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THE LEGISLATIVE COUNCIL GOVERNMENT ADMINISTRATION COMMITTEE B MET IN COMMITTEE ROOM 2, PARLIAMENT HOUSE, HOBART, ON TUESDAY, 9 JULY 2024

SHORT INQUIRY INTO HOMES TASMANIA

The Committee met at 9:31 am.

INQUIRY CHAIR (Ms Rattray) - The time being 9:31 am, I'll declare the hearing is commencing and thank James on Hansard for being with us today.

Minister, we appreciate your time and the people that you have with you today. This is an important area of scrutiny, the short inquiry process into Homes Tasmania, and we appreciate that you may well have adjusted your diary to be here. We certainly did.

I'd like to introduce to you the team at the table. We have the honourable Member for Pembroke, Luke Edmunds, we have the honourable Member for Launceston, Rosemary Armitage, Tania Rattray, Member for McIntyre, the honourable Member for Nelson, Meg Webb, and the honourable Member for Hobart, Cassy O'Connor. We do have an apology from the honourable Member for Mersey, Mike Gaffney, who was unable to attend. So, that's us.

You will have in front of you - for those other than the Minister - a declaration for this because this is a hearing of Parliament, and as we know that anything that is said here has parliamentary privilege. Outside of this forum you're not afforded that. So, whatever you say to anyone else or the media doesn't have that privilege. So please be aware of that.

I'll invite you, Minister, to introduce the people at the table who are going to be partaking and then ask them to take the oath.

Mr ELLIS - Thank you, Chair. As far as opening statements, we've got a short one. Would you like me to introduce, we swear in and then -

INQUIRY CHAIR - Exactly, yes.

Mr ELLIS - Thank you, Chair, and thank you to the Committee for the opportunity to appear before you today. At the table with me, I have Ms Michele Adair, Board Chair of Homes Tasmania, Ms Eleri Morgan-Thomas, Chief Executive Officer, Ms Jessemy Stone, Director of Housing Policy and Programs, Mr Rod Fazackerley, Principal Finance Officer, and to my left, Anthony Reid, my Chief of Staff, who won't be taking questions.

Ms MICHELE ADAIR, BOARD CHAIR, **Ms ELERI MORGAN-THOMAS**, CHIEF EXECUTIVE OFFICER, **Ms JESSEMY STONE**, DIRECTOR OF HOUSING POLICY AND PROGRAMS, **Mr ROD FAZACKERLEY**, PRINCIPAL FINANCE OFFICER, WERE CALLED, MADE THE STATUTORY DECLARATION AND WERE EXAMINED.

INQUIRY CHAIR - Thank you for making those declarations. Minister.

Mr ELLIS - Thank you, Chair. I'll be brief.

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Our Government recognises that every Tasmanian deserves a roof over their head, which is precisely why our 20-year Tasmanian Housing Strategy and Housing Action Plan 2023 to 2027, setting out our plan for a safe, appropriate and affordable housing for our state, is such a big part of our agenda. Our Government is committed to establishing the dedicated housing body, Homes Tasmania, which appears before you today, and we did that in 2022. It's now been recognised by the sector as a nation-leading framework.

Our Homes Tasmania framework marked a historic change in our approach to delivering housing for Tasmanians in this state in recognition of the fact that more needed to be done and that different thinking was required. Importantly, we set a clear and ambitious housing supply target of an increase of 10,000 social and affordable homes by 30 June 2032. We've made substantial gains on the delivery of that 10,000 social and affordable homes goal with an increase of 3,422 social and affordable homes as at the latest data on 31 May 2024.

The delivery of 10,000 additional social and affordable homes is further supported by our Government's *Housing Land Supply Act 2018*, which streamlines the rezoning of land to accelerate the supply of housing in our State.

We're well on track to deliver our significant commitments. However, our Government recognises that more needs to be done. As part of our 2030 Strong Plan for Tasmania's Future, we've stamped out stamp duty with a 100 per cent discount for houses up to \$750,000 for eligible first home buyers. It's saving first home buyers up to \$28,900, making it easier for around 1,500 young Tasmanians to get into the property market. We've also cut stamp duty in half for Tasmanians who buy a new apartment off the plan or under construction up to the value of \$750,000 for two years.

As I've said, we're delivering on our commitment of 10,000 more social and affordable homes by 2032, which is further increasing housing supply, driving the Tasmanian economy and activating the critical, valuable and rewarding jobs in the construction sector.

We're also moving immediately to unlock more affordable rentals by boosting our private rental incentive scheme with an additional 200 homes on top of those delivered. This means backing more Tasmanians who invest in property and more support for renting families with the cost of living. Our private rental incentive scheme unlocks aspiration at the same time, helps an additional 200 households into affordable rentals, with rent being set 30 per cent below median rates. In return investors will receive guaranteed market rent for two years and a fee-free property management service.

We're adding a \$10,000 per unit incentive to developers with up to 50 units to get more infill, medium density or high-density units built close to identified key development areas and services. This will importantly incentivise higher-volume, multi-unit developments across the state, encouraging development and residential construction.

We need more houses, more apartments and units for Tasmanians to live in or to rent, and every single one of these measures will turn plans into reality sooner.

We're focused on delivering key worker accommodation to increase the supply of affordable rentals for people who provide essential services in our cities and towns and our regions. I can announce to the Committee today the first of our key worker accommodation sites, which is a 24-unit development in Punchbowl in Launceston. This site, which will be

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provided under a head-lease model to the Department of Health, will house essential staff from the Launceston General Hospital. This site will importantly provide fit-for-purpose accommodation for key health workers while at the same time freeing up properties to return to the broader market, helping with housing supply. This is a fantastic initiative and is just another innovative example of how our Government and the new Homes Tasmania model is working across the full spectrum of housing needs in our State.

Thank you, Chair. I'm happy to take any questions.

INQUIRY CHAIR - Thank you very much, Minister. We appreciate that.

We have Mathew Healey, Deputy Secretary, Policy and Inter-Governmental Relations, at the table. Mr Healey, would you like to make the statutory declaration?

Mr MATHEW HEALEY, DEPUTY SECRETARY, POLICY AND INTERGOVERNMENTAL RELATIONS, WAS CALLED, MADE THE STATUTORY DECLARATION AND WAS EXAMINED.

INQUIRY CHAIR - Members, we've heard the Minister's opening statement and I'd like to invite Ms O'Connor to commence the questioning. Thank you.

Ms O'CONNOR - Thank you, Chair. Minister, how is the Tasmanian Government funding the \$1.5 billion needed to construct 10,000 new homes by 2032?

Mr ELLIS - It happens through a range of different measures. And importantly, one of the key changes that's happened with Homes Tasmania is that we've opened up the delivery model across the broader spectrum. Whereas previously we had quite a narrow remit in Housing Tasmania, we've been able to open that up further. We have, for example, a strong focus on affordable housing as well as social housing because we know that the interplay between those sections of the market is important. There's a range of different funding models that we use - a range of different approaches - so.

Ms O'CONNOR - What are they?

Mr ELLIS - It depends in many ways in terms of what we're looking to deliver.

