

# **AFFORDABLE HOUSING SOLUTIONS: AFFORDABLE HOUSING PROVIDERS' PERSPECTIVE**

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## **ABSTRACT**

*Accessibility to housing for low to moderate income groups in Australia has experienced a severe decline since 2002. On the supply side, the public sector has been reducing its commitment to the direct provision of public housing. Despite strong demand for affordable housing, limited supply has been generated by non-government housing providers. This paper identifies and discusses some current affordable housing solutions which have been developed by non-government housing providers to ameliorate the problem.*

*This study utilises case studies generated from nineteen housing providers during in-depth interviews in South East Queensland in 2007-2008. The case studies are classified into four categories which relate to the nature of their product: affordable rental housing, mixed housing, affordable housing for people with special needs and low cost home ownership. Each category is discussed on the basis of the characteristics typical of that organisation of housing provider, their partnership arrangements and main target market. In addition, the special design and facilities required for people with special needs which include high care accommodation and aged care are highlighted. Finally, this study recommends offering a continuum of solutions to affordable housing for low income people by means of a rent-to-buy scheme.*

**Keywords:** Affordable housing, mixed housing, low cost home ownership, housing provider, Australia

## INTRODUCTION

Accessibility to housing for low to moderate income groups in Australia has experienced a severe decline since 2002. On the supply side, the public sector has been reducing its commitment to the direct provision of public housing. Despite strong demand for affordable housing, limited supply has been generated by non-government housing providers. This paper identifies and discusses some current affordable housing strategies which have been developed by non-government housing providers to ameliorate the problem.

This study utilises case studies generated during in-depth interviews with nineteen housing providers in South East Queensland in 2007-2008. The case studies are classified into four categories which relate to the nature of their product: affordable rental housing, mixed housing, affordable housing for people with special needs and low cost home ownership. Each category is discussed on the basis of the characteristics typical of that organisation of housing provider, their partnership arrangements and main target market. In addition, the special design and facilities required for people with special needs which include high care accommodation and aged care are highlighted. Finally, this study recommends offering a continuum of solutions to affordable housing for low income people including the adoption of a rent-to-buy scheme.

The extent of the affordable housing problem can be measured by the number of households under financial housing stress. Households that spend more than 30 per cent of their income on housing and are in the lowest 40 per cent of the income distribution range are considered to be suffering financial housing stress (National Housing Strategy, 1991). Australia-wide, data from Australian Bureau of Statistics (ABS) indicates that housing stress increased from 43 per cent in 1996 to 61 per cent in 2006 (National Housing Supply Council, 2009, p.91). Table 1 indicates that based on the criteria discussed above, rental in the private sector would not be affordable for households in Australia in the lowest income quintile, absorbing 42 per cent of gross weekly income (Australian Bureau of Statistics, 2007b; 2007c).

**Table 1: Median housing costs as a proportion of income (%) by tenure, Australia**

Major categories of tenure (% of total housing)	Gross weekly income quintile					
	Lowest \$274	Second \$415	Third \$563	Fourth \$743	Highest \$1,073	
Owned	3	6	4	3	2	1
Being purchased	20	36	25	21	20	15
Renters: state housing	22	23	16	13	10	not available
Renters: private lessor	21	42	27	21	16	13

Source: Authors (2009); data from ABS (2007b); ABS (2007c).

A broad indicator of demand for housing assistance, which may in fact estimate the latent level of housing need in the area, is represented by the number of waiting list registrants. In Queensland, the waiting list is currently maintained by Department of Communities (Housing and Homelessness Services) where there is a community demand for long term, government-managed social housing (Queensland Department of Housing, 2006). This register identifies the households which have been approved for housing assistance and specifies the size of housing for which they are eligible.

South East Queensland (SEQ) accounts for the bulk (74 per cent) of housing assistance registrants in the state (Queensland Department of Communities, 2009). In June 2009, more than 50 per cent of those were 'small' households; i.e. one person households or couples without children.

SEQ is Australia's fastest growing metropolitan region. From 2006 to 2031, its population is expected to grow from 2.8 million to 4.4 million people (Queensland Department of Infrastructure and Planning, 2010). The majority of the population live in three main local government authorities, which are Brisbane, Gold Coast and Sunshine Coast. Sunshine Coast is ranked the third city and Gold Coast is ranked the fourth city in the world that are unaffordable (Cox and Pavletich, 2009).

