



Samaritans

Compassion Integrity Justice

Samaritans Regional Rental Affordability Snapshot

**Central Coast, Hunter, Great Lakes
and Taree**



2015

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INTRODUCTION

Samaritans Foundation is the social welfare arm of the Anglican Diocese of Newcastle, currently providing over 170 community services throughout the Central Coast, Hunter, mid-North Coast and Western District regions of NSW.

The 2015 Samaritans Rental Affordability Snapshot surveyed properties in eleven local government areas across the Central Coast, Newcastle, Hunter Valley, Port Stephens, Great Lakes and Taree regions. The combined total population of these regions is 1,013,277 (ABS 2012).

Samaritans collected information on all properties advertised for rent across the identified regions on Saturday 11th April 2015. This included rooms available in share houses. The information was gathered from websites www.realestate.com and www.gumtree.com as well as the Newcastle Herald.

The properties advertised were assessed on the basis of whether they were affordable and appropriate for people living on low incomes.

FINDINGS

Samaritans collected data on 3,506 rental listings across the eleven LGAs. This number is an increase of 1.6% (55) on rental properties surveyed in the 2014 Snapshot.

The highest number of rental listings was 808 for the Newcastle area, a 13.5% increase on the number for 2014, and the lowest number of rental listings was in the Great Lakes area with 100 properties, a 3% increase.

Singleton, the Upper Hunter and Taree had a decrease in the number of properties advertised yet all three regions had plenty of affordable and appropriate rental properties for families on minimum wage, or couples on the Aged Pension.

Of the 3,506 properties for private rental across the eleven LGAs, 7.3% (256) were identified that satisfied the criteria for affordability and appropriateness for people on some type of income support payment.

on minimum wage had the greatest number of options in all LGAs ranging from 11.4% (49) of all properties listed in Gosford to 64.1% (189) of properties listed in the Upper Hunter that were affordable and appropriate.

Singles

In all eleven LGAs there are no affordable or appropriate rental properties for:

- A Single person on Newstart Allowance;
- A Single person in a share house on Youth Allowance;
- A Single person over 18 years receiving Youth Allowance.

A single person over 21 years receiving a Disability Support Pension in the Upper Hunter region can choose from 16 (5.4%) affordable and appropriate properties, and in Newcastle there was 15 (1.9%) properties available for this income support type.

Of the total number of listed rentals, 1.1% (38) was affordable and appropriate for single people on the Aged Pension. The highest number of rentals for this group was recorded in the Upper Hunter (16) and Newcastle (15) regions.

Singles on minimum wage could afford a higher percentage (3.4%) of rental properties across all LGAs with the highest number of listings in the Upper Hunter (45) and Newcastle (37) and the lowest number in Gosford (3).

Single Parent families

Gosford, Wyong, Newcastle, Lake Macquarie, Cessnock, Maitland, Port Stephens, Great Lakes and Taree had no listings appropriate or affordable for single parents receiving any income support payment type.

Single parents on Parenting Payments with two children under 10yrs in the Upper Hunter could find 3 rental properties affordable and appropriate, and 3.1% (9) were appropriate and affordable for single parents on Newstart with one child aged over 8 yrs. The Upper Hunter also had the highest number of listings (74) affordable and appropriate for Single parents with two children on minimum wage. There were no listings for this income type in the Central Coast and Newcastle regions.

Couple families

A total of eight LGAs had no affordable and appropriate rental properties for a couple with two children on Newstart allowance. Affordable and appropriate listings for this income support type in the other three LGAs ranged from 2.2% (3) in Taree to 7.8% (23) in the Upper Hunter region.

Couples with two dependents on the minimum wage were the family type and income group that could find the highest amount of affordable and appropriate rentals across all LGAs (1290), with Maitland recording the highest amount (250).