For example, if we're delivering affordable homes, a key part of the funding model of that in essence is our ability to sell those homes. That can be through a range of different areas. MyHome program is obviously key as part of that, but also sales to market. There's also our approach when it comes to social homes and that's obviously a different model that we take.

Ms O'CONNOR - And what is that model? I'm just trying to understand. What pool of funds, how does Homes Tasmania access the funds to build 10,000 new homes? Just break it down quite precisely, if that's okay?

Mr ELLIS - Yes, absolutely. We've got the ability for Homes to borrow. That happens through a government facility. That enables Homes Tasmania to build those homes but because we've got that spectrum there's a range of different ways that we fund and that we pay for these models.

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I'm happy to pass to Ms Morgan-Thomas if you want to add further to my answer.

Ms MORGAN-THOMAS - Certainly. The access to debt allows us to unlock some other things. We have put in a number of applications for the Commonwealth funding through the Housing Australia Future Fund, which we will hopefully find out in August [2024]. In that we're proposing a number of things: that we will use Government debt for the construction and development phase of those - that's available through TASCORP (Tasmanian Public Finance Corporation). And then because the Commonwealth money comes with a 25-year availability payment, which meets the cost of capital and interest, we would then move into a credit-financier loan arrangement, probably with TASCORP. But the option there is to do it with other providers with the approval of Treasurer. The use of the debt will unlock that money. That's one example.

Another one we're looking at is how we can stand up a build-to-rent model, which would have Homes Tasmania taking some of the development risk and then working with infrastructure funds, super funds and things like that to have a long-term management model of that.

Ms O'CONNOR - Thank you. Would it be fair to say that all or the majority of social housing that's being funded by Homes Tasmania is funded through debt, through borrowings?

Mr ELLIS - I think Ms Morgan-Thomas mentioned there is a range of different ways that we do that. So, whether that's unlocking grants, whether that's payments that are coming from the Government through the general account, whether that's borrowings through TASCORP, there's a range of different approaches that are used. Part of what's attractive about this model is that the housing market has broadly in the country a complex and mature financial market behind it and there are opportunities for us to take advantage of that for the benefit of Tasmanians who are doing it tough.

Ms O'CONNOR - Just one more on this line of questioning if that's okay? Thanks, Chair. So, in the budget papers of last year, it shows that borrowing costs for Homes Tasmania will increase from a bit over 11 in the 2023-24 financial year to more than \$23 million in 2026-27. So, there's this very significant debt burden that'll be now placed on Homes Tasmania. It's a bit like, we've got rid of the Commonwealth state housing debt and that's a good thing, but now we're loading up our housing provider that's primary purpose should be social housing with massive debt.

Mr ELLIS - I suppose there's a range of different things in your question there, Ms O'Connor. I'll start at the back end and work forward.

Homes, we agree, absolutely has a key role in terms of social housing, but it's much more than that. One of the things that has become quite apparent in Tasmania's housing market is the need for us to do more across the spectrum, because if we haven't -

Ms O'CONNOR - That's been understood for a while.

Mr ELLIS - You said that its primary focus should be social housing. We're saying its focus needs to be more broad because there are opportunities because people's arrangement - there's a lot between a mansion in Sandy Bay and a social home -

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Ms O'CONNOR - Oh really.

Mr ELLIS - and the ability for people to find a roof over their head. We think that there are opportunities for the Government to play a meaningful and targeted role through that spectrum.

Ms O'CONNOR - What about regulating short stay?

Mr ELLIS - We took to the election a plan to put a levy on short stay. That's part of our funding arrangements for stamping out stamp duty, which I mentioned before, so that we can receive a return from tourists who come to our beautiful state and stay in short-stay accommodation. We'll use those funds to unlock the ability to stamp out stamp duty for first home buyers. We think it's a great example. We think that's a great opportunity for young Tasmanians to unlock the opportunity of home ownership -

Ms O'CONNOR - It's doing nothing to put more homes into the rental market - that levy.

Ms WEBB - And push prices up.

Ms O'CONNOR - That's right.

Mr ELLIS - Ms Webb, we're supporters of stamping out stamp duty. If you're not, that's probably something that people of Nelson need to know about.

Ms WEBB - I'd love to have stamp duty taken out for sure, but replaced with a broad-based land tax, not just to prop up first home buyers to inflate prices for all -

INQUIRY CHAIR - We can move on. We're getting into views now.

Mr ELLIS - We were asked a range of questions from Ms O'Connor. Broadly speaking, the new Homes Tasmania model enables us to focus on a broader part of the housing market to provide support for more Tasmanians depending on the part of their life cycle and their financial arrangements, and also for us to be able to unlock new sources of funding and capital, which is really exciting. It's been a big part of why we've been able to deliver 3,400 social and affordable homes towards our 10,000 target and we think that there are even more opportunities to come.

INQUIRY CHAIR - We've got a supplementary from Ms Webb and then Mr Edmunds.

Ms WEBB - I want to go back to drill down a bit more into the breakdown of what it looks like proportion-wise across those different ways that you are drawing down funding. You mentioned borrowing through the Government facility and Federal grants - or Federal funding through the Australian Future Fund.

We know from the budget papers, as the member for Hobart mentioned, that we're going to end up in 2026-27 with the \$23 million-plus of borrowing costs. Can you give us a proportional - what are you expecting to - in terms of funding for the builds that are happening - what's the breakdown across those different sources?

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Mr ELLIS - I pass to Ms Morgan-Thomas and her team to provide further detail on the breakdown. I think it's also important for us to note obviously that that borrowing to build assets is what we're doing in this space as well. Like many people when they think of their household budget, their mortgage, is borrowing for an asset, which is a good asset. It provides a long-term service to their family or a long-term return in terms of an investment. We think that those are good and prudent uses of taxpayer funds and appropriate debt servicing models.

I'll pass to Ms Morgan-Thomas and her team if they want to provide a further update on the breakdowns.

Ms MORGAN-THOMAS - At the time that the budget papers were written, Homes Tasmania had been in existence for seven months and I had been there for three of those months, I think, so it's fair to say our strategy is evolving.

As we are looking towards what comes out of the Commonwealth, we know through the Housing Australia Future Fund that Tasmania is guaranteed at least 1,200 properties over five years and we know that we are one of the bidders, but also community housing providers are able to bid. We are joined in a couple of their bids but not all of them.

We know that across what got bid in round one was around 1,200 – 1,300 properties - that we're aware of. We don't know how many of those will get funded. We would expect that one-fifth of 1,200 would be funded, but that sort of depends on how much money the Commonwealth has got. And knowing that will really change some of our thinking and we'll get a better idea of what the future there is. Because in those cases, as I mentioned, we need debt for the development stage and with some of the community housing providers, we will work with them to support their development stages as well. And then at that point when development is finished and tenants go in, you refinance and pay that debt back.

We're looking at how we can revolve capital so that we're making the maximum use of the funds that are available to us through the Tasmanian Government to build something bigger and get ongoing income streams, which is what the Commonwealth thing is proposing to do. The Commonwealth's not funding any of the actual build. All their funding is the ongoing ownership of those things.

I understand that model really well because it's based on the social and affordable housing fund that I designed and implemented in New South Wales. I'm really confident about how that stacks up and I know that any capital that the State Government has in it is largely the existing land that we own that we put in some of the bids.