By contrast, according to the 2006 census data, the majority (74 per cent) of Australian housing stock is classed as separate houses which suffer from under-occupancy. In 2006, 85 per cent of single-person households lived in two or more bedroom dwellings, 75 per cent of two-person households lived in three or more bedroom dwellings and 32 per cent of three-person households lived in four or more bedroom dwellings (National Housing Supply Council, 2009, p.36).

Despite the high demand for affordable housing, limited supply has been forthcoming from both government and non-government housing providers. The public sector has long been reducing its commitment to the direct provision of public housing (state housing) and the Australian Bureau of Statistics (Australian Bureau of Statistics, 2007a) shows that in 2006, of the 30 per cent of Australians who were renting, 73 per cent were living in privately rented housing and 17 per cent in social housing, with the balance being accommodated under 'other' tenures. Public housing has long dominated the social housing stock, with community housing accounting for only 7 per cent of all social housing.

The scarcity of public housing stock has forced low income earners to search for housing in the private market. In the past, rental housing was viewed as a transitional stage en route to housing ownership and for temporary accommodation only (Powall & Withers, 2004). However, some people are forced to remain in the rental market indefinitely. Nevertheless, it is recognised that rental housing is an integral part of a housing system which has interacting tenures and sub-markets (Badcock & Beer,

2000) and the rental housing stock, at 30 per cent of total dwellings, continues to play an important role in the Queensland housing system (Australian Bureau of Statistics, 2000).

For low-income rental housing applicants, the fundamental problem is that of access to appropriate affordable housing. It is not just a matter of supply and demand but – for providers – also of risk assessment of applicants (Short, Seelig, Warren, Susilawati, & Thompson, 2008). The housing market is not perfect and affordable housing investment has a mix of associated risk and opportunity. At present, there are insufficient incentives for private developers to participate in affordable housing projects which on the whole provide less attractive rates of return than other forms of investment (Berry & Hall, 2001; Sirmans & Macpherson, 2003). As a result, few non-government organisations have been involved in working collaboratively to deliver affordable housing products.

This paper aims to identify, discuss and critically review a range of affordable housing solutions which have been developed by non-government housing providers in South East Queensland. The study utilises the case studies provided by 19 housing providers using in-depth interviews held in South East Queensland in 2007-2008. After the following section which provides a discussion of the nature of affordable housing, the survey methodology is detailed. A brief review of each type of affordable housing follows. This provides the context for the discussion of a range of alternative strategies to fit different situations which offer an alternative to a more simplistic, uni-dimensional panacea.

## **THE CHARACTER OF AFFORDABLE HOUSING IN AUSTRALIA**

Affordable housing as a measure of access is defined as that housing which a household in the bottom 40 per cent incomes bracket is able to purchase or rent for no more than 30 per cent of their income (Miles, Weiss, & Berens, 2000, p.293). As well as income characteristics, affordable housing needs to match broader household requirements and to be well located in relation to services including employment and transport (Queensland Department of Housing, 2001).

The provision of secure and stable affordable housing is one key to social and economic wellbeing (Australian Department of Families, 2008, p.2). Patterns of sustainable owner occupation and leasehold tenancy evolve where households are certain of remaining in their existing housing circumstances, even during difficult economic circumstances assisting in employment, children's education, and community stability (Harris & Goodwin, 2003).

Some countries, especially in Europe, use social housing as the principal provider of housing for lower-income households. Social housing, using a more general definition, can be viewed as ‘those policies, organisations and services designed to provide long-term, not-for-profit, rental housing in order to achieve a diversity of social purposes encompassing both shelter and beyond shelter outcomes’ (Jones, Phillips, & Milligan, 2007, p.6). The social housing system is defined as housing associations which manage social housing stocks through government funding or public subsidies for housing assistance, and are bound by legislation (Gruis & Nieboer, 2004; Larkin, Lawson, & NCHF Australia, 1998).

The role of social rental housing has undergone three shifts during the past 60 years. From the 1940s to the 1960s, it was predominantly concerned with supplying housing for returning soldiers, low-wage workers and their families. During the 1970s and 1980s, its primary concern was to provide affordable, rental housing for low-income households – mainly income security recipients who could not afford to rent in the private rental sector or who faced other barriers to private renting. In the final phase, since the 1990s, the focus has been on providing tightly targeted, supportive housing for individuals and households with high and complex needs, many of whom are likely to remain permanently outside the workforce (Jones et al., 2007, p.22).

