



National Shelter

Marginal Tenures – A National Picture

A policy paper on boarding houses, caravan parks and other
marginal housing tenures

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Executive Summary

Summary of Findings

- Approximately 75,000 Australians live in boarding houses and caravan parks, and the majority of these are highly disadvantaged. While some households choose these forms of housing for reasons of lifestyle or location, they often serve as “housing of last resort” for individuals and households who are on the verge of homelessness.
- Evidence on supply trends in these sectors is mixed. Formal sources of data, most of them incomplete, report either small declines in supply or a steady state. Those working in the field, however, have consistently reported continued loss of stock.
- In the areas of tenancy protection, health and safety standards and licensing of operators, legislation varies widely between states and territories. There are some good models of regulation, particularly of the boarding house industry, but in much of the country regulatory systems are weak and residents receive little legal protection. Even when stronger regulatory systems are in place, many operators are able to avoid engagement with them.
- The market in both boarding houses and caravan parks is changing, with newer and comparatively more “up-market” developments catering for households on low to moderate incomes, and the emergence of an unregulated suburban boarding industry which often appears to exploit its residents.
- Social housing providers have a good record of providing better quality, more affordable boarding house style housing and, to a lesser extent, caravan parks. Their role is crucial in improving the lives of highly vulnerable residents and preventing or responding to homelessness.
- Policy initiatives in the areas of regulation, supply, social support and research have the potential to make major improvements in the lives of highly vulnerable residents.

Towards a National Agenda

The following is a set of policy recommendations designed to provide a starting point for discussions with Commonwealth and state/territory governments about improvements in the response to marginal tenures.

Best Practice Regulation

Section 4 of this report highlights wide variations in regulation between states and territories, and within them in some cases, including:

- differing levels of protection for tenants
- differing registration requirements and standards for operators of boarding houses and caravan parks
- differing levels of enthusiasm and resources for implementing regulations.

To some extent, these differences may reflect different market conditions. It’s hardly surprising that Tasmania, with an extremely small number of permanent caravan park residents, has not expended the effort to clarify their tenancy status. However, some of

the differences are simply accidents of history, with tragic incidents leading to stronger regulation. A national approach to regulation can help ensure that tragedies in one state or territory need not be repeated in another.

The following are recommendations which would go some way towards improving regulation across Australia.

- *That state and territory governments remain the main regulators of marginal forms of housing such as boarding houses and caravan parks.*
- *That state and territory governments work with the Commonwealth government and representatives of local governments under the auspices of the Council of Australian Governments to develop a “best practice” model of regulation.*
- *That this regulatory system include the following:*
 - *protection for the tenancy rights of residents through either stand-alone legislation or amendment of residential tenancies legislation*
 - *consolidation of regulations around health and safety issues including physical condition, fire safety, standard of common facilities and food safety where appropriate*
 - *provisions for licensing operators of facilities, especially where operators live on site*
 - *limits on the ability of proprietors to restrict access to the site and to residents by support agencies*
 - *an approach that address issues of the definition of various housing forms and in particular, ways of avoiding loopholes through which proprietors can escape regulation*
 - *processes for investigation and enforcement of regulations and for providing information and support to residents to exercise their rights.*
- *That as a starting point, governments examine aspects of current “best practice” Australian legislation such as Queensland’s Residential Services Act, the occupancy provisions in the ACT Residential Tenancies Act and the new rooming house standards currently being introduced in Victoria.*

Social Housing

Social housing organisations have a long history of providing boarding house style accommodation as well as some involvement in caravan park provision. These options are provided using substantial Commonwealth funds. Social housing options are generally better designed and provide an improved physical quality of housing to the private sector, and can also provide their tenants with better affordability, security and more appropriate management.

The following recommendations have the potential to enhance the work of the social housing sector in forms of marginal housing.

- *That state/territory and Commonwealth governments continue to provide resources for the construction of new social housing boarding houses and the acquisition of key caravan parks in good residential locations.*
- *That state/territory and Commonwealth governments fund research and development into innovative, improved affordable rental housing forms to supplement the existing boarding house and caravan stock.*

- *That tenants of these forms of social housing be provided with full tenancy protection using the standards of the relevant state or territory tenancy law, even where residents of this form of housing may not be formally covered by this legislation.*
- *That tenants in these forms of social housing have the option of either transferring to other forms of housing or remaining where they are long-term, reflecting the different preferences expressed by tenants of these forms of housing.*
- *That Commonwealth and state/territory governments continue to support the development of new models of housing (including Common Ground and Foyer Housing models) on the basis that:*
 - *such housing represents an extra choice for tenants, not their only option*
 - *new models be carefully tried and evaluated, rather than adopted uncritically*
 - *the rights of tenants and residents be carefully protected.*

Supporting Private Sector Provision

A good quality, well-regulated private market in alternative forms of housing is an important part of the housing market in most parts of Australia. New developments in the private sector seem to indicate that such housing is moving away from housing the “most disadvantaged” and into the realm of affordable rental or purchase for people on low to moderate incomes.

A number of government policy interventions can facilitate the emergence of this developing market, and cross-government cooperation can help spread these measures around the country in areas covered by state and territory legislation. The following are some key recommendations to address these issues.

- *That the Commonwealth government’s proposed tax summit include consideration of measures to better target tax subsidies towards more affordable housing, including:*
 - *the use of tax credits or directed deductions dependent on the level of affordability of the housing*
 - *evaluation and recasting of the National Rental Affordability Scheme*
 - *examination of the role of Commonwealth Rent Assistance in supporting residents of these forms of housing, including the adequacy of levels of payment, the methods of calculating it, and the spread of eligibility*
 - *examination of the structure and effect of state/territory and local government taxes including land tax, stamp duty and Council rates.*
- *That Commonwealth and state/territory small business support programs be targeted at proprietors of marginal housing forms to help improve the quality of management and decision-making in these businesses.*
- *That Commonwealth and state/territory government work together to identify best practice approaches to urban and regional planning for marginal forms of housing.*
- *That energy efficiency and emissions reduction programs be designed to include marginal forms of housing.*

Social and Funding Support

Residents in marginal tenures experience high levels of social disadvantage and are heavy users of social services including income security, health and community support services. Many of these are either directly provided by the Commonwealth government, or funded by it. There are a number of successful models of providing support to residents in marginal housing, including caravan park and boarding house outreach programs. In many cases these are quite localised and they are often vulnerable to changes in funding priorities, making consistent service delivery an ongoing issue.

The following recommendations are designed to address this need.

- *That the Commonwealth and state/territory governments jointly fund a program of support for residents in marginal housing.*
- *That this program be closely aligned to homelessness support programs and be focused on homelessness prevention and addressing social risk factors for these households.*
- *That advocacy organisations be provided with funding to advocate on behalf of tenants of marginal housing.*
- *That the program be based on successful models of social support currently in existence in NSW, Queensland and Victoria.*
- *That the program include clear processes and protocols for cross-agency collaboration in providing emergency and ongoing support for residents whose facilities are closed, either by their owner for redevelopment, or as a result of regulatory intervention.*

Research and Data

National level data about marginal tenures is patchy and inconsistent, dogged by differing definitions and inadequate data sources. At the same time, research efforts on boarding houses and caravan parks have largely dissipated since the early years of this decade. This means that the state of government and community knowledge of this housing sector lags far behind developments in the housing market, and many policy interventions are designed based on very limited knowledge.

The following recommendations provide the outline of a research program to improve knowledge about these forms of housing and their residents.

- *That the Commonwealth government engage with national level research bodies (e.g AHURI, the National Housing Supply Council) to develop an overall program of research into marginal tenures.*
- *That this research focus on the following issues:*
 - *collection of accurate baseline data about the supply of these forms of housing and trends in supply over time*
 - *tracking of market trends in this form of housing, new developments in provision and the potential impact of these new development on residents*
 - *detailed research into the experiences and preferences of tenants and residents*
 - *identification of appropriate policy responses to emerging issues, and costs and benefits of the various policy options.*

1.0 Introduction

Approximately 75,000 Australians live in boarding houses and caravan parks, and the majority of these are highly disadvantaged. These forms of housing frequently serve as “housing of last resort” for individuals and households who are on the verge of homelessness. Such housing is often more available than other housing forms, available at lower cost and with fewer barriers to entry. This means households may get access to such housing when nothing else is available. At the same time, the housing they receive can be of poor quality, they may have few tenancy rights (either in law, or in practice), and in many cases their housing situation may exacerbate their health or social problems.

For this reason, housing advocates and support organisations over the years have taken a keen interest in these forms of housing. Advocacy organisations have been at the forefront of moves to extend the coverage of tenancy law to these forms of housing and to improve regulations around standards. Community support agencies are frequently active in providing day to day support to boarding house and caravan park residents. Social housing providers are at the forefront of providing better quality housing alternatives for their residents.

This paper is the final output of a two stage process being conducted on behalf of National Shelter. The aim of this process is to develop a national picture of the current state of marginal housing in Australia, and to formulate a national-level policy response to the key issues related to that sector. The report provides a national snapshot of the state of play in these forms of housing in Australia, and is aimed at promoting discussion about potential policy responses.