We don't know how those are going to go. We'll know in in August [2024]. I can guarantee that we won't get everything we bid for because you go into a big pool. We do know that Tasmania is guaranteed 1,200 over five years. Anything that doesn't get up in Round One we can refine and put up in Round Two. There's that.

We also know that we are using some of our capital to develop land that we have access to. Huntingfield is a good example of that and when that comes on, 15 per cent of that will be retained for social housing - but Homes Tasmanian, as we have done in the past, will act as a land developer for the rest of it. In that case, some of those will go to shared home ownership, some of them will be sold on the private market progressively. We're mapping all that at the moment.

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We have other developments that will come on. There's one in Penguin that's currently out for advertisement and other smaller ones such as Techno Park, that Ms Armitage will know about.

All of those things will come into our strategy and we will be using the land there to partly deliver social housing, and also to deliver other affordable housing options. So that means out of all the things that we're doing, we want to get a build-to-rent structure in so that we can have institutional ownership of a private rental product at scale across Tasmania. Now that's not a thing that other state Governments are doing, but it's a thing that we will have the ability to do in order to bring in tenure mix into things. So, like Huntingfield, I would hope that we would have some long-term rental in there, because that's a thing that we've got to work out how to finance it. We probably would own the land. We're still working through some of those things. We would have an institutional investor owning a build-to-rent product, which is a thing they are very keen on. We're still working on how that will be. But that's a commitment in the action plan for the strategy to do build-to-rent.

The capital stacks for all these things are going to be different depending on what they are, and it's still a work in progress to work out quite - I know you're asking for percentages.

Ms WEBB - Well, let's put it a different way. I'm looking for a proportional understanding of where the lending and the funding is coming from. When we look at the budget papers telling us that in 2026-27 there'll be 23 million-plus in borrowing costs - interest payments essentially - who will we be paying that \$23 million to - proportionately - is the modelling telling us now?

Ms MORGAN-THOMAS - The interest payments in there are to support the TASCORP debt.

Ms WEBB - That's just TASCORP?

Ms MORGAN-THOMAS - Because when that was developed, that was the -

Ms WEBB - So we haven't factored in other lenders and borrowing costs for other lenders into that at this stage?

Ms MORGAN-THOMAS - No, and I think it's highly likely that TASCORP will be the preferred lender for Homes Tasmania. If we have institutional investors in there, I'm not envisaging that would be a debt relationship. That would be an equity relationship.

Ms WEBB - Can I ask Minister, so these forward Estimates that we're looking at in the budget papers, are they firm? I know it says that they're only an expected interest cost. So where did those figures arrive from then if we've not really got a high level of understanding of where we're going to be borrowing money?

Mr ELLIS - This is a broader question about Budget Estimates and the preparation of budget papers. Obviously Budget Estimates are an estimate of the future and Treasury's estimates as they work through them.

INQUIRY CHAIR - Somebody has had a bit of a go at estimating.

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Mr ELLIS - Of course. I don't think any Treasury official would say that their forward estimates are a perfect crystal ball of the future, but an attempt to map out the years ahead - just as we all need to do in a range of different settings.

One of the other things about the early budget papers, and particularly it's important for this Committee to note, is that these budget papers were designed at the very beginning of Homes Tasmania's journey. As the model continues to grow and evolve over time, as we bring in new capability within Homes Tasmania in terms of those other options, and as Ms Morgan-Thomas mentioned before about federal Government funding streams, as those continue to change and evolve too, and we take advantage of some of the opportunities that there are, then of course those numbers will change.

The other thing is working through the different economic cycles as we go through. I'll probably flag to this Committee, and I've said in other forums, I think that there's a big opportunity for Homes Tasmania to play a counter-cyclical role in our construction market. Where work may be quiet in the construction and homes sector for a period of time, Homes Tasmania may have an opportunity to do even more work in that space so that we can continue to support our construction market, our builders, our sparkies, our plumbers, others - depending on the economic cycle at the time. That model is something that we're working through, but the estimates that are provided by Treasury - as far as a range of different factors that we need to take into account. The future can't be known perfectly, but we take a best estimate and we work through that.

It's probably also worth noting that one of the things that we need to be able to do in this space is be a bit more nimble to the changing requirements of the future.

For example, we see a greater desire for young people to become homeowners. How can we potentially support that and the choices that they're making. Some of the work that we're doing in terms of medium density in-fill in Tasmania; we've actually had quite a low demand or certainly a low delivery of medium density dwellings in Tasmania generally. Hobart stands out as somewhere that you would have thought we'd see more. We haven't. We suspect that those choices will probably change from Tasmanians in the future and certainly there's good reason for that to happen as well - being closer to services, transport and a whole range of other things.

As people's choices and preferences change, we need to be able to change and adapt with that.

I might pass to Ms Morgan-Thomas and her team if there's anything further they want to add to that answer.

Ms O'CONNOR - That's a pretty long answer.

Mr ELLIS - I'm happy to assist the Committee, however it works.

Mr EDMUNDS - I've got a supplementary from a few questions ago. You were talking earlier, and the Member for Hobart asked as well, about the suite of policies that we've dealt with in the Parliament recently, including the stamp duty waiver for first home buyers -

Mr ELLIS - which I think Labor supported.

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Mr EDMUNDS - We did. But I guess there was quite a long debate, certainly in the Legislative Council, about the two bills as they went through. But -

Mr ELLIS - I'm not going to reflect on -

Mr EDMUNDS - No, no. I'm just creating context. One thing we did talk a lot about was the fact that there were the positives: the spending and the relief and that's good for first-time buyers. But when the policies were announced during the campaign, they were side by side with the short-stay levy that you spoke about. In that debate we were informed through the Leader that the Government will be watching how things go in Victoria. Is that correct? Is that still the case around the short-stay levy?

Mr ELLIS - I'm not going to reflect on debate in your house. Ultimately, obviously, we looked to other jurisdictions around these things. Victoria has a higher rate than we've proposed. I haven't seen the *Hansard* of the Leader's comments exactly, so I can only take your paraphrasing, but broadly speaking, we're intent on delivering that policy to Parliament and we commend the members here. That will be an important policy, noting of course that it's also strongly linked to the policy to stamp out stamp duty for first home buyers, which will unlock the opportunity for home ownership for more Tasmanians.

Ms O'CONNOR - Drive up real estate prices.

Mr EDMUNDS - I just wondered when we might expect to see that.

Mr ELLIS - I'm aware that the Minister responsible for that policy will be working through it and no doubt looking forward to delivering it as soon as possible.

Mr EDMUNDS - If I can just go back to one from your opening statement, if that's okay. You talked about the housing land supply orders. I can't remember if it's the most recent report from those 1,000 ... There were, I think we've revealed in a Committee hearing, there were six. I wonder if we have an update on that number of six?

Mr ELLIS - As in six land supply orders?

Mr EDMUNDS - Homes built from the fast-track orders.

Mr ELLIS - I will have to double-check on the latest -

Mr EDMUNDS - Perhaps the best way to frame the question is, how many homes have been built from the fast-tracking of the housing land supply orders?

