient PV production to offset power consumption

- Extend TEELS, Energy Saver Loan Scheme ([https://www.refit.tas.gov.au/household\\_energy/energy\\_saver\\_loan\\_scheme](https://www.refit.tas.gov.au/household_energy/energy_saver_loan_scheme)) and similar programs
- Work with energy distribution providers and retailers to increase feed-in tariff

*What else can be done by stakeholders to improve sustainability?*

It is important to note that the Tasmanian Housing Strategy Discussion Paper references the need to support sustainable building in the residential sector for social, environmental and financial reasons. Despite this, it is concerning that the Paper notes “new dwellings must meet the National Construction Code...All new social housing in Tasmania is built to be energy efficient to reduce costs of living and provide comfort for low-income residents. These homes are currently built to a 6-star rating.” NCC 2022 has been updated to reflect that a 6-star rating is in fact no longer an appropriate sustainable standard for new homes and major building renovations. Unfortunately, the Tasmanian Government’s stance that these mandatory changes to a 7-star building be delayed to 2025 is not in keeping with the objectives of the Tasmanian Housing Strategy, of quality construction in general, and not in line with other States. SLT strongly believe that there are no grounds to argue that a 6-star minimum rating for social and affordable housing projects is suitable and that higher ratings, or net-zero homes should be seriously discussed in a community housing strategy. Under growing risks associated with rapid-onset, and slow-onset climatic events, the significant life span of building projects will mean that the return on investment associated with sustainable building solutions will far outweigh the costs.

With these benefits in mind, Tasmania has an opportunity to execute a significant and high quality social and affordable housing program. As the 7-star minimum requirement becomes mandatory over the next three years across Australia, Tasmania is at risk of immediately falling behind minimum practice in the construction space. This will impact negatively on local and national perception of the Tasmanian Housing Strategy, private investment in community housing and community support for housing projects. It is important to reiterate that SLT do not believe that leading-practice and 7-star homes will be any more difficult or expensive to build for public and private stakeholders, and the benefits of innovations associated with efficient project management and appropriate building typologies will significantly outweigh any costs associated with sustainability solutions. The Department of Communities has an opportunity to show leadership in this space, and work alongside a growing



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pool of investors and communities seeking to see the built environments of their communities improved, not simply keep with minimal standards.

Tasmania is not alone in implementing a significant community housing program, and historically such programs are required to be implemented on a cyclical basis, often to catch up with an emergency level of demand. However, compared to other states and territories, Tasmania has been slow to implement a community housing program recently. Despite the consequences of this, the State has an opportunity to benefit from its late entry and look at the recent work of other states for guidance. For example, there are aspects of the Victorian Government's Big Housing Build that can be appropriated in the Tasmanian Housing Strategy. These could include the inclusion of a social housing levy for developers, the development of a social housing growth fund, and the concurrent development of housing and transport infrastructure. Most importantly, the Victorian program is significantly investing in mixed-tenure models of accommodation, employing the nation's best architects, and achieving a level of sustainability suitable for the clients. For example, the new social housing project at the Queen Victoria Market achieves a 5 Star Green Star rating (8 Star NatHERS rating) and the minimum NatHERS star rating for all Big Housing Build projects is 7 stars. It is important to note this minimum requirement was set significantly prior to NCC updates and has been successful in raising public awareness and support for the project. The Department of Communities has an opportunity to learn from the ambitions of Victoria, and implement a forward thinking, and high-quality social housing program that responds to current and future needs of Tasmanian's requiring housing assistance.

Yours sincerely,

Roman Aizengendler and Uta Green  
On behalf of Sustainable Living Tasmania