The information in this paper comes from three main sources:

1. a brief search of the literature around this issue
2. a series of interviews with key informants in each state and territory
3. responses by these key informants to a series of policy-related questions based on an earlier form of this paper, which have provided much of the content for the recommendations in Section 6.

We do not claim that the information brought together here is in any way comprehensive. Each of Australia’s eight states and territories has its own market conditions and its own legislative instruments for responding to the challenges of these housing forms. Data is often patchy and in many cases we are forced to rely on anecdotal information.

Attachment 1 provides a brief snapshot of the state of play in each state and territory. In this report we have tried to provide an overview of the main trends in marginal forms of housing - what has been happening recently, what is happening right now, what might the future look like? Throughout this report we also pose the question, in this environment of diverse state and territory responses, whether there is a national picture and a role for national organisations (government and non-government) in responding to the needs of these vulnerable tenants.

2.0 Introducing Marginal Tenures

The subject of this report is a range of housing forms at the margins of the Australian housing market. These are often discussed under the rubric “boarding houses and caravan parks” but this dual label covers a range of housing types. These are often described using different terms in different states and territories. We have included the following housing forms:

- Boarding houses (sometimes called “rooming houses”) in which residents rent a room (or sometimes share a room) and share facilities such as bathrooms and kitchens with other residents.
- Supported accommodation (referred to by different names in different places) which could be described in general terms as accommodation for people with disabilities, physically resembling boarding houses but in which the residents are also provided with meals and possibly some basic level of personal support.
- Student housing, particularly housing at the bottom end of the student market, where students (particularly international students) share commercial-type boarding arrangements.
- Caravan parks where residents could either rent a site for a caravan or mobile home they own themselves, or rent both van and site from the owner.
- Other comparable types of housing such as rooms in hotels, private boarding arrangements and multi-tenanted houses.

The concept of marginality is a powerful way of describing this housing as it is crucial to many of the aspects of this housing, both from the point of view of residents, owners and government regulators.

2.1 Tenants on the Margins

Firstly, the data about these forms of housing indicates that residents experience higher levels of disadvantage than the population as a whole.

For example, a 2003 AHURI report on the social circumstances of caravan park residents found that

- 62 per cent of households living in caravan parks earned less than \$500 per week, compared to 29 per cent for Australia as a whole
- almost 10 per cent were unemployed, those in employment were in lower paying occupations, and 80 per cent had no recognised post-school qualifications.
- nearly 41 per cent of those households in a caravan who rent privately were in rental stress (i.e. paying more than 30 per cent of their income on rent) compared with 27 per cent of all households.¹

A more recent report from the St Vincent de Paul Society in NSW identifies a range of “marginal” tenants in caravan parks including recently released prisoners, women escaping domestic violence, older people and people with mental health or drug and alcohol issues.²

Various reports show a similar picture of vulnerability amongst boarding house residents. A 2003 South Australian report interviewed approximately 140 Adelaide boarding house residents and found that:

- *Respondents were predominantly dependent on government income support. Almost a third received a Disability Support Pension, an indicator of vulnerability.*
- *Housing histories indicated a high degree of housing vulnerability and the use of unstable and insecure options that equate with primary or secondary homelessness - most (58 per cent) had either slept rough; stayed temporarily with friends; lived in a caravan or stayed in an emergency shelter.*³

People in these social situations can end up in marginal housing for a number of reasons.

- They may need housing urgently (for instance because they are escaping a violent situation, or have just been released from prison or hospital) and this is the only housing available to them.
- They may have fewer financial costs, and entry costs into these forms of housing tend to be lower - for instance, bonds may not be charged, there are no utility connection fees.
- They may be excluded from other forms of housing, for instance because of listing on a tenancy database or debts with a public housing authority, and proprietors of marginal housing often don't use these sources of information to screen tenants.
- They may be excluded from the private rental market due to discrimination and/or lack of rental history (e.g. young people, migrants and refugees).
- There may be other limitations in their local housing market, for example in resource communities where they are not able to access the private rental market, despite having the income to do so.

These circumstances can have a number of negative impacts. For example, because they have few other housing options, they are often reluctant to challenge poor tenancy practice or demand repairs because they fear eviction, and they often put up with poor living conditions that other tenants would refuse to accept.

Tenants are also more vulnerable in these forms of housing because the owner is able to restrict access to the tenant and permission needs to be sought to be on the premises/in the park to undertake advocacy, community development or personal support. This means tenants can be marginalised and isolated by their landlord and in some cases this appears to be used as a means of control.

Another consequence often reported by tenants and support organisations is that the concentration of people in difficult circumstances can lead to the development of high stress environments. A community in which a higher than average proportion of people experience mental illness, drug and alcohol addiction, violence or unemployment is likely to be a tense and sometimes unsafe environment, and this contributes to a cycle of marginality.

For some tenants experiencing poverty, life is typically a chaotic, day-to-day survival exercise with little predictability. Friends and associates may be in similar situations and support workers know it is highly likely that regular rent payments are likely to be impossible at times. People in poverty can be a high risk from a landlord's point of view, so choices are often very limited.

The marginality of these tenants is clearly recognised by the Australian Bureau of Statistics. Their census publication "Counting the Homeless"⁴ defines boarding house residency as a form of homelessness ("tertiary homelessness") on the basis that their housing is below acceptable community standards, while the report clearly identifies a substantial proportion of caravan park residents as at high risk of homelessness. This analysis is borne out by the experiences of support agencies who both refer people to these housing forms as an alternative to even starker forms of homelessness, and support

them to manage the risks and insecurity of their housing situation and to move on to less marginal options such as social housing.

This picture is confirmed by various research reports which survey boarding house and marginal caravan park tenants. Both groups report overwhelmingly that if they had a choice, they would live in a different sort of housing - typically a unit or a house. While this is not necessarily the case for everyone, many residents are only there because they have no better option.

However, it is important to realise that not all boarding house or caravan park housing is the same, and not all tenants have the same attitude to it. There are many households who will choose to live in a good quality, well-managed boarding house or caravan park and regard this as home, even though they may in fact have limited other choices. Later sections of this paper discuss these differences and the issue of resident preference in more detail.

2.2 Marginal Businesses

The second application of the idea of marginality is that from an owner's point of view these forms of housing are "marginal" businesses. This is not to say that the owners are at the margins of society in the same way as their tenants - even the most small-scale operators at least derive a relatively secure income from their housing and may own significant assets. However, there is some evidence from our brief survey that suggests that these businesses are marginal in a number of ways.

- Returns on investment are often low compared to other alternative investments. This has two implications:
 - owners are often reluctant to invest further resources in items such as maintenance, leading to housing that is often in poor physical condition
 - facilities are at high risk of closure and conversion to more profitable uses - this is borne out by the data on closures in recent years. Indeed, many owners purchase boarding houses and caravan park sites primarily as investments in land for development, with the existing housing providing cash flow in the interim.
- A number of our written and verbal sources report that the boarding house and caravan park industries include a number of small operators. Many of these are long-term operators and may not be particularly sophisticated in business terms, with limited financial skills and limited understanding of the policy and regulatory environment in which they work.
- While this clearly does not apply to everyone in the industry, there is at least an element of both industries, and particularly the boarding house industry, that operate on the margins of legality for instance, operating in the cash economy, avoiding compliance with regulatory regimes and paying scant regard to tenancy or health and safety laws, or by shifting responsibility for compliance onto sub-contractors or lessors. There is little information about such marginal operators but it seems likely that some operate quite lucrative businesses.

These aspects of marginality present a challenge to policy makers trying to improve conditions in marginal housing. Owners who have limited commitment to the industry are unlikely to invest in meeting regulatory standards and are more likely to bring forward

their planned closures. Operators who are in the habit of evading regulatory regimes will attempt to continue to do so.

2.3 Marginal Regulation

A third sense in which these forms of housing are marginal is that they sit at the margins of the regulatory environment. This can be seen in a number of aspects of the regulation of such forms of housing. These themes are expanded on in Section 4 of this report, but just to provide a snapshot:

- in some states and territories boarding house residents and/or caravan park tenants are excluded from tenancy law and have to rely on common law rights
- where tenants are covered by some form of tenancy law, their rights are generally more limited than those of other tenants
- even where there is reasonably good regulation, it is often difficult for tenants to assert their rights; either because they are not aware of them or because they have few other housing choices and are concerned that asserting their rights will simply lead to homelessness
- regulation and enforcement of physical standards and management arrangements in both boarding houses and caravan parks is highly variable, governed by a number of different pieces of legislation which may be administered by different public authorities
- land use planning regimes are frequently confusing and unclear in their treatment of these forms of housing.

3.0 The State of Supply

It is extremely difficult to get a precise picture of supply trends in marginal housing. This is so for a number of reasons:

- definitions are often unclear. Data on caravan parks for instance often does not distinguish between parks which house permanent residents and those which operate exclusively in the tourist market.
- the large number of operators, particularly in the boarding house industry, who “fly below the radar” in regulatory terms means that data in this sector is likely to be unreliable. For instance, multi-tenant households are virtually impossible to distinguish from other private rentals in any data currently available
- these forms of housing are not a consistent focus of research and data collection effort. This means research reports into parts of the sector tend to be “snapshots in time” rather than provide a clear analysis of longer term trends.