Mr ELLIS - I'll pass down to Ms Morgan-Thomas to provide an update.

INQUIRY CHAIR - That's why you've got a team at the table, Minister.

Ms MORGAN-THOMAS - You're correct that there are six homes that have been built, 16 under development of homes. What we are doing is, when you get land, you generally have to rezone it and then subdivide it. You can't subdivide it overnight.

INQUIRY CHAIR - There's no fast track.

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Ms MORGAN-THOMAS - There is a fast-track uncertainty that comes with the housing land supply orders, which means that things come out the other end and then we're able to develop them and subdivide them and do all of those things, which we are doing. So, we have a lot of subdivisions underway and all of those things, and the next step is to build. Some of those have gone into our Housing Australia Future Fund submissions, so we will then have a pathway if those are funded. But we are working on all of them anyway, regardless of what the funding source is.

Mr ELLIS - Chair, through you, we've got some information that might help supplement that data. To date we've had 16 housing land supply orders that have been submitted to the Minister for planning, myself, on behalf of Homes Tasmania, with 12 of those completed now - rezoning land in Rokeby, West Moonah, Newnham, Devonport, Huntingfield, Park Grove, Romaine, Warrane, Howrah, Chigwell and Ravenswood. This comprises over 107 hectares of underutilised Government land that will now provide much-needed land for residential development, including social and affordable housing. And subject to subdivisional approval, the rezoning of the land could theoretically create 818 additional lots for housing, with projects all now in various stages of planning and building approvals. The first homes are now delivered in Newnham, as we mentioned, and many more in the pipeline.

The ongoing analysis of 78 hectares - we've done 107, this is 78 - potentially suitable for housing land supply orders are in Ravenswood, Norwood, Rocherlea, Georgetown, New Norfolk, Rokeby and Brighton. And I note that one of those housing land supply orders I mentioned earlier is currently before your Chamber in terms of Kings Meadows, so it's 108 lots.

Mr EDMUNDS - So just to confirm, the total number of houses built is still six.

Mr ELLIS - I think Ms Morgan-Thomas has already answered that and we are expecting a pipeline of about 800.

INQUIRY CHAIR - Supplementary, Ms Armitage.

Ms ARMITAGE - Thank you, Chair. Just with regard to the timeline for these: obviously you said the majority have been rezoned. If we go with Techno Park, for example, has that been rezoned yet or is it some of the process -

Mr ELLIS - It's still currently sitting in your house so there's one more day of disallowance.

Ms ARMITAGE - Oh, disallowance, yes, but with the Launceston Council I know there has been a considerable amount of submissions that have come - so just a time line of how long it will take before these blocks are available for sale and for Homes Tas to start building some of their homes.

Mr ELLIS - I might speak in general terms because it can sometimes be difficult to know in terms of the particular approaches that Councils take. I'll pass over to Ms Morgan-Thomas to talk through the kinds of the general arrangements that happen for rezoning.

Ms ARMITAGE - To explain what I'm after is, it's great that we've got this in process, but it's obviously not going to be tomorrow that the properties are going to be sold and started.

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How far down the track or how long is it going to take before we get some houses built - and I understand we have some that are started and six that have been built - but how long before a lot of these larger developments are actually underway and the properties are available for sale? I know the rezoning takes a considerable amount of time. There are submissions that come in -

INQUIRY CHAIR - Particularly if there are objections.

Ms ARMITAGE - I know there have been quite a few objections from the Techno Park.

Ms MORGAN-THOMAS - Speaking generally, it does take time, but there are a lot of considerations that we have to do and we are a model developer. We need to go through the right process. We need to make sure that there are environmental considerations that are covered, that social considerations are covered. It's going through the process properly, which you need to do for any development.

Ms ARMITAGE - Absolutely, but I'm trying to understand the time line. Are we likely to see anything started in 2025 or are we looking at 2026? I'm just trying to get an idea of time line. My understanding with Technopark is it could be at least 2026 before something's happening. Can I get some indication of which year, for a start?

Ms MORGAN-THOMAS - I think you would be unlikely to see a house in 2025 based on where we are now. We're in July. There's a logic to these things. You need the planning. You need to be able to do the subdivision. Then you need to do individual lots. The subdivision hasn't happened yet.

Ms ARMITAGE - And some of the others that we've had orders on. I appreciate that. That's what I'm trying to get an understanding of.

Ms MORGAN-THOMAS - Maybe I can talk about Huntingfield because that's been a longer process. Where we are now is in a discussion with [Kingsborough] Council. The first part of the subdivision has been done and we have approvals for all that. But there's a lot of things we need to sign off. That is a big development. That's around 470 units. There's a lot you have to do. You have to build roads, you have to make sure there is sewerage, water, power, infrastructure, all of those things. We're working with Council on some of the final agreements before we do that. We are hoping that we'll be able to have lots in the market by the end of the year. But it is a bit dependent on things. In that case, we spent a fair bit of time working through some environmental protection issues with the Commonwealth Government to protect threatened species and remediation of land on part of land. And we need to do those things properly and make sure that we do it right. It does take time unfortunately. I want everything to happen tomorrow, but I also know that it's really important that we do it properly and we don't cut corners.

The Chair has just reminded me about one of the things that we are doing, so that when we are ready to go, we can go quickly. We have been trying to do some innovative ways in how we procure builders in particular.

Ms ARMITAGE - I was going to ask about builders, and how you're going to find them?

Ms MORGAN-THOMAS - Things have eased up at the moment because of where the rest of the economy is federally and interest rates and things. But we know that if you have to

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do everything and you wait until you've got that, then you go out to market for a builder and then you do this and then you do that. We've tried to look at how we can streamline some of those things and still stay within the Treasurer's Instructions about procurement because that's important. But we have just done an advance notice to the construction industry that we will be going out in July [2024] for a panel of builders.

Ms ARMITAGE - They're putting tenders out?

Ms MORGAN-THOMAS - It's a panel of builders so that you can be pre-qualified so that when we want to build - it could be a bigger number of houses or it could be a couple of things on an infill site - we've got builders ready to go who are pre-qualified and they are just tendering on price and quality. It will fast-track that stage so that builders aren't having to come to us, tell us their whole life story. We check their financials every single time. This will be a panel of pre-qualified builders that we can contract relatively quickly.

INQUIRY CHAIR - Thank you. Ms O'Connor?

Ms O'CONNOR - Thank you, Chair, Minister, noting your lack of transparency -

Mr ELLIS - No, I reject that completely Ms O'Connor -

Ms O'CONNOR - Well, you haven't heard what I've said, which is a statement of fact, over what proportion of the \$1.5 billion that your Government's committed to spending on building new homes by 2032, can you tell the Committee how much of the \$1.5 billion is projected to be debt funded.

Mr ELLIS - As I mentioned previously, broadly, it will depend on the different financial models that we work through.

Ms O'CONNOR - You can't tell me there are no tables that have - I mean you've got financial officers who work in Housing Tasmania who have presented you with a financial plan. I know this because I was the Minister.

Mr ELLIS - Well you've never been a Minister for Homes Tasmania, because it didn't exist.