In some urban districts, significant concentrations of low-income households are caused by homogeneity of the housing stock. It is argued that the provision of a more diverse range of housing types and tenures would enable better-off households to remain within these areas as they pursue their housing careers (Musterd & van Kempen, 2007). This advantages both upwardly mobile residents, who may have strong neighbourhood and community attachments, and the neighbourhood, by slowing the flight of better-off residents. Few researchers recommend diversification of housing tenure will achieve balanced communities which is a popular strategic intervention in many European countries (Bolt, et al., 2010; Graham et al., 2009) and Australia (Wood, 2003). Moreover, tenure mix will achieve greater social integration of diverse and advantaged/ disadvantaged groups and also solve area stigmatisation or poor reputation problems (Kearns and Mason, 2007).

Over recent years, the Australian government has progressively reduced the funding it allocates for direct public housing provision and limited funding has been allocated to the delivery of affordable housing. Table 2 illustrates the scope and diversity of affordable housing initiatives provided by Australian states and territories, some of which is of dubious value as it incorporates an inherent constraint to the adoption of new affordable initiatives with universal fit across jurisdictions.

**Table 2: Australian states and territories affordable housing initiatives**

	NSW	ACT	Qld	Vic	SA	Tas	WA	NT
Capital grants from state & local government or Commonwealth & state funds	✓		✓	✓				
Mixed government grants and borrowing		✓		✓	✓			
Planning requirements (inclusionary zoning)	✓				✓		✓	
Developer contributions	✓						✓	
Sales to tenants	✓	✓	✓	✓	✓		✓	✓
Land release (government land)		✓				✓		
Land development agency		✓	✓	✓				
Affordable housing trust					✓			
Operating subsidy						✓		

Source: Authors (2009); data from Phillips et al. (2009, pp.70-71); Territory Housing (2009); Western Australia Department of Housing (2009)

The table shows the principal forms of support (available to all states and territories except Tasmania) to be capital grants (items 1 and 2 of the table) which comprise capital grants from state and local government or from Commonwealth and state funds together with other mixed government grants and borrowings. A similar frequency distribution by jurisdiction is that of the option to sell public housing to tenants. Reviewing the range by state, the majority of states have offered four initiatives and the Northern Territory (NT) offers only one initiative (sales to tenants).

Table 3 focuses more specifically on the rental housing programs available in Queensland. As most of the programs receive a government subsidy, the rent paid by tenants in such subsidised programs is based on their income, and most affordable rental housing providers adopt a rent based on a discounted market rent whereas private renters pay full market rent. In reality, with a lack of access to long term public housing or community housing programs, many tenants have no choice but to stay longer than they might prefer in short or medium term housing programs which, as discussed above, often no longer match current household needs.

In response to the evolving structure of Australian households, the previously unmet demand from single and small households is being accommodated by the provision of new stock which is well represented by affordable studio and one-bedroom apartment housing units, although the bulk of existing public housing stock remains as three bedroom detached houses.

Affordable housing providers may receive a Commonwealth government grant through the National Rental Affordability Scheme (NRAS) and tax incentives. Eligible affordable renters receive Commonwealth Rental Assistance (CRA), the same assistance as that extended to eligible private housing renters. In addition, the state government contributes stamp duty exemption and supplies the land. Local government authorities offer planning bonuses to support and facilitate higher density affordable housing developments.

**Table 3: A taxonomy of social housing programs and target groups in Queensland**

Type of housing	Duration	Types of accommodation	Target group
Public housing	long term	varied	varied: low-income families, young, older, indigenous, singles, disability and victims of domestic violence
Crisis accommodation	short term-transitional	detached houses, units, duplexes, shelters	varied: young, indigenous, singles, families and victims of domestic violence
Boarding house*	short, medium, long term	self-contained one-bedroom units, studio apartments, shared facilities	single low-income earners
Community Rent Scheme (CRS)**	short to medium term	based on household size	varied: young, indigenous, single, disability and victims of domestic violence
Long term community housing*	long term	varied; title by second mortgages and assistance agreement	varied: older, indigenous, single, disabilities, non-English-speaking background, low-income families
Drug court residential**	rehabilitation program	private self-contained properties supported by Dept of Communities	outpatient rehabilitation and others who have no access to housing
Affordable rental housing	long term	varied	varied: the main targets are key-workers, low to medium income families
Private rental housing	medium to long term	varied	varied: the main targets are double-income without children, singles, medium-income families

Source: Authors (2009); data from Queensland Department of Housing (2008)

Notes: \*long term community housing; \*\* transitional housing (Queensland Department of Housing, 2006, p.6)

The housing programs described in Table 3 are offered under different funding mechanisms but, as each program is reviewed separately, they are not considered as a continuum of housing solutions. However, it is well recognised that there is more than one solution needed to address the problem of affordable housing and a combination of different affordable housing models and partnership arrangements may be best for South-East Queensland to achieve a better affordable housing profile and more successful outcomes for tenants.