All these considerations mean that the figures quoted in this section are likely to be substantial underestimates of the overall amount of marginal housing. Nonetheless, some clear things can be said about the sector and these are summarised below.

3.1 How many? A National Picture

The clearest national picture of the scale of permanent caravan and boarding house living in Australia is provided by the Australian Bureau of Statistics in its report *Counting the Homeless Australia 2006*.

The authors suggest that boarding houses and caravan parks serve the same social function of housing “at risk” households, in different markets, with boarding houses mainly serving this role in urban areas (and especially in capital cities) while caravan parks play the same role in rural and regional areas. 70 per cent of boarding house residents were in capital cities, while 71 per cent of “at risk” caravan park residents were in regional and rural areas⁵. Some of the key data presented in this report includes the following.

Boarding houses

- Nationwide they counted 21,596 people living in boarding houses in 2006, slightly down from 22,877 in 2001⁶.
- 72 per cent of boarding house residents were male and only 28 per cent female⁷.
- The proportion of homeless people living in boarding houses varied between states and territories, with a high of 28 per cent in NSW and a low of 8 per cent in the ACT⁸.

Caravan parks

The report provides a breakdown of caravan park residence in Australia as follows⁹:

- Of the 129,487 people counted in caravan parks on census night, there were 72,575 holidaymakers leaving 55,912 permanent residents.
- Of these, 32,390 people had purchased a caravan and used this as their usual residence, leaving 23,522 people renting a van owned by someone else.

- Of these, the authors identified 7,025 residents who were in full-time work - while they acknowledge that regional housing markets may limit these households' choices, they regarded them as in theory having other market-based housing choices and hence not being "at risk".
- This leaves a total of 17,497 residents (approximately 31 per cent of permanent caravan park residents) in 12,448 dwellings classed as "at risk" - that is people outside the workforce and on low incomes, living in caravan parks and likely to have few other options.
- The large majority of these "at risk" caravan park residents were in Queensland and NSW, with substantial numbers also in Victoria and Western Australia and relatively small numbers in other states and territories.

Table 1 - Number of Boarding House and "At Risk" Caravan Park Residents¹⁰

State/Territory	Boarding House Residents	"At Risk" Caravan Park Residents
Australian Capital Territory	108	42
New South Wales	7,626	5,104
Northern Territory	694	273
Queensland	5,438	6,385
South Australia	1,369	748
Tasmania	252	162
Victoria	4,457	2,789
Western Australia	1,652	1,994
National	21,596	17,497

An alternative source of caravan park data is found in the Australian Bureau of Statistics quarterly surveys of tourist accommodation¹¹. This data records a total of 1,638 caravan parks with 40 or more powered sites in Australia in June 2010, and a total number of just over 225,000 sites. Of these only 213 catered primarily for long-term residents, with a total of just over 28,000 sites between them. This report also records approximately 34,000 sites occupied by long term residents (that is, resident for 2 months or more) in caravan parks including those which primarily cater for short-term guests. This figure is reported by proprietors rather than by residents and consistently produces figures for permanent residents considerably lower than that recorded in the Census (as used in the data from "Counting the Homeless" quoted above). Table 2 provides a breakdown of this data for each state and territory.

Table 2 - Number of long term caravan parks and long-term occupants by state and territory¹²

State/Territory	Long-term Caravan Parks	Sites occupied by long-term guests in all parks
Australian Capital Territory	nil	Not available
New South Wales	70	10 776

State/Territory	Long-term Caravan Parks	Sites occupied by long-term guests in all parks
Northern Territory	2	561
Queensland	66	10 167
South Australia	7	1 433
Tasmania	1	Not available
Victoria	42	5 550
Western Australia	25	5 038
National	213	34 001

3.2 Supply Trends

A persistent theme in both the literature and in our interviews with key informants is that overall, the supply of both boarding house and caravan park stock is in decline, and that this decline has been going on for a long time.

This picture is only partly borne out by the Counting the Homeless data, which records a substantial decline in the number of marginal caravan park residents (from 22,868 in 2001 to 17,497 in 2006)¹³ but only a slight decline in the number of boarding house residents (from 22,877 in 2001 to 21,596 in 2006)¹⁴. The ABS tourist accommodation survey shows no decline in the numbers of long-term caravan parks between 2000 and 2010 but it does show a decline in long-term residents, from 39,700 in June 2000 to 34,000 in June 2010¹⁵.

By comparison, other local data sources tend to be informally reported and so we are forced to rely on anecdotal evidence. Some examples of evidence about trends are presented below to provide a flavour of what people are experiencing.

Boarding Houses

Our search has uncovered no recent national or state/territory level research on boarding house supply. Discussions with our informants suggest that there is a general picture of declining stock in the inner cities. For example:

- Adelaide City Council reports that in the years up to 2004 the supply of boarding house rooms in central Adelaide declined from 3,500 to 350, and that further decline has taken place since¹⁶.
- Workers in inner city Sydney, Melbourne and Brisbane all report declining numbers of boarding houses although data is not available. However, one respondent in the middle suburbs of Sydney reports that in this part of the city there have as yet been relatively few closures.
- In the years up to the beginning of the current decade, Canberra experienced the loss of its large stock of publicly built boarding houses (originally provided in the post-war years to accommodate a large expansion of the Canberra-based public service) and this has left very few privately operated boarding houses anywhere in the ACT.

The main cause for this loss is generally cited as the process of gentrification. The majority of boarding houses have historically been in inner city areas which have experienced massive land value increases over the past 20 years. This has meant that

boarding house sites have become either attractive redevelopment sites, or attractive to higher income owner-occupiers who convert them into single dwellings.

However, this doesn't appear to be the full story. In the absence of any alternatives, the scale of closures reported (say) by Adelaide City Council above would result in a catastrophic increase in primary homelessness. Such an increase is not reported in any of the homelessness data available to us. This suggests that other alternatives are taking up a large proportion of the displaced residents. We have seen no research which examines what happens to residents over the longer term but there are two clear candidates for filling the gap.

1. On the up-side, the past decade has seen a substantial expansion of public and community sector-provided boarding houses and studio units aimed at filling the gap created by the loss of private sector stock. Such provision represents a clear improvement in residents' housing circumstances, with better quality stock and greater levels of security and tenancy protection. This is discussed further in Section 5.3.
2. On the down-side, many residents may be absorbed into the informal boarding sector, discussed in more detail in Section 5.2.

Caravan Parks

Where we have indications about caravan park supply, most of these suggest this supply is dwindling. For example:

- in NSW, the St Vincent de Paul Society reports that "the number of caravan parks in the Sydney region alone has halved in the last seven years from 164 establishments in 2000 to 74 in 2007, and many regional areas have experienced similarly marked declines in supply"¹⁷
- in a similar vein, although with different numbers, the NSW Parks and Village Service estimates that from their own experience at least 55 of the 900-odd caravan parks in NSW have either closed, or substantially reduced their number of sites¹⁸
- Queensland research up until the early 2000s records a steady loss of caravan parks through the 1990s¹⁹ - this research has not been repeated since, but reports from Queensland organisations indicate further closures have taken place and more are pending
- South Australian analysis of census data indicates that the number of people living permanently in caravan parks declined from 7,602 in 2001 to 5,500 in 2006²⁰.
- anecdotal information from Victoria suggests the closure of a number of parks in the Melbourne area²¹.

By most accounts, three things are happening to the parks which close:

1. Some are being redeveloped - most often as other forms of housing. Many parks have been located on the fringes of urban communities, and as our cities expand their land value increases to the point where it is much more financially attractive to develop the site for new housing than to continue to manage it as a caravan park. The cost of replacing infrastructure is also quite high and this makes sale/redevelopment a more attractive option.
2. Some parks in more attractive holiday locations are focusing more exclusively on the tourist market, either reducing their number of permanent residents or eliminating these altogether. Many of these in the most attractive locations such as

Queensland's Gold Coast have redeveloped to the extent that they are hardly recognisable as "caravan parks" in the usual sense.

3. Some are redeveloping as manufactured home parks (known by various names in different states and territories). This type of development is discussed further in Section 5.

4.0 The State of Regulation

Like other forms of housing, both caravan parks and boarding houses are subject to a variety of different regulatory systems. The main systems are:

- tenancy law and consumer protection
- regulations governing the physical and health and safety standards of accommodation and in some cases the management of facilities
- planning laws which govern the location and use of these forms of housing.

One of the features of marginal tenures is that their regulation is often haphazard, scattered between different agencies with unclear responsibility for coordination, and in many cases poorly or incompletely enforced.

The bulk of the legislation regulating marginal tenures is at state and territory level, with some aspects the responsibility of local government. This means that on every question there are at least eight different answers nationally, and more when local government is the regulator. A snapshot of the situation in each state and territory is provided in Attachment 1. In this section we provide a brief summary.

