

SOCIAL HOUSING ACCELERATION AND RENOVATION PROGRAM (SHARP)

BUILDING THE RECOVERY - SECURING JOBS AND SOCIAL OUTCOMES

At this difficult time the Government's emergency measures to support businesses and workers will bring much-needed relief to many Australians. Equally, it's imperative that we plan now for a government-driven stimulus program to kickstart our country's post-crisis recovery. This will be vital in getting people back into jobs fast, and also in enhancing building company confidence to retain workers.

Government can capitalise on historically low bond rates through an infrastructure investment boost that will deliver long-term economic benefits and, by focusing on housing, begin to redress the intensifying shortfall in social rental provision across Australia.

Under the SHARP, backed by state/territory contributions, Australian Government investment would enable the delivery of at least 30,000 additional social housing units and renovation to high environmental standards of many thousands more existing properties. The program should aim for 75% of new homes to be completed within three years.

Our calculations show a new build/acquisition program of this order will require total government investment of circa \$7.2 Billion. A renovation budget of an additional \$500M would improve quality of life for tens of thousands of existing social renters, as well as bringing back into use many homes out of service awaiting works.

SHARP OBJECTIVES

Increase the supply of social housing, predominantly within mixed-tenure developments.

Meet needs – new housing targeted at households who are homeless, at risk of homelessness or otherwise enduring unsuitable housing.

Stimulate the building maintenance and construction industry.

Support employment in regional and metro areas across Australia. (6% of jobs in Australia are housing construction related)

Enhance social housing environmental performance and cut tenants' energy bills.

Build capacity in not-for-profit CHOs and encourage innovation in construction quality and design

Maximize public value through CHOs combining their rental income with other government subsidies, tax benefits, partnership arrangements and private finance to provide additional low cost housing.

Over the longer term maximise tenant, community and economic outcomes.



Community Housing
INDUSTRY ASSOCIATION

The **SHARP** would have four overlapping 'waves' ensuring that the program's impact is immediate, and its outcomes, high quality:

WAVE 1

SOCIAL HOUSING
MAINTENANCE
AND UPGRADING

WAVE 2

ACQUISITION OF
SITES & PROPERTIES
REQUIRING RENOVATION
COMPLETION WHICH
ARE SUITABLE FOR
SOCIAL HOUSING

WAVE 3

SHOVEL READY
PROJECTS

WAVE 4

LONGER TERM NEW
DEVELOPMENT
PROJECTS

The SHARP will engage multiple players in the private, not-for-profit and government sectors. Commonwealth funds would be channelled through a tender process open to registered community housing organisations (CHOs) who will leverage these resources to secure debt finance. State/territory and local governments will incentivised to contribute land, or make other contributions, via an equity investment or via discounted land sale to CHOs. House builders and maintenance contractors will construct new homes and renovate existing dwellings. Institutional investors will be invited to subscribe to high quality bonds issued by the National Housing Finance Investment Corporation (NHFIC).

SHARP would be administered by a new arm of the NHFIC accountable to an oversight body reporting to COAG or the National Cabinet.



IT'S IMPERATIVE THAT WE PLAN NOW FOR A GOVERNMENT-DRIVEN STIMULUS PROGRAM TO KICKSTART OUR COUNTRY'S POST-CRISIS RECOVERY.

Launched by the national peak bodies, the Community Housing Industry Association (CHIA), Homelessness Australia and National Shelter, and national housing campaign, Everybody's Home.
View at www.communityhousing.com.au