Ms O'CONNOR - So you have seen a financial plan that explains to you, to your satisfaction as Minister, how that \$1.5 billion will be funded, so you have a broad idea of how much of that money is coming from private borrowings that will be saddled on to Homes Tasmania's debt.

Mr ELLIS - Ms O'Connor, I think we've covered this fairly extensively and now that you have asked the full question, I reject your fairly baseless accusation.

What I can say and we've outlined pretty extensively here is that there's an evolving range of different ways that we're looking to fund these projects. So as that continues to evolve, the mix between debt funding, grant funding, a whole range of other projections, it will depend as we evolve. I'm happy to pass over to the team from Homes Tasmania to maybe provide any further information that they might have available.

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Ms O'CONNOR - If there's something specific, that would be helpful.

Mr FAZACKERLEY - Thank you. Through you, Minister, as the Minister said, the debt projections are preliminary ones that Treasury put in at the commencement of Homes Tas. They were clearly done with an expectation that they would be revisited particularly post the development of the strategy. At the time the estimates were put in, the strategy wasn't in place and the debt servicing figures you've mentioned were based on those estimates. The estimates which are inherent in the budget papers which you can see show that there is a cumulative debt commencement with a \$23.3 million in 2026-27. That relates to a cumulative debt at that point of \$457 million.

Now that is very much an estimate, as we say, and our borrowing is subject to annual approval by the Treasurer, of course, so as we roll through the program, and as Ms Thomas and others have mentioned, things like the HAF program, the Commonwealth program, we won't know the outcome for another month of that. Other Commonwealth programs come on board, sales will come on board through Huntingfield and other areas, so there's a little bit of fluidity in the program as it fleshes out and it will obviously change as we go through the years. But at the moment those forward estimates here are based on a \$457 million borrowing profile at 26-27.

Ms O'CONNOR - Thanks, Mr Fazackerley, so that's close to a half-\$billion debt that will sitting on Homes Tasmania's books.

Minister, what's your understanding of what a home is?

Mr ELLIS - Look, I might just quickly add to the question from just before as well, because obviously, we're having a conversation about debt. On the other side of the ledger, there are significant assets that come from that. They're good assets, they're homes. Those homes, like most people would understand on their own balance sheet when they take out a mortgage, the equivalent gain in asset is a strong one. I think that's one of the things that needs to be understood about this new model, is that we are leveraging our balance sheet in a better way and that's why it's regarded as a nation leading framework. That's why there's big opportunities in this space for us to build more homes and unlock some of that capital because we're able to do things better than in the old days.

Ms O'CONNOR - Yeah, in the old days when Governments took seriously their responsibility to provide public funding to invest in homes for people.

Mr ELLIS - Look, Ms O'Connor, I'm not sure what -

Ms O'CONNOR - It wasn't that long ago.

Mr ELLIS - No, I'm not sure what your concern is with building 10,000 new homes for people, well, delivering 10,000 social and affordable homes, I should. I think it's a great opportunity for Tasmania.

Ms O'CONNOR - Sure.

Mr ELLIS - And unlocking those opportunities is a good thing.

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Ms O'CONNOR - What's a home to you?

Mr ELLIS - A home can be a whole range of different things. For me, home is where the heart is, it's a place with family, it's a roof over your head, it's the security of the four walls, and as I say, people look at a home in different ways. For example, a residential aged care facility is someone's home. There's a whole range of different ways that we as a society consider home. Multigenerational families. Yes, it can mean different things to different people, but for me, home is where family is and it's the security of a roof over my head and the four walls around me with the people I love. Ms O'Connor, I'm happy to take your feedback on what home is as well.

Ms O'CONNOR - Well, I'm just wondering, because in the action plan, you talk about the plan to build 10,000 homes, which is absolutely necessary and laudable. Would you call affordable land a home?

Mr ELLIS - Well, for many people it unlocks the home, and so delivering affordable land so that they can make choices about the kind of home that they want to build we think is a good thing. I think one of the big opportunities for the future going ahead is to provide more choice for Tasmanians in terms of the homes that they want to see, the homes that they want to live in, rather than the old cookie cutter approach of the broad acre housing estates of times gone by. If we can unlock affordable land for Tasmanian families to potentially own their own home or for a Tasmanian to invest in a home for someone else to live in that is different, it means their needs.

Ms O'CONNOR - But it's not a home.

Mr ELLIS - I think it delivers a home.

Ms O'CONNOR - Can I ask you: do you think crisis accommodation is a home? Safe spaces, is that a home? Supported accommodation is a home? But, crisis accommodation, it could not be argued you're building homes for people if it's just something that people pass through in a time of need in their life.

Mr ELLIS - Look, if we want to have a discussion around the definitions that we use for homes and our targets, then I'm happy to work through that. I might pass over to Ms Morgan-Thomas and the team to outline exactly what we include in that target.

Ms O'CONNOR - I can see what you include.

Ms WEBB - Maybe break down the numbers.

Ms O'CONNOR - Yes, it would be good to break down the numbers. Well, off the back of Ms Webb's suggestion, perhaps we could just have a breakdown of the 10,000 homes that are being committed to, how many are safe spaces, how many are in those categories. It would be good.

Mr ELLIS - Yes, sure. I'll pass over to Ms Morgan-Thomas and the team from Homes Tasmania, if they've got a breakdown that they might be able to provide.

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Ms MORGAN-THOMAS - We don't have an allocation at the moment. That is still something that we are working through. The majority of it, however, will be actual long-term homes, not crisis accommodations.

INQUIRY CHAIR - How do you have an action plan but you don't have any numbers or identified areas? How does that marry up?

Mr ELLIS - I think, broadly, Chair, as I mentioned before, a lot changes over 10 years and working through that is appropriate. Being flexible enough. There are some good reasons why we would include crisis accommodation in the targets that we've got. We think it's important that we do include crisis and emergency accommodation in terms of the build that we're doing, because we need to take into account people's stage of life, and for some people they can find themselves in a really difficult spot. I think if we had of come to this Committee and said that crisis and emergency accommodation was not part of our targets -

Ms O'CONNOR - No one is suggesting that, we're just trying to sort of unpack the commitment to build new homes.

Ms WEBB - No one said that.

INQUIRY CHAIR - Thank you, we can only have one answering at a time, because we have a very sophisticated system here called voice-to-text, so we need to use these and we need to be one at a time.

Mr ELLIS - Thank you, Chair, and as I say, not to impugn anybody, but more just as a general comment that we think it's a good thing that we're including builds for crisis and emergency accommodation as part of our 10,000. I think, broadly speaking, the Committee and the community would probably agree on that too.

Ms O'CONNOR - Of course, but they're not homes.

INQUIRY CHAIR - I have a supplementary, given that it was almost Ms Webb's question. Thank you, Ms Webb.

Ms WEBB - Thank you. For a start, no one is suggesting that we don't need to deliver crisis or transitional accommodation. Clearly, that needs to be funded and delivered to a higher level than it is now. Calling it a home is a whole different ballgame. Including it in 10,000 homes is misleading, Minister, in my view, and I'm just going to put that on the record here now.

But back to that, if you aren't able to provide a breakdown looking ahead for the whole 10,000 - which seems extraordinary, to make a commitment like that, on such a long run-up time, and actually have absolutely no clue what it's going to look - but what we do know is that 2,643 homes have been delivered, apparently, between 1 October 2020 and 30 June 2023. How about a breakdown across those categories of that number?