4.1 Tenancy Legislation

Tenant advocates around Australia have been active over a number of years in advocating for better tenancy protection for tenants of boarding houses and caravan parks. This advocacy has had some success, with legislation in many states and territories now covering both forms of housing. A number of approaches have emerged²².

Many states and territories include caravan and boarding house residents in residential tenancies legislation (Queensland, Victoria, ACT, South Australia, Tasmania). In these cases, there are often different provisions for caravan and boarding house tenants. In some cases these differences appear to be dictated by the form of housing - for instance, reference to house rules for boarding houses and different provisions for dealing with violent or anti-social behaviour. In others, provisions are weaker for no logical reason.

One example of this which appears to serve as a model is the inclusion of an “occupant” category in the ACT Residential Tenancies Act. Residents of boarding houses and caravan parks, along with residents in other situations such as boarders in a private home or residents of student accommodation, are classed as occupants. This status does not entitle them to the full range of protections afforded to tenants, but entitles them to the lesser protection afforded by a set of occupancy principles.

Another approach is to protect marginal housing tenants through separate legislation. This mainly applies to caravan parks. New South Wales, Western Australia and South Australia have separate acts covering caravan park residents, with provisions broadly similar to those covered in residential tenancies legislation, but protection for tenants is often weaker under this legislation than under residential tenancies legislation. Queensland is unique in having particular legislation covering manufactured home parks, and residents of

caravan parks who own their own dwelling are provided with some protection under this, although it does not cover renters of “on-site” vans.

Finally, there are still gaps in coverage. Boarders and lodgers in New South Wales and Western Australia are still excluded from tenancy legislation and have only the rights accorded to licensees in common law. This is also currently the case in the Northern Territory for both caravan park and boarding house residents - legislation covering both was passed in 2008 but has yet to be enacted.

4.2 Standards and Registration

Every state and territory has some form of regulation governing the physical standards of both boarding houses and caravan parks. Some of these are relatively common across the states and territories. For instance:

- each state and territory has a fire safety code, generally enforced by fire authorities, and these are very similar with allowances for different building styles and materials. These cover aspects of fire prevention, alarm systems, provision of exits and the development and publication of evacuation plans
- each state and territory has building standards legislation linked to the Building Code of Australia, prescribing a set of common construction standards for buildings of various uses.

In each state and territory there are also specific systems for licensing boarding houses and caravan parks. Sometimes these are aimed at regulating the health and safety aspects of the property. Other regulations also include systems for licensing operators of facilities, assessing their suitability for the task. There are a number of approaches to this.

- In some states this is covered by specific legislation. For instance in Queensland the Residential Services Act provides a State-wide system of registration for boarding houses and supported accommodation, regulating physical standards and management arrangements as well as licensing managers of facilities. The Victorian government is in the process of developing a similar system, and the ACT government licenses boarding

Queensland Residential Services (Accreditation) Act 2002

This Act was introduced following a number of fire-related deaths in Queensland boarding houses. It replaced a local government-based system of registration with a State-wide registration and inspection system for all residential services. It applies to any residential facility where:

- at least four residents (other than the owner) live in one or more rooms and pay rent
- each resident has a right to occupy one or more rooms, but not the whole premises
- rooms are not self-contained, except in aged rental accommodation with meals and/or personal care services
- residents share facilities, such as a bathroom, outside their room.

Student accommodation, tourist accommodation and accommodation regulated under another act (e.g. nursing homes or retirement villages) are excluded.

Registration and accreditation requirements cover the physical condition of the premises, the suitability of the facility manager, the management and consumer protection arrangements in place for residents, and other aspects of health and safety. Different levels of accreditation apply to services which only supply accommodation, and to those which also supply meals or personal care services.

The Act is administered by a State-wide registration team which has been very active in implementing it, including prosecuting non-compliant services although this is seen as a last resort.

Source - Queensland Office of Fair Trading website, <http://www.fairtrading.qld.gov.au/business-boarding-houses-hostels.htm>, viewed 20/12/2010

houses and caravan parks under public health legislation. NSW also has specific legislation governing those boarding houses which provide housing, meals and minimal care to people with disabilities.

- In others there is a common set of standards at the state or territory level, but the administration of these standards is delegated to local governments. For instance, in NSW regulations under the Local Government Act define a set of standards and a licensing regime. In this case, there appears to be a lot of variation in the local implementation of the standards, depending on the resources and political inclinations of each local council.
- In other states and territories registration is entirely a local government responsibility, governed by local laws set by each local government. These local laws are often very similar, particularly where local governments adopt model local laws developed by state and territory governments. However, adoption of model laws is discretionary and local governments have the power to vary these or develop their own from scratch. This type of arrangement is currently in place in Victoria, Western Australia and South Australia, and for caravan parks in Queensland. In this case implementation is highly variable - some local governments either have not enacted local laws, or have made little attempt to enforce them, while others are very active in enforcement.

It appears that the implementation of legislation at state and territory level is very much “tragedy-driven”. The development of the residential services legislation in Queensland and Victoria has followed tragic deaths - in Queensland the tragic deaths of backpackers in a fire in Childers, in Victoria a coronial inquiry into the deaths of two boarding house residents. A review of regulatory arrangements for boarding houses in the ACT is currently under way as a result of public exposure of a number of overcrowded, unregistered boarding houses. Unfortunately it appears to take such tragedies for these types of housing to be pushed out of the margins and into public and government consciousness.

4.3 Planning

Planning laws have a role to play in preventing or slowing the loss of marginal forms of housing, and of encouraging the development of new housing.

In most parts of Australia the development of detailed planning instruments and their administration is the responsibility of local governments, acting within a framework provided by state and territory legislation. Sometimes this legislation and its associated planning policies provide very detailed guidance about various subjects including some marginal forms of housing, but mostly issues around marginal housing are left to local governments.

Given this, it is difficult to provide a comprehensive picture of how these issues are dealt with around the country. A few comments and examples will serve to illustrate this difficulty.

As mentioned in Section 3 above, many caravan parks and boarding houses are in desirable redevelopment locations and there is economic pressure to turn them over to more profitable uses. Many local governments (not to mention property owners and developers) see this as a desirable outcome in terms of their own planning. However many have

responded to concerns about the displacement of vulnerable residents by trying to protect against or at least mitigate the loss of marginal housing. This can be done through either a blanket provision (in which developers need to specifically seek permission to remove certain types of housing, with a presumption that they should be maintained), or through specifically listing facilities which are protected. Developers can then either be prevented from redeveloping these sites, or required to pay compensation.

Reports of such measures in New South Wales and Queensland suggest that their scope for success is limited. One reason for this is that while planning legislation can prevent certain activities on a site it is powerless to compel owners to carry out any particular business. For instance, an owner can be prevented from redeveloping a boarding house, but cannot be forced to tenant it, and the ultimate penalty for failing to maintain the premises to acceptable standard is closure. Hence a well-resourced owner can simply run down the activity on the site to the point where it is no longer tenable and then have the planning system treat it as a vacant or disused site.

This is not to say, however, that such measures are pointless. In concert with programs to develop replacement supply, they can slow the loss of marginal housing and ease the transition from older stock to new alternatives. This is particularly the case where planning laws also have an element of financial compensation, as this can be used to help provide replacement stock.

There is also scope under various planning regimes for positive incentives to provide this replacement stock. The clearest example of this is the new State Environmental Planning Policy (SEPP) on affordable housing in NSW. This planning policy provides incentives (primarily floor area bonuses) to providers of “new generation boarding houses”, which must adhere to clear standards relating to room size, facilities and layout. To qualify for incentives at least 20 per cent of housing in a complex must be managed as social housing. This planning policy also provides for financial compensation for loss of existing boarding houses, with the payments going into a State fund to upgrade existing boarding houses or construct new ones. This planning policy commenced operation in late 2009 and while take-up has been slow, some developers have already taken advantage of it.

4.4 Slipping Through the Cracks

It is one thing to have regulations and another to make them effective. In our interviews with informants around the country, a persistent theme is that much regulation is ineffective. A number of reasons are cited for this.

- Some types of legislation, such as residential tenancies legislation, provide dispute resolution mechanisms which tenants can take advantage of. However, tenants in marginal housing can be reluctant or unable to do so for a range of reasons:
 - in many cases their level of knowledge about this legislation is minimal and hence they may not be aware of their legal rights or the processes for redress
 - because many tenants in marginal forms of housing have no alternatives, they are reluctant to speak out for fear of retaliatory eviction, and so they will put up with poor conditions even if they know legal protections are theoretically open to them.

- Registration regimes rely to a large extent on cooperation from owners and managers of housing, with complaints from either residents or the wider community providing a back-up for those who operate without registration. This means that it can be fairly easy to evade registration. This is particularly the case with boarding accommodation as the industry shifts from the inner city - where networks of services and organisations are strong and provide a *de facto* backup for regulators - to the outer suburbs, where it is comparatively easier to “hide” an unregistered facility.
- Finally, many local and state or territory officials and elected representatives are hamstrung by claims from industry representatives that active enforcement of regulations will lead to closure of many facilities. This is a contentious claim. In an environment where widespread closures are being driven by economic factors independent of regulation, it is difficult to establish that registration itself is the cause of closures. However, it is possible that it accelerates decisions to close by those who had redevelopment plans in any case. We suggest that this points to the need for regulation to be complemented by supply-side strategies.

