

HOUSING FOR OLDER AUSTRALIANS



JOIN US

TO DISCUSS THE ROLE OF THE AGED & COMMUNITY SERVICES INDUSTRY IN THE GOVERNMENT'S AFFORDABLE HOUSING INITIATIVES



Background

The Federal Government has earmarked affordable housing as a major policy area in its first term. It has already made a range of announcements and one in particular may be an opportunity for our industry to expand our housing for older Australians. ACSA has been talking with the staff of the Minister for Housing and her department about this.

The Rudd Government has committed to providing a supply side response to housing affordability, the **National Rental Affordability Scheme**. (This contrasts with 'demand side' measures, such as the first home buyers grant, which it is argued tends to be absorbed in price increases.) The scheme will fund tax incentives to enable up to 100,000 new affordable rental properties to be built. Under the scheme, the Commonwealth will provide investors with tax credits of \$6,000 a year for ten years for new properties that are rented at 20 per cent below the prevailing market level. State and Territory Governments would then provide \$2,000 per home either through cash payments or in kind, such as the provision of cut price land or concessions on stamp duty. This initiative has the potential to support innovative projects to accommodate older people as long as the program guidelines reflect an understanding of the aged care industry and the housing aspirations of older people.

Issues

The technical paper (guidelines) for the program is due out at the end of April and the scheme starts at the beginning of July. We understand that the Minister is keen to approve projects early in the new financial year. Briefly, the issues for the industry are:

Tax incentive or grant? – The Minister is keen to see the not-for-profit sector participate in this initiative so we understand that the guidelines will not disadvantage our members.

Retirement Villages or clusters of housing for older people? – Again we have been advised that such projects will be eligible as long as they are rental projects and meet the guidelines re rent reductions.

Redevelopments? – At this stage it seems that the dwellings must be new. We need to clarify if redevelopments could be supported under this initiative eg ILUs.

Financial modeling? – Whether these incentives will be enough to enable viable, self sustaining projects to be developed is still to be determined. Some preliminary modeling suggests that additional resources would be needed such as industry owned land, state government funds etc.

Housing Associations? – Will organisations need to be registered as housing associations to get these funds or those of the various state government programs?

Action

ACSA has formed an alliance with the Brotherhood of St Laurence and COTA to promote the needs of older people within the Government's affordable housing agenda. We also want to ensure that our industry is well placed to provide feedback on the technical paper and is ready and assisted to develop projects that can go forward in the first funding round. Therefore we are asking interested organisations to register with ACSA to:

- Indicate their interest in this initiative, so that we have an idea of how many of our members are likely to apply under this scheme. We would also like people who would be willing to:
- Assist the National Retirement Living & Housing Committee to respond to the technical paper; and
- Be prepared to join a loose network to discuss and share project ideas with other providers across the country. It is envisaged that the network would receive papers as they are released and participate in teleconferences or email trees on the issues and numbers.

If you are interested in joining the network please email Lesley Dredge at ACSA on ldredge@agedcare.org.au