Milligan *et al.* (2004) divides affordable housing providers into three groups: the first is specific purpose housing companies set up and controlled by state and local governments using arms-length managing organisations, such as City West Housing Ltd established in 1994 in NSW, Community Housing Canberra Ltd (1998, ACT), BHC Ltd (2002, Qld) and Gold Coast Housing Company Ltd (2006, Qld). The second group is identified as not-for-profit housing organisations which have been formed independently and specifically to develop affordable housing, such as Melbourne Affordable Housing (2003, Vic) and AAHA (Qld). The third group is the existing community housing organisations that have expanded into project development and property ownership such as Perth Inner City Housing Association (1985, WA), Community Housing Ltd (1993, Vic) and other growth providers which include community housing organisations that have expanded their services into affordable housing.

## METHODOLOGY

This paper aims to recommend affordable housing solutions developed by non-government housing providers in South East Queensland by using the case studies identified from the housing provider interviews conducted in 2007-2008. These interviews generated the four-group classification of housing product and partnership models commonly used in South East Queensland and shown in Table 5 and discussed in the related text.

Nineteen interviewees were selected, who work for ten not-for-profit and six private organisations, all of which have direct involvement in developing and managing affordable housing in Brisbane and the surrounding region (beyond the Brisbane City Council jurisdiction) in South East Queensland. Table 4 shows the distribution between local government, not-for-profit and private organisations surveyed.

**Table 4: Profile of interviewees**

Organisation type	Interviewee no.	No. of organisations	Gender
Not-for-profit	13	10	5 Male, 8 Female
Private	6	6	3 Male, 3 Female

Most organisations were represented by their top management such as the CEO, director or manager. Other officers were nominated by their organisations because their current roles are closely related to either the development or management of affordable housing. The majority of not-for-profit housing providers manage between 300 to 500 households or tenancies. Tenants are accommodated in studio, 1 to 3 bedroom units, boarding houses and landed houses. In addition, those organisations developed affordable housing in partnership with government and/ or private organisations.

Housing providers develop and/or manage a range of affordable housing products encompassing public housing, community housing, refugee housing, affordable housing, private rental housing and affordable ownership housing. They also offer a range of housing options to match housing products with tenants' household characteristics and their special needs as a risk reduction strategy for the provider.

Most community housing products are delivered as partnerships between not-for-profit and private organisations such as crisis accommodation programs, drug court residential programs, community rent schemes, head leasing, youth programs and rent start programs.

A judgement sampling technique has been used for the study to ensure the selection of only affordable housing providers. The snowball sampling technique drew on the recommendations of professional organisations and continued by referral from the interview participants. Qualitative data was analysed using thematic analysis to find emerging themes and then categorised into four groups based on the broad category of product as discussed below.

## **ANALYSIS AND DISCUSSION**

Low income renters have difficulty progressing from the social housing system if they do not receive a stable income or have a good tenant history. It is not unusual for some low income renters to be required to have a permanent address to secure stable employment. However, perversely, stable employment is often required as a requirement of long term affordable accommodation, especially in the broader (commercial) private rental market. Government intervention in providing alternative housing options together with employment pathway assistance can help to alleviate such discontinuities and help low income tenants to more broadly improve their life style condition.

The interview results are discussed in three sub-sections below. Affordable housing providers describe their affordable housing portfolio and based on the similarity of their products, four categories are concluded in the next section. In affordable housing development, government support is a key factor of successful project. In

addition, risk management strategies have been implemented in relation to affordable housing products and their tenants' characteristics.

### **Affordable housing categories**

Interviewees suggest the need for a diversity of affordable housing types in South East Queensland and the case studies have been classified (see Table 5) into four categories of product:

1. *affordable rental housing*: the majority of which is produced in high-density development.
2. *mixed housing*: includes mixed-tenure, mixed-use in one building and mixed housing in master planned communities
3. *affordable housing for people with special needs*: this category comprises special purpose housing for low income people with special needs, often requiring purpose built design considerations.
4. *low cost home ownership*: helps low-income people shift from being tenants to owner occupiers.