Substandard Accommodation in Canberra

In July 2010 The ACT Government shut down a group of five suburban houses being operated illegally as boarding houses. Between them, these five suburban homes, designed as single-family dwellings, housed approximately 100 residents. One two-bedroom home was reported as housing 25 people, all of whom shared a single bathroom. The owner was charged with a range of public health and planning offences. In the aftermath of this incident, the ACT Government has launched a public review of the legislation covering boarding houses.

The majority of the residents of these five properties were recent migrants, either students or low-wage casual workers. While some were initially provided with temporary motel accommodation by the ACT Government, very few followed through with the offer to be assessed for permanent social housing or other forms of assistance. Most had made their own arrangements and moved on within a few days and it is possible many found other accommodation in the same informal housing sector.

Source - Issues and options for regulating boarding style accommodation in the Australian Capital Territory, Chief Minister's Department, November 2010; 'Boarding houses 'worse than third world countries', ABC website 16 July 2010, <http://www.abc.net.au/news/stories/2010/07/16/2956080.htm?site=canberra>, viewed 20/12/2010

5.0 The Way of the Future?

A number of trends are evident from our research and these are summarised in the sections below.

5.1 Moving Up-market

In the private market we are seeing the emergence of more “up-market” versions of the types of housing we have identified here as marginal. The term “up-market” should be understood as relative. The housing being provided is relatively affordable in the context of the overall Australian housing market. However, in the main it is aimed at households on moderate incomes, not at the highly disadvantaged residents who are the most prominent occupants of marginal tenures.

In the caravan park industry, the “up market” alternative is often termed “a manufactured home park” or “residential village”. These are sometimes developed on the sites of older style caravan parks, and at other times on vacant land on the urban fringe. These facilities involve the construction of demountable dwellings in a setting much like a caravan park, with shared infrastructure and facilities. They are marketed as an affordable form of home ownership, particularly for retirees, with residents

Bindawalla Gardens and Kurrajong Sanctuary

These neighbouring manufactured home parks are located on the site of a former caravan park in Burpengary, adjacent to the Bruce Highway on the northern outskirts of Brisbane. The two facilities between them have over 400 dwellings and all the residents are retirees. Dwellings are typically two-bedroom, fully self-contained demountable homes, and the parks also have facilities for resident use including a community hall, swimming pool, bowling green and barbecue facilities.

Residents buy into the facility, with individual homes currently selling at over \$200,000 each. This purchase entitles the buyer to ownership of the demountable building, and a perpetual lease on the site on which it is located. In addition to the up-front purchase fee, residents pay a fortnightly site rent of between \$260 and \$270. Residents are able to sell their property on the open market at whatever market price they can obtain.

Source - <http://www.kurrajongsanctuary.com.au/index.html>, viewed 20/12/2010

purchasing the demountable dwelling along with a long-term lease on the site on which it stands. As well as their up-front purchase (generally prices at or just below the bottom end of the conventional home purchase market) residents pay a weekly site rental. In some states and territories these arrangements are clearly protected by law (for instance, in the Queensland Manufactured Home Parks Act) but in others the legal status of the residents is less clear.

In the boarding house industry the “up market” alternative is well exemplified by the “new generation” boarding houses being promoted as a development model by the NSW government in concert with the State Environmental Planning Policy on Affordable Housing. Some key characteristics of these are:

- rooms feature either en-suite or shared bathroom facilities
- room size of 12-25 m²
- provision of a communal living room if the facility has over five bedrooms
- a maximum of two adults per room
- requirement for an on-site manager if more than 20 residents

- strict building standards.

New developments along similar lines are also reported in other states and territories. Unlike manufactured home parks, these forms of housing are clearly targeted to the rental market and because of their size rents tend to be at the low end of the market. However, new facilities in the private sector appear to be targeted to lower income workers and more “cashed-up” students rather than to the marginal renters who occupy older-style boarding houses.

5.2 Moving Down-market

A second, and less welcome, trend is a move “down-market”. This applies to boarding houses rather than caravan parks - there doesn’t seem to be an equivalent in the caravan park industry.

Informants from across the country report the emergence of an “underground” market in unregistered suburban boarding house type accommodation. Given the owners of this housing typically don’t engage with the regulatory system it is difficult to estimate the size of this industry, but most states and territories report its existence. Some key features are:

- it typically uses ordinary suburban houses
- a key market for this housing is poorer international students and migrant workers, although other vulnerable tenants may also be housed - in fact in Victoria some landlords make use of referrals and subsidies from the homelessness service system to source tenants
- housing is often overcrowded, with up to three or four people per bedroom, and common areas also used for sleeping
- in some cases, a number of different operators manage different aspects of the housing (owner, head tenant, rent collector etc) making it difficult to enforce accountability for management practices
- this housing is distinguished from more typical share housing by the fact that the residents each have a separate contract with the owner.

As discussed in section 4.4 above, it is extremely difficult to regulate such housing. Regulators are likely to only become aware of its existence if someone complains. Residents are unlikely to do so because of the risk of homelessness, and because they are often unaware that the arrangement is illegal. Neighbours may complain if the overcrowding is extreme or the housing causes a neighbourhood disturbance, but otherwise may also be unaware that anything illegal is taking place. Ultimately, such developments are a result of the overall shortage of affordable rental, and improvements in supply are the surest protection against the spread of this type of housing.

5.3 Social Housing Interventions

Social housing providers have been providing boarding house style accommodation for the past two decades, and in some locations (Queensland and ACT at least) also provide a small amount of caravan park accommodation. In the caravan park field, public purchase has generally been a means of preserving existing parks, and public housing authorities have essentially maintained the existing facilities while providing residents with an extra level of certainty and security.

On the other hand, public and community housing organisations have led the way with the development of higher quality boarding house stock, with purpose built housing providing more space and better facilities than most commercial boarding houses - often more akin to studio apartments. The Australian Institute of Health and Welfare reports 5,792 units of accommodation as “Other (including boarding/rooming house unit)” including 1,924 in public housing and 3,868 in community housing²³. This housing provides an option for the same group of tenants who have historically lived in commercial boarding houses - single people on very low incomes who are either homeless or on the edge of homelessness. Unlike the commercial boarding house sector, however, tenants are provided with an improved physical environment, greater security of tenure and more affordable rents.

Community organisations have also recently led the way in the introduction of newer forms of boarding house-style accommodation. One of these is the Common Ground model, based on the concept pioneered by the Common Ground organisation in New York. Common Ground facilities are now operating or under development in most Australian capital cities, with plans under discussion for other locations. This model combines supported housing for homeless people (including particularly long-term rough sleepers) with affordable housing for people on low incomes. The idea is to house homeless people in a mixed environment and promote stability and integration into the wider community.

Port Phillip Housing Association

The Port Phillip Housing Association was formed in 1985 (then named the St Kilda Housing Association) with the support of its local Council. Its formation was driven by the loss of boarding house stock in the St Kilda area and high levels of housing need.

The Association has steadily acquired housing since 1986 and has retained its focus on low income single people. As at the end of 2010 it managed accommodation for approximately 400 single people including a mix of boarding house rooms, studio apartments and one-bedroom apartments.

Over this time it has won a range of design awards for its boarding house developments including awards from the Royal Australian Institute of Architects in 2006, 2007 and 2009.

Source - Port Phillip Housing Association website, <http://www.ppha.org.au/>, accessed 20/12/2010

A second model being developed in some Australian locations is the Foyer model. This is a model specifically aimed at young people, and is based on a model developed in the UK and other European countries. The housing component in this model is similar to boarding house or student accommodation. Housing is provided on a transitional basis and linked to participation in employment and training programs. The aim is to provide housing and support to young people so that they can establish themselves in the workforce and then move on into mainstream housing.

One common theme of these models is that boarding house living is generally regarded as transitional. This is the case both with the long-standing community managed boarding houses, with the Foyer model and also with the Common Ground model in some locations. It also reflects the sentiments of tenants alluded to in Section 2 - most boarding house tenants would prefer better quality housing, such as a house or a flat. If in the meantime they need to live in a boarding house, then these community options at least provide one that is safe, secure and affordable.

6.0 Towards a National Agenda

As noted previously in this report, the regulation of marginal tenures sits between state/territory and local governments. Other interventions such as the provision of social housing and support services are implemented at state and territory level but include substantial Commonwealth funding and policy input.

This final section of our paper aims to stimulate discussion around the nature of national policy responses to the needs of residents in marginal tenures.

6.1 Best Practice Regulation

Section 4 of this report highlights wide variations in regulation between states and territories, and within them in some cases, including:

- differing levels of protection for tenants
- differing registration requirements and standards for operators of boarding houses and caravan parks
- differing levels of enthusiasm and resources for implementing regulations.

