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MEDIA RELEASE

Housing fund good news but will meet just a fraction of demand

The Premier's commitment to establishing a \$1.1 billion investment fund that will help build at least 3000 affordable homes over the next few years is the first serious initiative to address housing affordability in NSW since the Commonwealth's 2008 National Rental Affordability Scheme, the state's peak not-for-profit housing body said today.

NSW Federation of Housing Associations CEO Wendy Hayhurst said the new Social and Affordable Housing Fund was a welcome acknowledgement that Government intervention was necessary to meet the need for good quality, well-managed affordable housing in NSW.

However Ms Hayhurst said 3000 new homes is just 10% of the 30,000 extra social homes NSW needs to catch up with current demand, let alone keep pace with population growth.

"Public housing waiting lists are already a decade long in almost every Sydney suburb and many regional areas, and not-for-profit housing providers are impatient to grow - with daily demand for low cost housing from key workers such as carers and nurses locked out of private rental," she said

"The Government will use interest from its \$1.1 billion Fund to provide ongoing subsidies that will allow successful bidders to keep rents affordable for up to 25 years,

"However, developers will need to provide both the land and the houses without any upfront government support to be eligible for a subsidy through the Fund - which will make it difficult for many not-for-profit housing providers to take a lead role in the first phase.

"The Federation will continue to argue for the Fund to be expanded over time to fund an ongoing pipeline of projects large enough to attract the level of institutional investment in community housing we need to address the full scale of the affordable housing shortage.

"And imagine how much more we could achieve Government owned land was made available for affordable housing along -side the new Fund."

Ms Hayhurst said community housing benefitted everyone.

She said there was strong staff and tenant satisfaction survey evidence showed that community housing was popular with residents and people liked working in the sector..

"Our community housing providers have already built good quality homes right across NSW and a strong regulatory regime already gives independent assurance the sector is well run.

"Importantly, not for profit housing providers invest every single cent of their surpluses back into support services for tenants, upgrading properties or building more houses - transforming the lives of thousands of people who need our help."

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