Of the total number of listed rentals across all LGAs, 5.6% were affordable and appropriate for couples without dependents on the Aged Pension. Surprisingly less than 1% of the total listings in the Port Stephens LGA – an area typically populated with retirees – were affordable and appropriate for this income support type.

Couples with two dependents on minimum wage and receiving Partnered Parenting payment could find more affordable and appropriate rentals in the regional and rural LGAs of the Upper Hunter (130) & Cessnock (64) than coastal LGAs of Gosford (1) Wyong (5) and Great Lakes (5).

The findings are summarised in the table below.

Table 1: Rental Affordability, Central Coast, Hunter, Great lakes & Taree, by household type and percentage

#	Household Type	Payment Type	Number Affordable & Appropriate	Percentage Affordable & Appropriate
1	Couple, two children (one aged less than 5, one aged less than 10)	Newstart Allowance (both adults)	30	0.9%
2	Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	4	0.1%
3	Couple, no children	Age Pension	230	6.6%
4	Single, one child (aged less than 5)	Parenting Payment Single	42	1.2%
5	Single, one child (aged over 8)	Newstart Allowance	10	0.3%
6	Single	Age Pension	38	1.1%
7	Single aged over 21	Disability Support Pension	38	1.1%
8	Single	Newstart Allowance	0	0%
9	Single aged over 18	Youth Allowance	0	0%
10	Single in share house	Youth Allowance	0	0%
11	Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A (both adults)	1290	36.8%
12	Single, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A & B (both adults)	141	4.0%
13	Single	Minimum Wage	119	3.4%
14	Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + Parenting payment (partnered) + FTB A & B	328	9.4%
Total No of Properties		3506		

DISCUSSION

During 2014 unemployment in the Hunter region more than doubled, from 4% to 8.2%. This sharp increase has been largely due to the downturn in mining investment and a decline in demand for mining resources. Employment has also been significantly reduced in the subsidiary industries of construction and manufacturing. Samaritans Financial Counsellors in the Upper Hunter have received an increased number of referrals for families disadvantaged through this downturn.

This weakening of the Hunter's economy has had an effect on the housing sector with private rental properties in many areas of the Hunter Valley being offered at reduced rents. Many regions that have traditionally relied upon the mining sector now have limited employment opportunities and are experiencing a decrease in population as people move away to seek jobs elsewhere. As a result, landlords have greatly reduced rental prices making these properties more affordable. Yet with limited employment opportunities this supply of affordable housing does not match the household types that need it.

Youth unemployment continues to be a major issue with around one-in-five wanting a job in the Hunter in January 2015 that could not find one. With few employment opportunities and virtually no appropriate affordable housing stock, young people often resort to couch surfing, share rooms or seeking support from our homelessness services. The Snapshot shows that only single people on minimum wage can find appropriate affordable housing across the entire region.

Independent living is a standard that is sought by most people in our community, yet this Snapshot clearly shows this option is not available to those who are the most vulnerable. Families relying on income support were largely excluded from the private rental market across most regions. Samaritans emergency services are constantly filled with people from these household types seeking assistance with bills and food.

Those earning a minimum wage, both single people and parents, are much better off for rental housing stock.

Policy Implications

Government allowances such as Youth Allowance and Newstart are insufficient for young people or single parent families to afford a level of housing that is appropriate and affordable. An increase in the rates of these allowances in line with the rising cost of living and renting in the private rental market would make a difference to these groups.

Increase the supply of affordable appropriate and stable accommodation for low income earners through partnerships between government and the community sector.

Governments should develop incentives for assist small to medium businesses to activate more employment in this sector to provide greater opportunities for employment for young people.

CONCLUSION

Whilst there were more private rental properties surveyed in 2015, there has been relatively little change compared to previous years in the affordable appropriate properties available to people on income support.

Unless you are a single person or a couple with a family earning the minimum wage, the private rental market is virtually out of reach for people receiving a government payment in the Central Coast, Hunter, Port Stephens, Great Lakes and Taree regions