To some extent, these differences may reflect different market conditions. It's hardly surprising that Tasmania, with an extremely small number of permanent caravan park residents, has not expended the effort to clarify their tenancy status. However, some of the differences are simply accidents of history, with tragic incidents leading to stronger regulation. A national approach to regulation can help ensure that tragedies in one state or territory need not be repeated in another.

The following are recommendations which would go some way towards improving regulation across Australia.

- *That state and territory governments remain the main regulators of marginal forms of housing such as boarding houses and caravan parks.*
- *That state and territory governments work with the Commonwealth government and representatives of local governments under the auspices of the Council of Australian Governments to develop a "best practice" model of regulation.*
- *That this regulatory system include the following:*
 - *protection for the tenancy rights of residents through either stand-alone legislation or amendment of residential tenancies legislation*
 - *consolidation of regulations around health and safety issues including physical condition, fire safety, standard of common facilities and food safety where appropriate*
 - *provisions for licensing operators of facilities, especially where operators live on site*
 - *limits on the ability of proprietors to restrict access to the site and to residents by support agencies*
 - *an approach that address issues of the definition of various housing forms and in particular, ways of avoiding loopholes through which proprietors can escape regulation*

- *processes for investigation and enforcement of regulations and for providing information and support to residents to exercise their rights.*
- *That as a starting point, governments examine aspects of current “best practice” Australian legislation such as Queensland’s Residential Services Act, the occupancy provisions in the ACT Residential Tenancies Act and the new rooming house standards currently being introduced in Victoria.*

6.2 Cutting Edge Provision

One of the key issues with regulation is that residents who have limited housing choices are often reluctant or even unable to exercise any rights that they have. Hence, supply-side responses are crucial to improving the lives of these highly disadvantaged households.

Social Housing

Social housing organisations have a long history of providing boarding house style accommodation as well as some involvement in caravan park provision. These options are provided using substantial Commonwealth funds. Social housing options are generally better designed and provide an improved physical quality of housing to the private sector, and can also provide their tenants with better affordability, security and more appropriate management.

The following recommendations have the potential to enhance the work of the social housing sector in forms of marginal housing.

- *That state/territory and Commonwealth governments continue to provide resources for the construction of new social housing boarding houses and the acquisition of key caravan parks in good residential locations.*
- *That state/territory and Commonwealth governments fund research and development into innovative, improved affordable rental housing forms to supplement the existing boarding house and caravan stock.*
- *That tenants of these forms of social housing be provided with full tenancy protection using the standards of the relevant state or territory tenancy law, even where residents of this form of housing may not be formally covered by this legislation.*
- *That tenants in these forms of social housing have the option of either transferring to other forms of housing or remaining where they are long-term, reflecting the different preferences expressed by tenants of these forms of housing.*
- *That Commonwealth and state/territory governments continue to support the development of new models of housing (including Common Ground and Foyer Housing models) on the basis that:*
 - *such housing represents an extra choice for tenants, not their only option*
 - *new models be carefully tried and evaluated, rather than adopted uncritically*
 - *the rights of tenants and residents be carefully protected.*

Supporting Private Sector Provision

A good quality, well-regulated private market in alternative forms of housing is an important part of the housing market in most parts of Australia. New developments in the private sector seem to indicate that such housing is moving away from housing the “most disadvantaged” and into the realm of affordable rental or purchase for people on low to moderate incomes.

A number of government policy interventions can facilitate the emergence of this developing market, and cross-government cooperation can help spread these measures around the country in areas covered by state and territory legislation. The following are some key recommendations to address these issues.

- *That the Commonwealth government’s proposed tax summit include consideration of measures to better target tax subsidies towards more affordable housing, including:*
 - *the use of tax credits or directed deductions dependent on the level of affordability of the housing*
 - *evaluation and recasting of the National Rental Affordability Scheme*
 - *examination of the role of Commonwealth Rent Assistance in supporting residents of these forms of housing, including the adequacy of levels of payment, the methods of calculating it, and the spread of eligibility*
 - *examination of the structure and effect of state and local government taxes including land tax, stamp duty and Council rates.*
- *That Commonwealth and state/territory small business support programs be targeted at proprietors of marginal housing forms to help improve the quality of management and decision-making in these businesses.*
- *That Commonwealth and state/territory government work together to identify best practice approaches to urban and regional planning for marginal forms of housing.*
- *That energy efficiency and emissions reduction programs be designed to include marginal forms of housing.*

6.3 Social and Funding Support

Residents in marginal tenures experience high levels of social disadvantage and are heavy users of social services including income security, health and community support services. Many of these are either directly provided by the Commonwealth government, or funded by it. There are a number of successful models of providing support to residents in marginal housing, including caravan park and boarding house outreach programs. In many cases these are quite localised and they are often vulnerable to changes in funding priorities, making consistent service delivery an ongoing issue.

The following recommendations are designed to address this need.

- *That the Commonwealth and state governments jointly fund a program of support for residents in marginal housing.*
- *That this program be closely aligned to homelessness support programs and be focused on homelessness prevention and addressing social risk factors for these households.*

- *That advocacy organisations be provided with funding to advocate on behalf of tenants of marginal housing.*
- *That the program be based on successful models of social support currently in existence in NSW, Queensland and Victoria.*
- *That the program include clear processes and protocols for cross-agency collaboration in providing emergency and ongoing support for residents whose facilities are closed, either by their owner for redevelopment, or as a result of regulatory intervention.*

6.4 Research and Data

National level data about marginal tenures is patchy and inconsistent, dogged by differing definitions and inadequate data sources. At the same time, research efforts on boarding houses and caravan parks have largely dissipated since the early years of this decade. This means that the state of government and community knowledge of this housing sector lags far behind developments in the housing market, and many policy interventions are designed based on very limited knowledge.

The following recommendations provide the outline of a research program to improve knowledge about these forms of housing and their residents.

- *That the Commonwealth government engage with national level research bodies (e.g AHURI, the National Housing Supply Council) to develop an overall program of research into marginal tenures.*
- *That this research focus on the following issues:*
 - *collection of accurate baseline data about the supply of these forms of housing and trends in supply over time*
 - *tracking of market trends in this form of housing, new developments in provision and the potential impact of these new development on residents*
 - *detailed research into the experiences and preferences of tenants and residents*
 - *identification of appropriate policy responses to emerging issues, and costs and benefits of the various policy options.*

Attachment 1 – State and Territory Summary

State/ Territory	Housing form	Overall Supply	Emerging Trends	Tenancy regulation	Other regulations
Queensland	<i>Boarding Houses</i>	Little recent research - data up to early 2000s indicated steady decline, anecdotal information suggests this has slowed.	Increased stock of Community Managed Studio Units funded by the Queensland government and operated as social housing. Anecdotal information about the emergence of unlicensed boarding arrangements in suburban houses, especially targeting overseas students.	Boarders are covered under Residential Tenancies Legislation with limitations on rights.	Residential Services Act provides a licensing regime which includes physical provisions, licensing of operators and management arrangements.
	<i>Caravan Parks</i>	Data up to early 2000s indicates steady decline in supply. Little recent research but anecdotal information suggests this is continuing. Department of Natural resources enforced restriction on permanent residents on crown reserves in early 2000s leading to a big loss of sites. January 2010 floods were a reminder that some parks are on flood-prone land. Some were totally destroyed.	State government has recently purchased two parks to manage as social housing as a result of public pressure. Emergence of manufactured home parks, often built on former caravan park sites.	Owner-occupiers of Mobile Homes are covered under the Mobile Homes Act and have stronger rights regarding no fault by occupier evictions and related compensation. Renters in caravan parks are covered by the Residential Tenancies and Rooming Accommodation Act.	Caravan park licensing is a local government function and is carried out in different ways (sometimes not at all) by local governments. The Mobile Homes (Residential Parks) act provides a specific framework for manufactured homes and also provides protection to mobile home owners in caravan parks.