Mr ELLIS - Yes, thanks, Ms Webb, and I provided some further detail with more recent data to 31 May 2024, I think your data was -

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Ms WEBB - Great, so if you can give me the total number and then the breakdown, that would be great.

Ms O'CONNOR - From when to that?

Mr ELLIS - Yes, as I say, I'm giving you the total number, which is 3,422 social and affordable homes as of 31 May.

Ms O'CONNOR - In what time period?

Ms WEBB - From 1 October 2020 to 30 May 2023?

Ms O'CONNOR - Or from 2014?

Mr ELLIS - Look, that's my understanding, but happy to follow up with the team and provide some further data.

INQUIRY CHAIR - There's some nods at the table, can we just get a date?

Ms O'CONNOR - From when?

Mr ELLIS - Of course.

Ms STONE - Through you, Minister, the 10,000 homes is from 2020, and when we count an increase of social housing homes, you need to use ROGS (Report on Government Services), so ROGS is July 2020.

Mr ELLIS - Which, for the Committee, is Committee Report on Government Services.

Ms O'CONNOR - So, 1 July 2020?

Ms STONE - Correct.

Ms WEBB - So, the number that the Minister has provided to us just now, updated to 30 May, I think it was?

Mr ELLIS - 31 May.

Ms WEBB - 31 May. Is that from 1 October 2020 to 31 May 2024?

Ms STONE - Correct.

Ms WEBB - Okay. Can we have the breakdown across the different tenure types, please?

Ms STONE - Through you, Minister: social housing, 1,708 as of May; home ownership, 568; affordable rentals, 710; affordable land, 323, when we talk about affordable land, there is a condition of the sale of that land that a home must be substantially commenced within two years; crisis accommodation, 113. That adds up to 3,422. That information is reported monthly. We also know, when we talk about our pipeline, which homes are under contract or land is secured - so we're not talking about concept projects but actual pipeline of contracted homes -

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we know that there is in the pipeline 596 social housing properties, that's reported monthly in the dashboard. We know that home ownership, affordable rentals and land, which is affordable housing in the strategy, is 1,160, and for crisis there is 6 units in the pipeline.

Mr ELLIS - I suppose just as a broader comment, Chair, those are indicative numbers of what we've delivered in the past and our numbers probably look similar in the future, but, as I note, this is a relatively new model and where there are opportunities for us to do more in certain spaces or the demand from the community changes, then we have the flexibility under the new Homes Tasmania model to adapt and change with what the community are looking for as well.

INQUIRY CHAIR - Now, we've just been informed that this information is available on the dashboard. Our Committee has been made aware that the NSW Government provide a very extensive dashboard of information and it includes private rentals for those that are looking for data around this. So, is that something -

Mr ELLIS - And when you say private rentals, Chair, as in private affordable rentals or the whole rental market?

INQUIRY CHAIR - Just the whole rental market.

Mr ELLIS - Okay.

INQUIRY CHAIR - I'm just interested in whether you consider extending the dashboard information - and you might take a look at the NSW dashboard to see that that provides an extensive amount of information and that may well be of assistance -

Mr ELLIS - Yeah.

INQUIRY CHAIR - to having a look at the whole picture, not just a part of the picture.

Mr ELLIS - Yeah, that's right, and so I can flag for the community as well, we're doing work on our own dashboard. We think that there's more opportunities to provide proactive disclosure of more data and more information and also to provide more useful information as well. You mentioned some of those opportunities, whether it's around rentals things that people can actually use in gaining an understanding, because one of the things about data dashboards is, obviously, here in politics we look at them as somewhat of a scorecard, or we can do, but the other thing is well is that for the private market and people looking to invest in property or to gear up a construction business, things like that, having a better sense of the information available enables them to make better decisions too, so where there may be an area of need that a business might say, 'Look, I think we have a great opportunity to invest and to meet that need'. Looking at how we can do better dashboards helps to unlock that. We've had some -

INQUIRY CHAIR - Will you commit to that?

Mr ELLIS - Absolutely. We've got that work underway already and we'd be expecting to finalise it soon. But certainly, we've seen from work in the -

INQUIRY CHAIR - What do you mean by soon? I've been here a long time, 'soon' doesn't mean much to me.

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Mr ELLIS - Yeah, it'll be soon, Chair, but I can't provide too much more detail until it's done.

INQUIRY CHAIR - Well, obviously, there's a model, there's already a model in place.

Mr ELLIS - Yeah, and it's -

INQUIRY CHAIR - We don't need to reinvent the wheel.

Mr ELLIS - It's a model, but we have a nation leading framework here, so if there's opportunities to do things really well, learn from other people, or do things even better then we look for those.

Ms WEBB - Are you saying this dashboard is a nation leading framework? Our framework dashboard.

Mr ELLIS - No, I said that we're updating our dashboard, Ms Webb. We're working through that at the moment and looking forward to releasing that soon because we think that there will be benefits for the community to get an understanding of what's delivered, but also how others can make investments that will help address need.

We've seen from our skills data tool that providing information to people that may be operating registered training organisations about need in certain areas can mean that those organisations can look to that and say, 'Maybe we can do things better in our business so that we can help meet that need.' We agree completely. More data and more useful data is a really important thing to do and we're looking forward to delivering that soon.

INQUIRY CHAIR - So do the people who look at the dashboard as it currently sits, and they are calling for more data.

Mr ELLIS - Yeah, absolutely, and as I say, I couldn't agree more.

Ms O'CONNOR - Chair, can I just check something on the dashboard, because I understand there was a commitment in the strategy and in the action plan to have a new dashboard ready by a week ago or so, 30 June 2024. What happened to that, and when is it going to be published?

Mr ELLIS - We published the dashboard in the old model -

Ms O'CONNOR - Yes, but the new one that's been committed to.

Mr ELLIS - As I said before, Ms O'Connor, we're expecting it soon, and really looking forward to delivering it.

INQUIRY CHAIR - If there's already been a date provided, then we must have some idea of how far the overrun is, if it was to be 30 June.

Mr ELLIS - To be honest, I'd be expecting it either this month or next.

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Ms O'CONNOR - Chair, just on the dashboard again.

INQUIRY CHAIR - Right, dashboard, and then I've got a supplementary.

Ms O'CONNOR - Just quickly, can you assure the Committee that the most prescient and valid metrics and data on public housing and homelessness will be transparently represented in the new dashboard?

Mr ELLIS - Perhaps, Ms O'Connor, it would assist if you'd describe what your view is of the most prescient and honest metrics are.

Ms O'CONNOR - Will you, for example, in your data make clear how long some people are waiting on the wait list, given that your budget papers project that the housing wait list will be about 5,600 within this financial year? We're looking for what's happening to people in the system, rather than just a number of people who are waiting for a home. That's only an example.

Mr ELLIS - Yeah, we can definitely expect some more information about that. We think as well with the housing register there's some important opportunities for us to get a better understanding of the need in the community and also demonstrate how we're going, in terms of meeting that need. For example -

Ms O'CONNOR - Are you going to do some modelling to better understand the need?