Table 5 illustrates these categories of affordable housing portfolio by product type. Each category is discussed under the heading of the typical organisation of housing providers involved, the partnership arrangement and the main target market. The majority of affordable rental housing complexes are built by a not-for-profit organisation specifically established for the development and management of affordable rental housing. For stand alone affordable rental housing projects, most not-for-profit organisations received direct government support. Similar direct government funding is also required for the delivery of affordable housing to tenants with special needs. Appropriate dwelling design and facilities are required for people with special needs and include high care accommodation and aged care. Such projects are very expensive to build and difficult to convert to other type of housing.

**Table 5: Affordable housing portfolio categories in Queensland by product type**

Organisation type (and number interviewed)	Partnership type	Main target market
<b>1. Affordable rental housing</b> including government funded housing companies and affordable housing special purpose organisation		
Not-for-profit organisations with direct government support or innovative development model (11)	Main funding from govt grants – state and /or local Private builders Not-for-profit management	People in the integrated social housing waiting list for direct state government funding.  Key workers or working-poor households
<b>2. Mixed housing</b> including master planned communities, social mix in high-rise units and mixed office and housing		
Special Purpose Vehicle (SPV) for not-for-profit or private organisations (16)	Main project owned by private developer/ investor  Not-for-profit own/ manage the non-market based housing	Key workers or working poor households
<b>3. Affordable housing for special needs</b> including adaptable housing, high care and aged care		
Not-for-profit organisations with government direct support or innovative development model (4)	Main funding from state government grants and support for people with special needs  Private builders  Not-for-profit support service providers	People with special needs
<b>4. Low cost home ownership</b> including shared-equity, rent-to-buy, transportable homes, life style providers, green homes and small lot developments		
Private organisations or SPV of not-for-profit organisations (6)	Main project owned by private developer/ investor Partial-own home ownership  Not-for-profit own/ manage rental housing	

Source: Authors (2009)

## **Government supports**

Some private organisations deliver affordable housing projects through the support of indirect government subsidies through local government density bonuses for overall development. If the additional bonus is used for full-priced market housing, then it cross-subsidises the affordable housing stock. Local government requires a ten year land covenant for affordable rental housing managed by a not-for-profit housing organisation to be registered on the land title as a condition of the development approval.

The majority of government direct or indirect funding concentrates on providing affordable rental housing and housing for people with special needs. As Table 5 shows, both of these products are not only for marginalised households, but also make it easier to control the medium or long-term use of the housing products. On the other hand, mixed housing is a preferable model for the private sector which makes affordable housing more economically viable. Sixteen housing providers (private and not for profit organisations) interviewed suggested that mixed-housing is the best way to achieve sustainable community solutions. In addition, the social mix is very important to mitigate any associated stigma of affordable housing tenants. Moreover, mixed-use development allows diversification of investment which reduces overall investment risk.

## **Risk management strategy**

To be effective, a comprehensive risk management strategy must recognise, quantify and incorporate the needs, expectations and realistic behaviours of tenants who are traditionally treated as a major external risk in affordable housing development. On a positive note, the desire of tenants for home ownership may be achieved through rent-to-buy schemes, by partial purchase, through shared-equity or through shared ownership. This last form of purchase has been affirmed as a successful model in Europe.

Most providers of affordable rental housing and housing for special needs rely on direct government grants to develop these specific affordable housing products. As a consequence of the funding agreement, the main target market is people on the centralised social housing waiting list. However, when development projects receive indirect government support, for instance through local government planning incentives for increased density and relaxations on car parking, affordable housing may be offered to those outside the waiting list. Some social developer covenants with local government seek to retain the development as affordable rental housing by concentrating on the working poor or on key workers for a ten year term.

Investors tend to be more interested in providing mixed housing and low cost homeownership associated with the commercial part of a development, as this will cover most of the infrastructure and overhead costs and cross-subsidise the affordable

housing portion of development. Councils require mixed-use developments to meet not just economic viability objectives but also achieve environmental and social outcomes (Susilawati, 2009). The integration of community projects and quality design is helping to normalise the affordable housing product and this in turn is facilitating the opportunity for households to progress along the pathway to home ownership without moving to a different neighbourhood.

In summary, it is evident that a comprehensive framework spanning the housing market is necessary. A scarcity of one product will put pressure on other types of products as a substitute. Whenever possible, mixed-housing is considered the best option as it provides social and financial benefits and also eases the transition of people from affordable rental housing to home ownership through the rent-to-buy option.