State/ Territory	Housing form	Overall Supply	Emerging Trends	Tenancy regulation	Other regulations
New South Wales	<i>Boarding Houses</i>	<p>Little formal research but overall supply is declining. This is not uniform across the State - for instance Marrickville reports little decline so far but inner areas of Sydney a lot more.</p> <p>NSW also has a “licensed boarding house” sector which provides boarding house accommodation for people with disabilities, licensed by the Dept of Disability and Aged Care. These are generally low-grade facilities which provide housing, meals and some minimal support in exchange for 85% of the disability pension - there are currently around 50 of these and numbers diminishing.</p>	Emergence of newer types of boarding houses (more like studio units) in some inner city areas - this is only small-scale at present but being encouraged by the new State Environmental Planning Policy (SEPP).	Boarders are excluded from tenancy legislation and forced to rely on common law rights, although some boarders may be covered - key test is whether they have “exclusive possession” and the extent of control exercised by the owner/manager.	<p>Physical standards are covered in the Local Government (General) Regulation 2005 which sets out enforcement responsibility of local government. Local governments vary in practice in how they enforce this.</p> <p>The new SEPP on affordable housing provides incentives (primarily floor area bonuses) to providers of “new generation boarding houses”, and provides for financial compensation for loss of Boarding Houses.</p> <p>The NSW government also has a boarding house financial assistance program (partly funded from these contributions) which funds fire safety and other upgrades as well as new construction. Boarding Houses and caravan parks which house retirees are also exempt from land tax.</p>

State/ Territory	Housing form	Overall Supply	Emerging Trends	Tenancy regulation	Other regulations
	<i>Caravan Parks</i>	<p>The NSW Park and Village Service reports that of approximately 900 parks in NSW, 55 have either closed or substantially reduced in the past 5 years.</p> <p>St Vincent de Paul “Residents at Risk” reports “The number of caravan parks in the Sydney region alone has halved in the last seven years from 164 establishments in 2000 to 74 in 2007, and many regional areas have experienced similarly marked declines in supply. This supply issues is linked to increased rents.</p>	<p>Trends include increased rents, conversion to manufactured home parks or building of new manufactured home parks (not affordable for people on low incomes), shift to the tourist market.</p> <p>One group of residents working towards establishing a cooperatively owned park.</p>	<p>Caravan park tenants are covered by the Residential Parks Act which gives them a similar set of protections to tenancy law. Key issues with this include a 30-60 day exclusion period, short periods of notice for renters of vans (although long notice - up to 12 months - for site-only renters).</p>	<p>Standards set by State regulation and enforced by local government licensing regimes - implementation varies across the State. Many parks are Council owned/managed which provides a large conflict of interest issue.</p> <p>Caravan parks which provide permanent housing for retirees are exempt from land tax.</p>

State/ Territory	Housing form	Overall Supply	Emerging Trends	Tenancy regulation	Other regulations
Victoria	<i>Boarding Houses</i>	No clear figures but many of the older style boarding houses have been lost due to gentrification.	A big recent development is the move of a single large commercial provider into the industry, head-leasing suburban housing and then sub-leasing to low-income tenants - including homeless people and overseas students. Their operations are raising a lot of concerns about tenant rights and tenancy protection. There is some community provision - some are moving away from boarding houses into studios or one-bedrooms, others are still doing boarding houses. Common Ground developing in Vic.	Residential Tenancies Act 1997 (Vic). Coverage of boarders (specific provisions in RTA) where 4 or more people occupy. Coverage is fairly comparable to that for other tenants.	Up until recently registration was a local government responsibility and implementation was fairly haphazard. A recent State government taskforce and Coroner's inquiry into two boarding house deaths has led to major reform in this area, including a state register, a new set of standards, and resources for alternative provision including non-government provision of more appropriate forms of housing for various target groups.
	<i>Caravan Parks</i>	Once again no clear data but anecdotal information points to widespread closures in coastal and urban fringe areas.	Development of manufactured home parks/residential parks.	The Act covers tenants in caravan parks, including moveable dwellings, who occupy a site for 60 consecutive days.	Regulation is a local government responsibility and implementation is highly variable - many parks are not registered and many councils slow to act for fear of precipitating closures.

State/ Territory	Housing form	Overall Supply	Emerging Trends	Tenancy regulation	Other regulations
South Australia	<i>Boarding Houses</i>	No clear picture of supply overall - there is a historical pattern of declining supply. For instance, in the City of Adelaide in the years up to 2004 supply went from 3,500 rooms to 350, and now estimated at around 250.	Key trends include an emerging “underground” market in low quality and overcrowded housing - targeting people who are desperate for housing, and also targeting overseas students. On the upside community housing providers are active in developing and redeveloping and managing boarding houses and providing good quality. Common Ground has recently opened in Adelaide.	Residential Tenancies Act 1995 (SA) Residential Tenancies (Rooming House) Regulations 1999 Boarders and lodgers are only covered if they rent where 3 or more rooms are available for rent as a commercial operation. These are covered by RTA Rooming House regulations.	Local governments are responsible for regulating boarding houses but a lot remain unregistered. A number of different regulations apply - fire safety regulations, environmental health laws, building code, but tends not to be active enforcement of many of these.
	<i>Caravan Parks</i>	Department of Families and Communities research notes: <i>An ABS analysis of the Census identified 5,500 people living in 3,030 caravan park dwellings in South Australia. This is a 28% decline from the 2001 Census, when 7602 residents were recorded.</i>	No clear information about this.	Residential Parks Act (RPA) (2007) The RPA covers tenants in caravan parks - protection is less strong than for other tenants.	Appears to be a local government responsibility.

State/ Territory	Housing form	Overall Supply	Emerging Trends	Tenancy regulation	Other regulations
Western Australia	<i>Boarding Houses</i>	No clear figures but appears to be declining - mostly in Perth and surrounds.	Emerging community /social housing sector - higher quality and more affordable. At least one new private sector operator aiming for quality and slightly higher end of market - eg key workers - but struggling to make it pay. Foyer housing and Common Ground both starting up in WA.	Residential Tenancies Act 1987 (WA); Boarders excluded.	Registration is a local government responsibility.
	<i>Caravan Parks</i>	Anecdotal information suggests declining supply.	Major move is towards residential parks/ manufactured home park model.	Residential Parks (Long Stay Tenants) Act 2006 (RPA). The RPA covers tenants in caravan parks under specific legislation but excludes stays for holiday purpose.	Registration is a local government responsibility.
Tasmania	<i>Boarding Houses</i>	There are very few boarding houses registered in Tasmania - could be as low as five. Premises have been closing and pub-top housing, which has often served the same clientele, is increasingly being converted to tourist accommodation.	Community housing organisations are active in provision of boarding house accommodation. The “underground” market in rented rooms (crowded and poor quality) also appears to be growing.	Residential Tenancy Act 1997 (Tasmania). Coverage of boarders except when the provider lives on site and there are fewer than 3 boarders. Coverage is reasonably comprehensive but not very well enforced - no proactive enforcement.	There are no registration requirements for boarding houses. Standards are governed by the Public Health Act (enforced by local government) and the Building Code.

State/ Territory	Housing form	Overall Supply	Emerging Trends	Tenancy regulation	Other regulations
	<i>Caravan Parks</i>	Caravan parks have been tending to either close, or switch to a focus on tourist accommodation.		Unclear whether tenants in caravans are covered - Tasmania doesn't really seem to see caravan park living as a permanent option.	
Australian Capital Territory	<i>Boarding Houses</i>	ACT has very little in the way of registered boarding accommodation. Post WW2 there was a large stock of boarding houses built for newly arriving public servants, but all of these have closed in the past decade.	There has been recent publicity around the issue of unlicensed boarding accommodation - overcrowded suburban houses whose main residents are recent migrants. Exposure of five of these owned by a single owner has led to recent government activity around regulation.	Residential Tenancies Act 1997 (ACT). Has a category of "occupant" which applies to boarders and lodgers and caravan park residents. The act specifies nine "occupancy principles" which have to be included in occupancy agreements - many of them are about process such as residents needing to be provided with information about certain things.	The ACT government review of regulation identifies three other sources of regulation. <ul style="list-style-type: none"> • The Public health Act which requires licensing and specifies standards • The Building Code • Planning provisions.

State/ Territory	Housing form	Overall Supply	Emerging Trends	Tenancy regulation	Other regulations
	<i>Caravan Parks</i>	There is a very small caravan park supply - no more than four parks and at least one of these houses only tourists. One of these parks is owned by a not-for-profit organisation and houses permanent residents including those on low incomes.	There are proposals current for residential / manufactured home parks but nothing on the ground yet.	Caravan park tenants are covered as 'occupants'.	Regulated under the Parks and Camping Grounds Act.
Northern Territory	<i>Boarding Houses</i>	No formal research but anecdotal information suggests numbers are declining. Informants report very little of this kind of housing in either Darwin or Alice Springs.	New social housing developments, particularly crisis and transitional housing. Doesn't seem to be much movement in the private sector at this point.	Residential Tenancies Act 2008 (NT) was passed in 2008 but still not in force - now expected sometime in 2011. Must pay rent to be covered. Boarder covered where more than 3 boarders / lodgers rent in the same premises and the boarder rents for more than one week. Coverage provisions are much the same as other tenants.	Boarding Houses are required to register with the NT Department of Health under the Public Health (Shops, Boarding-houses, Hostels and Hotels) Regulations. This covers basic conditions such as physical adequacy, health and safety, space and some basic aspects of management.

State/ Territory	Housing form	Overall Supply	Emerging Trends	Tenancy regulation	Other regulations
	<i>Caravan Parks</i>	No formal research but anecdotal information suggests numbers are declining. There is a history of some poor standard parks providing “housing of last resort” but most parks focus on tourists.	Aboriginal Hostels Ltd has established a facility which includes a hostel and camping areas, designed for temporary accommodation (up to 3 months) as alternative to the town camps.	As for boarding houses above, caravan park residents are covered in the new law not yet in force. Caravan Park operators are putting pressure on for this not to go ahead, threatening to just stop housing permanents. Law also covers demountables and houseboats on marinas.	There doesn't appear to be any licensing regime for caravan parks.