Mr ELLIS - No, I'm talking more in terms of data: where we may see waiting times for different people at different priority levels - it would probably assist the Committee - we prioritise people on the basis of need and a whole range of different circumstances. Being able to break that down a little bit better is important, because, for example -

INQUIRY CHAIR - To local Government areas?

Mr ELLIS - Good question, I might just -

INQUIRY CHAIR - They're always good questions here.

Mr ELLIS - Absolutely, especially from you, Chair.

I might just pass to the team in regard to local government areas and see whether we have data that we collect in that space. As I mentioned, the skills work that we do is actually demand and supply based on local government areas. I'll pass to the team to give us more information.

Ms STONE - Through you, Chair, the housing strategy has data modelling on the website at the moment that was completed for the strategy. We're looking to update that with the latest treasury projections, and that is at LGA level at the moment. That does provide some information and modelling about the demand and types of housing, social and affordable housing.

Ms O'CONNOR - And Treasury did that work, did they?

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Ms STONE - It was using the population projections from Treasury, but they didn't do the modelling work, the modelling work was done through Homes Tasmania.

Mr ELLIS - One of the interesting things in that space, Chair, is if we can better target our understanding to where there may be need by a LGA, in terms of a local community. Also, zooming back again, data shows that the homes that we built in the past were actually probably not appropriate for the kind of people and needs we're seeing coming through. It's reasonably well understood in the housing space that we built a lot of three and four-bedroom homes and very few one and two, whereas a lot of the need that we see coming in is for one and two-bedroom homes. Data can help us make better decisions for the future and better tailor what we deliver for the community on the basis of what the community needs as well.

INQUIRY CHAIR - Okay, let's come back to that because I think we've got some questions too. I'll ask Mr Edmunds -

Mr ELLIS - Chair, can I just get an understanding just around -

INQUIRY CHAIR - 12. I know you're going to ask me what time we're planning to finish. Noon.

Mr ELLIS - As far as for us -

INQUIRY CHAIR - Noon.

Mr ELLIS - Okay.

INQUIRY CHAIR - That was part of the letter. Is that correct, Mr Secretary? That's our understanding.

Mr ELLIS - Okay.

INQUIRY CHAIR - Is there a problem?

Mr ELLIS - Look, Chair, I'll just ask my team if we can just ...

INQUIRY CHAIR - Thank you. Mr Edmunds.

Mr EDMUNDS - Thank you, Chair, and it was to loop back to the breakdown, but you have very cleverly brought us back to what I was going to ask about.

Mr ELLIS - Anything for you, Mr Edmunds.

Mr EDMUNDS - The 1,700-ish, or between 1,700 and 1,800 social houses and the comments about three- and four-bedroom houses. I've become aware of some data recently about the proportion of women who make up the waiting list for houses, and specifically about some of the waits for women with children who are escaping family violence, who I understand are waiting the longest. My actual question is how many specific houses are being built to cater for that really important cohort of people who are waiting for houses? I agree that building one or two bedrooms is a good way to get numbers up, and there is demand for that, but what is

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being done in that upcoming number to cater for that cohort of people with children? I'll ask that and then we've got a follow up question.

Mr ELLIS - Thank you, Mr Edmunds, and I'll pass over to Ms Morgan-Thomas and the team to add to my remarks shortly, but one of the things I will say is that this is such an important area for our country. Sadly, we're seeing an epidemic of family violence in this country, we are seeing people making the decision to leave more often, which in many ways is a really good thing, and we need to be doing more as a country to be supporting them on that really difficult journey. There's a range of different supports that we look to provide in this space, so obviously crisis and emergency is often how women present, but then also secure and more long term - I should say victims of family violence, how they present - and then also providing that longer term security as well.

We also have a range of different initiatives, our rapid rehousing program we're looking to increase substantially as well, so that we can better support people in what is a really difficult, difficult moment when they need a lot of wraparound support. I'll pass over to Ms Morgan-Thomas and the team to work through the breakdown there.

Ms MORGAN-THOMAS - Thank you, and you've identified the thing that we probably think most about and is probably one of the hardest data problems to sort of translate into reality. We know that a lot of the tenants that are living in current social housing, whether they're with us or with community housing providers, are under-occupying their properties, so there might one person in a three-bedroom home. We have a lot of three-bedroom homes, but they don't all have five people in them. We are working through what we do about that, because you can't just turf somebody out for convenience and say, 'No, you're only one single person, now you have to move into this other house, smaller unit.' We also know that there is demand for three and four-bedroom homes.

We know that some of the women escaping domestic violence are only eligible for two-bedroom because they might only have one child, so it's not an easy thing to work out. We also know that we may have an oversupply of three-bedroom houses in some suburbs compared to others, just because of the nature of what's there. The majority of our existing stock is about 40-years old, and it's getting slowly younger as we build more, but it takes a long time to shift a portfolio of that size. What we're trying to do is look at what's the demand for the people who are currently in our housing, our tenants, about what do they need added to the waiting list. You can't just look at the waiting list and build for that, you have to also build for who's currently in our housing.

That is the hardest thing for us to work out, about where is housing and where should it be, and we do know that the majority of housing that we build will probably be two-bedroom, because that is more flexible. A one-bedroom property doesn't give you a lot of flexibility and the marginal cost of a second bedroom is not much, so we're better off future proofing our properties by building two bedrooms, because we can do more with them. We do know for a small number of people we need more three and four-bedroom homes, and we need to work out how we do that. We're in the process of - so, some of the modelling that Ms Stone was talking about will assist us.

Mr ELLIS - I can probably add a little bit around the data as well if that's helpful for the Committee. Women can access 14 of the 20 homelessness shelters in Tasmania, and the 50 currently secured under the Family Violence Rapid Rehousing program, in addition to the

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general social housing and private rental assistance. There is additional funding, we think, that needs to be delivered in this space, and we're working with the Australian Government on requests to provide funding, particularly through the National Housing Agreement and the national housing infrastructure facility. It's also probably notable as part of our 2030 Strong Plan our commitment to deliver an extra 100 more homes for women and children escaping family violence in addition to recently completed work which doubled the capacity of the Launceston Women's Shelter, 17 additional units at the Hobart Women's Shelter, eight new units at CatholicCare Women's Shelter, two new units at Jireh House and six additional units currently under construction for McCombe House.

INQUIRY CHAIR - Thank you, a dashboard question -

Mr EDMUNDS - I just had one follow up on that, because it is a smaller number, but as he also said, it's a really important number and whilst the crisis support is good, the home is the outcome.

Ms WEBB - You've got to have a home to get out of crisis support into.

Mr EDMUNDS - I ask this because I've got a constituent - who I have written to you about - and has been waiting since February 2023, escaping family violence, so they're not somebody who's going to stick their head up on TV to tell their story, which is often a good way to get support. They've got three children in one bedroom with them, one of the children has health concerns which are getting worse in this situation, the mother herself is getting treatment for cancer. This is taking an enormous mental and emotional toll on her, it's really heartbreaking for me as local member, and have spoken to other members of parliament, they are facing similar challenges for their constituents. I think it's important for us to hear, as you say, it's a smaller number, but probably the most important number of people who are waiting for this, and what the pathway out is, because at the moment, as you say, it's nearly 18 months in a frankly untenable situation. I can resend the constituents details to you if you would like, because I just don't know where to go next, and I know she doesn't either.

