

SAHF Readiness Program: producing social and affordable housing for and with Aboriginal People

Recommendation

Invest \$3 million over two years in a Social and Affordable Housing (SAHF) Readiness Program to build the capacity of Aboriginal Organisations to be active partners in the future production of social and affordable housing.

In order to maximise the value of capacity building activities through an aggregated approach, this funding should be channelled through a single, Aboriginal-controlled organisation that has the expertise required.

Background

The NSW Aboriginal Land Council (NSWALC) and Local Aboriginal Land Councils are major land-owners in NSW and seek to engage in partnerships to produce social and affordable housing stock for Aboriginal people and the broader community. With investment, there are huge opportunities to leverage land to produce affordable and social housing that works for Aboriginal people and to create employment and training opportunities for Aboriginal people in the process.

With the right investment approach, real inroads can be made to drive down the numbers of Aboriginal people waiting for social housing. This investment can form part of any SAHF type approach, be less onerous on Government and provide better outcomes for Aboriginal People because, rather than asking Government to produce or pay for stock, it is aimed at building the capacity of NSW ALC and Local Aboriginal Land Councils to unlock the value of their land holdings to meet housing needs in their communities.

With the SAHF now operating, there is a need to ensure that one of the largest land-holders in our State is positioned to take advantage of the opportunities it presents. While this is not yet the case - it can be.

Currently, a number of barriers prevent Aboriginal organisations unlocking the value of their land to produce social and affordable housing and/or access funding through the SAHF. These barriers include:

- **Aboriginal Land is not investor-ready**-there is significant work to do to produce development applications (DAs), subdivisions and rezoning.
- **Lack of financial capacity**-organisations are asset rich through their land holdings but do not have the financial capacity to undertake preparatory steps to get land ready for development (e.g land is currently zoned environmental).
- **Access to expertise**-organisations do not have the expertise to go through all of the processes involved in getting land to build-ready stages.
- **Timing**-timelines of the first Phase of the SAHF were too short to translate land-ownership into membership of a successful consortium.
- **Aggregate model adds complexity but holds the key**- meeting the minimum number of properties necessary to apply for the SAHF, means working with several Local Aboriginal Land Councils to provide the land contribution for the proposal. Local Aboriginal Land Councils have variable methods for listing the current status of their land-holdings (zoning, surveys, heritage status etc) and may each face multiple

timelines and requirements to render their land investor-ready. Supporting an Aboriginal controlled organisation that has the expertise to act as an aggregator in partnership with CHP Tier 1 organisations to unlock this land value is essential.

- **High levels of risk**-overcoming the challenges above requires organisations to risk investing significant financial and human resources with no guarantee of a successful outcome.

NSW ALC and Local Aboriginal Land Councils do not just hold land. Their assets also include cultural and local knowledge that is invaluable in producing multiple positive outcomes for Aboriginal people. For example, employment and training programs delivered by Aboriginal-owned organisations can be aligned with the production of housing stock and community infrastructure.

What is currently missing is an investment to build the aggregation model and partnerships to enhance the capacity of NSW ALC and LALCs to meaningfully participate in SAHF processes and gain unhindered access to the opportunities it poses. This capacity building could take the form of:

- access to development consultants who can guide NSWALC and LALCs on the processes related to unlocking the value of land assets;
- financial advice about managing risk;
- legal advice and skills development required to build and engage in consortia;
- access to funding to verify and itemise the current status of land holdings;
- support to engage in other preparedness activities required to respond to future phases of the SAHF including producing supporting documentation and EOIs; and
- support for the development of impact measurements tools.

Conclusion

NCOSS urges the NSW Government to invest in the introduction of a SAHF Readiness Program that will build the capacity of Aboriginal organisations to be active partners in the future development and growth of social and affordable housing. This program is estimated to require \$3 million over two years, which is proposed to be funded directly by the NSW Government and not through the SAHF. NCOSS believes this funding should be channelled through a single, Aboriginal-controlled organisation that has the expertise required. This channelling will maximise the value of capacity building activities through an aggregated approach where possible. NCOSS recommends further consultation with Aboriginal organisations, including NSWALC, regarding the details of this proposal.