Attachment 2 – Project process

This project was carried out in three stages.

Stage 1 involved an initial literature search, seeking data and up-to-date research on marginal tenures. This resulted in an initial literature summary which identified key issues for further exploration with key stakeholders.

Stage 2 involved an initial set of interviews with key stakeholders. These interviews were relatively open-ended, seeking broad input on supply and regulation. Interviews were based around the following questions, which served as a loose guide and discussion starter rather than a rigid interview format.

Stage 1 Interview Questions

Supply

1. What do you know about trends in supply of boarding houses and caravan parks in your State/Territory? Has there been research done recently? If not what is the anecdotal information saying?
2. What are the latest developments in supply in your area? New models, new ways of providing this sort of housing?
 - a. Good developments - eg community-based or government models of supply to the market segments who have used boarding houses and caravan parks, new private sector housing forms
 - b. Developments you think are problematic - eg unregulated equivalents to cheap boarding houses.
3. Who in your State/Territory is engaged in these issues at the moment and would be useful for us to talk to?

Regulation

4. Are tenants of these housing forms covered by residential tenancies legislation?
 - a. If so are there special provisions that cover them and how appropriate do you think these are?
 - b. If not, what sort of protections do they have? How adequate are these?
 - c. How well are these protections enforced?
 - d. Do you have much to do with tenants or providers of these housing forms?
 - e. What needs to be done to protect tenants' rights better?
5. What other regulations govern the owners of these types of housing - regulations about structure, management, etc?
 - a. Who administers these (local government, State department, etc)?
 - b. What's the best way for us to get our heads around these?
 - c. How adequate are they? How well are they working?
 - d. What improvements are needed?
6. Who can we talk to in your State/Territory who is closely involved in these regulatory issues?

Stage 3 involved the circulation of a discussion paper drawn from the literature and Stage 2 interviews containing much of the content of this final paper, and set of more focused questions about policy. Responses were sought from all the stakeholders consulted in Stage 1 as well as a number of people we had been unable to connect with in Stage 1 but who had been suggested as having valuable perspectives on the issue. The following are the questions used in the second phase of consultation.

Best Practice Regulation

1. Is it worth states and territories collaborating on an independent evaluation of the various systems of regulation, so that they can learn from one another and adopt the best aspects of each others' regulatory regimes?
2. Is it worth considering taking this a step further and working towards a common set of regulatory standards, analogous to the Building Code standards, which could be adopted as the template for each state and territory, with adaptations for local construction styles and climates?
3. Is there a role for the Commonwealth Government in this field of regulation, either as regulator or a facilitator?
4. Do you have any other suggestions or comments regarding regulation?

Cutting Edge Provision

5. What is its place in the overall social housing system? How does it fit in with other forms of social housing? For instance, are social housing boarding houses seen as stepping stones to more desirable housing options, or are they a final destination for single people?
6. What is the experience of residents in this type of social housing, what quality of life outcomes do they achieve as a result of living there and what would they like to see improved?
7. How do the newer models of provision such as Common Ground and Foyer Housing fit in with existing programs and projects?
8. What aspects of the tax system could be better designed to support this kind of private sector provision?
9. Are there other Commonwealth business support or regulatory processes which might be well used to support quality provision?
10. Are there barriers to quality operators building multi-state businesses?
11. Do you have any other suggestions about encouraging better quality provision?

Social and Funding Support

12. What improvements are needed in Commonwealth social programs to better meet the needs of tenants of marginal housing?

Research and Data

13. Is it useful to develop a national data collection process around marginal tenures?
14. What areas are priorities for focused, national-level research?

The following is a list of the people and organisations consulted during the course of this project. A number of other individuals and organisations were approached for comment during the project but for various reasons were unable to comment within the timetable of the project - we have listed only those who provided substantive input at either Stage 2 or Stage 3.

In our consultation process we attempted to talk to a cross section of people at various levels including State-wide policy bodies, tenant advocates, local community workers involved with marginal tenants, and state/territory and local government officers. Their views are not necessarily representative of their sectors as a whole, but provide a good cross-section of perspectives on the issues. Given that many of those consulted gave professional observations, judgements and opinions in the absence of official agency policies or data, we have refrained from quoting anybody individually in the body of the report. The views expressed in this paper are not necessarily those of the individual informants.

Person	State/ Territory	Stage 2	Stage 3
Deb Phippen TU ACT	ACT	✓	✓
Jeffrey Dalton, ACT Shelter	ACT	✓	✓
Peter Sutherland, ANU Law School	ACT	✓	
Chris Martin, TU NSW	NSW	✓	✓
Dianna Evans, Parks and Villages Service of NSW	NSW	✓	
Gary Moore, Marrickville Council	NSW	✓	
Mary Perkins, NSW Shelter	NSW	✓	✓
Robert Chamberlain, Department of Justice Policy Lawyer	NT	✓	
Kate Booth, Darwin Community Legal Service	NT	✓	
Toni Bromley, NT Shelter	NT	✓	✓
Adrian Pisarski and Noella Hudson, Qld Shelter	Qld	✓	✓
Chris Gibbings, Brisbane City Council	Qld		✓
Emma Greenhalgh, Urban Land Development Authority	Qld		✓
Joe Hurley, West End Community House	Qld	✓	✓
Penny Carr, Tenants Union of Queensland	Qld	✓	
Gary Wilson, SA Shelter	SA	✓	✓
Jane Reed, social planner, Adelaide City Council	SA	✓	
Mark Bagshaw, Housing SA	SA	✓	

Person	State/ Territory	Stage 2	Stage 3
Chris Batt, Director, Office of Consumer Affairs and Fair Trading, Justice Department Tasmania	Tas	✓	✓
Mark Thorp, Centacare Tasmania Private Rental Tenancy Support Service	Tas	✓	
Patti Chugg, TAS Shelter	Tas	✓	✓
TU Tasmania			✓
Toby Archer, TU Victoria	Vic	✓	✓
Bronwyn Kitching, WA Shelter	WA	✓	✓
John Perrot and Hui Zhang, Tenants Advice Service WA	WA	✓	✓

Notes

¹ *On the margins? Housing risk among caravan park residents*, authored by Ed Wensing, Darren Holloway, Martin Wood; AHURI Final Report No. 47, 2003

² *Residents at risk: Stories of 'last resort' caravan park residency in NSW*, by Dr Andy Marks BA (Hons 1), PhD (NE) © 2008 St Vincent de Paul Society NSW

³ *It's No Palace - Boarding Houses: the sector, its clientele and its future*, by Peter Anderson, Arthur Hume, Nancy Rogers and Tracey Stephenson. Research paper prepared by Research, Analysis and Information Strategic Planning and Research Branch Strategic Planning and Population Health Division Department of Human Services SA 2003, p3,4

⁴ *Counting the Homeless Australia 2006*, by Chris Chamberlain and David MacKenzie, Australian Bureau of Statistics, 2008

⁵ *Ibid*, p 40

⁶ *Ibid*, p 21

⁷ *Ibid*, p 28

⁸ *Ibid*, pp 35-36

⁹ *Ibid*, pp 39-44

¹⁰ Data in this table is drawn from *Counting the Homeless Australia 2006*, by Chris Chamberlain and David MacKenzie, Australian Bureau of Statistics, 2008, and from the associated State and Territory reports published in 2009.

¹¹ Australian Bureau of Statistics, *Tourist Accommodation, Australia*, Catalogue Number 86350, June 2010. Collection of data on caravan parks was discontinued after June 2010.

¹² Source: *Tourist Accommodation in Australia*, pp 43, 47

¹³ *Ibid*, p 21

¹⁴ *Ibid*, p 40

¹⁵ Data sourced from Australian Bureau of Statistics, *Tourist Accommodation, Australia*, Catalogue Number 86350, June 2000 and June 2010.

¹⁶ Interview with Jane Reed, Social Planner, City of Adelaide, December 2010

¹⁷ *Residents at risk: Stories of 'last resort' caravan park residency in NSW*, by Dr Andy Marks BA (Hons 1), PhD (NE) © 2008 St Vincent de Paul Society NSW, p vi

¹⁸ Interview with Dianne Evans, NSW Parks and Village Service, November 2010

¹⁹ *Caravan Park Supply in South East Queensland: Implications for Residents, Community and Government*, Final Report, Emma Greenhalgh (QUT), Jennifer Anderson (Qld Shelter) and John Minnery (QUT), December 2001

²⁰ *Living in caravan parks in South Australia*, Nancy Rogers, Craig Hirte, Mandy Davies and Arthur Hume, Department for Families and Communities Business Affairs Research Unit 2009

²¹ Interview with Toby Archer, Policy and Liaison Worker, Tenants Union of Victoria, November 2010

²² Information in this section is drawn from *A Better Lease on Life - Improving Australian Tenancy Law*, Report from NATO and National Shelter, 2010, supplemented by interviews with various informants and material from the websites of the Tenants Unions in the various states and territories

²³ *A profile of Social Housing in Australia September 2010*, Australian Institute of Health and Welfare, Page 28