A comprehensive solution is also required, as housing cost is only one side of the problem of low-income households who require additional tenant support programs to meet other needs. A not-for-profit organisation offers not just physical accommodation (bricks and mortar) and a subsidised rent, but also softer infrastructure such as tenancy support programs including community club activities to help tenants secure stable employment and manage budgets. In addition, people on a low income may need low-cost facilities to reduce the overall cost of living and to assist establishing a more stable income base. To this end, one social developer has initiated home saving for tenants as part of their rental fee and this enforced saving is returned in full after they have remained and taken good care of the property for an agreed period of time. Thus, it provides an incentive to maintain the property and encourages tenants to stay in the same place for longer than might otherwise be the case; thus reducing tenant turnover.

The Queensland government has shifted its approach away from its traditional support for public housing through the in-house construction of stock. Its policy initiatives now encourage active involvement from the non-government sector by the direct funding of projects which can demonstrate their financial viability. Moreover, private sector/non-government organisations can work with a not-for-profit organisation to leverage benefits for projects through their tax-exempt status and their officers' experiences in tenancy management dealing with low-income and other tenants with special needs.

This study indicates that expectations are being raised that multi-stakeholder partnerships can increase the integration of affordable housing within mixed-use development projects. It has become clear from the study that affordable housing providers are becoming more skilled in managing both the provision of the affordable housing product and in the improvement of their own internal procedures. There are also strong indications of increasing cooperation between providers which has been

facilitated by an enhanced level of support by government. A recent Commonwealth government initiative – the National Rental Affordability Scheme – is expected to increase the quality and quantity of affordable rental housing. Some organisations have also benefitted by amalgamation, resulting in increased capacity, a more business-like approach and higher levels of accountability and transparency.

## CONCLUSION

This study suggests the best affordable housing model is characterised by mixed use and mixed housing tenure. It is recognised that affordable housing projects are often not economically viable and are high risk undertakings when developed as stand alone projects. The adoption of a broad-based mixed model will assist in achieving economic goals and in spreading risk across a range of housing and commercial products. It will also promote a better social mix and increase opportunities for low-income renters to pursue their dream of owning their own affordable home. In addition, the normalisation and integration of affordable housing at a socially sensitive scale is the key to community acceptance of its presence. The innovation of shared use of community amenities and award-winning design in the creation of new housing development can also support this process and are necessary to establish, build and maintain a favourable investment environment.

Significant growth in the affordable housing supply is the product of social developers recognising the opportunity available to leverage benefit from projects otherwise unavailable to them, except through their association with not-for-profit organisations. These benefits include GST relief, income tax exemptions and not being required to carry responsibility to deliver large financial surpluses. Moreover, these organisations operate in a business-like manner by using relevant professional experts as development managers and in their board membership. The early engagement of builders and housing management organisations also lends support to creating a strong development team to run the project.

Social developers are required to utilise a special purpose vehicle (SPV) to deliver mixed commercial and affordable housing products. This mixed-housing product (MHP) allows some planning relaxation related to affordable housing such as higher density and fewer car parks which are partially transferred to the commercial component. Therefore, the density bonus cross-subsidises the affordable housing product. Ten year land covenants on the development ensure that they will continue to be retained for affordable rental housing. Moreover, the MHP requires standard commercial design and provides a social mix within mixed-tenure properties. This mixed-use product will normalise and gradually remove the stigma associated with a concentration of low-income households with special needs living in the same neighbourhood.

Finally, this study recommends offering a continuum of solutions for low income people and including the relatively novel ideas of rent-to-buy schemes and home saving for tenants as part of rental fee. These less familiar approaches require a commitment from tenants which provides a more than proportionate benefit, as the saving will be returned in full after remaining in the property for an agreed period of time and taking a good care of it. Such an incentive not only promotes good physical maintenance of the fabric of the property, but also enhances residential stability by encouraging staying in the same place for longer, thus reducing turnover.

The survey has identified that the industry is keen to support a comprehensive framework across the housing market and recognises that a comprehensive range of strategies are necessarily to achieve the desired outcome. There is a need for solutions to address both the finance aspects and broader organisational considerations to produce effective housing outcomes for low income tenants. On the financial side, this includes discounted market rents and low-cost facilities for reducing the overall cost of living and help to increase and maintain a more stable income base but, to complement this, a range of associated and accessible soft infrastructure systems and general tenancy support programs are crucial to ensure the success of these strategies aimed at improving access to affordable housing for people on low incomes and other disadvantaged groups in the community.

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