INQUIRY CHAIR - Thanks for sharing that, honourable Member.

Mr EDMUNDS - And obviously, that's all de-identified to an extent.

Mr ELLIS - I understand, I know the constituent's circumstances that you're talking about, Mr Edmunds, and my heart goes out to her and her family, and I appreciate your advocacy on her behalf as well as other local members as well for their advocacy. I'm aware that her family has got some work underway with Housing Connect and that's important. I won't share too much more, but happy to continue working with you on that.

INQUIRY CHAIR - Perhaps that's an opportunity to share a story like that to someone who is living in a three-bedroom home that could quite possibly move to a two-bedroom unit, it won't be next-door, but somewhere so that the right people are in the right type of housing. Surely, there'd be some compassion if that was shared.

Mr ELLIS - Yes, it's important. As I mentioned before, Chair, it's part of what's really motivating us around delivering the 100 more homes for women and children escaping family violence. We've got 50 currently under the Family Violence Rapid Rehousing program, but we

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need more, and particularly as so many victim/survivors are making that really brave decision to leave.

INQUIRY CHAIR - The Committee is going to leave that issue with you directly, Minister, and I'm sure that with the people that you've got here today the honourable member will be hearing from you or their constituent will be.

Mr ELLIS - That's right.

INQUIRY CHAIR - I have one more dashboard question.

Ms WEBB - Really quick, super quick dashboard question.

INQUIRY CHAIR - Then I'm going to Ms Armitage.

Ms WEBB - The update that's occurring, the project that's developing a new dashboard, a new version, who's involved in that? Particularly, what external stakeholders are involved in that project beyond Homes Tasmania?

Mr ELLIS - Look, happy to pass over to the team in regard to any external consultation. Obviously, any it's internal data, but I'll just double check with the team if there's -

Ms STONE - Ms Webb, which dashboard were you talking about? The housing strategy housing dashboard or the normal dashboard?

Ms WEBB - The one that the Minister was talking about updating that's a bit late coming on board one but is expected soon.

INQUIRY CHAIR - The 'soon' one.

Ms STONE - Yes.

Ms WEBB - That's obviously a project in train, and I'm asking which external stakeholders are involved in informing that.

Ms STONE - It has gone through the Board's housing and homelessness advisory committee for comment.

Ms O'CONNOR - Who's on that?

Ms STONE - The members of the advisory Committee include Jed Donoghue from Salvation Army, Pattie Chugg from Shelter Tasmania, and Ms Julia Mangan from CatholicCare.

Ms WEBB - Tenants' Union, are they involved?

Ms STONE - They haven't been involved with the advisory committee.

INQUIRY CHAIR - Perhaps they should be.

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Ms O'CONNOR - Or the data question? So, off the back of what Ms Webb said, there's a whole range of special homelessness and housing stakeholders who might have a view. Has Colony 47 contributed?

Ms STONE - It's just in draft form, at the moment, that's the process.

Ms WEBB - That's the only expected external input is through the advisory group?

Mr ELLIS - Look, I suppose it's probably important to note as well that we're happy to take feedback on it as well.

Ms WEBB - Will you be releasing it publicly for feedback?

Ms O'CONNOR - What is the mechanism for that, though?

Mr ELLIS - We're going to be releasing it publicly, of course. And then, happy to take feedback. One of the things around this space is if there are opportunities for us to provide more and better data, then we're always open to that. I think - broadly, across Government - we should be, we need to do more work to continue improving our proactive disclosures and beyond looking at it as a compliance task, looking it as an opportunity as well, for some of the investment and meeting people's needs, as I spoke about before.

Ms WEBB - I couldn't agree more, Minister, but surely, getting input from people and good ideas is a sensible thing to do during the development stage of a new tool to present data, rather than suggest that people give us some ideas afterwards.

Mr ELLIS - Look, it's the same tool, it's the same data dashboard, and we've taken onboard feedback from stakeholders and we'll continue to update that. That's the thing with data, I don't think that we should be in an attitude of 'set things in stone,' let's continually improve, let's find more ways for us to provide more of an understanding for our community.

Chair, can I just clear up a matter in regard to the Committee? I have here a letter from yourself - I think it is, yes, yourself - saying that the Committee is scheduled to meet today and has set aside 9:30 am to 11:00 am. The reason why I raise this again is I have another commitment that I need to make that we've scheduled at 11.00 am. I'm not sure where the confusion is in regard to 12 and 11.

Ms O'CONNOR - Have we got the original invitation letter?

Mr ELLIS - My understanding is that it's on the website as well.

INQUIRY CHAIR - I need to apologise. From what I've just been informed, your letter was accurate, but I'd respectfully request that perhaps you might be able to push out whatever you've got a little bit further to facilitate the -

Mr ELLIS - Probably not this one, but I'm happy to - if we can continue to assist the Committee, I'm not sure how long your inquiries are in general -

INQUIRY CHAIR - Short inquiries.

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Mr ELLIS - I know.

Ms O'CONNOR - Are you saying, Minister, you can come back?

Mr ELLIS - Yeah, if there's another hour of questioning that we want. I'm not sure what your arrangements are in terms of how long you're expecting this to report for.

INQUIRY CHAIR - We may well need to renegotiate at least another hour of your very valuable time. I do apologise, our understanding according to my agenda, but obviously there's been an issue with the transfer of times.

Mr ELLIS - That's okay.

INQUIRY CHAIR - I will move now, at this point in time we might be able to - a stretch - keep you to five past?

Mr ELLIS - Anything for you, Chair.

INQUIRY CHAIR - Thank you.

Mr ELLIS - As long as it's not another hour, because I will be in trouble.

INQUIRY CHAIR - I have a question from the Honourable Member for Launceston, just pulling us back to the Homes Tasmania annual report, which is part of our terms of reference.

Mr ELLIS - Yes.

INQUIRY CHAIR - And then I'm going to Ms Webb, thank you.

Ms O'CONNOR - And then, Chair.

INQUIRY CHAIR - Yes.

Ms ARMITAGE - Minister, this is something that I'm always interested in, and just as a preface -

INQUIRY CHAIR - You're well known for it, Honourable Member.

Ms ARMITAGE - In fact, the previous Premier used to have all the details for me, and when I didn't ask the question, he was most disappointed.

Mr ELLIS - I'll try not to be disappointed.

Ms ARMITAGE - No. It's no criticism or disrespect to board members, I always ask, and I'm interested in the location of board members, mainly. I've always found that we tend to have a lot of interstate board members, which, to me, obviously, we have one or two, but it's obviously more costly, and I always feel that representation across our State - north, south, and north-west - is very important. Are you able to advise me - because I notice it doesn't actually state, I have looked and I can see where board members are by going into LinkedIn, but it

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doesn't state on there. And how many board members are there? One area I found six, another I found seven, so I just wasn't sure how many there are.

Mr ELLIS - Yeah, absolutely, and I might pass over to the Chair, Ms Adair, who's from New South Wales, ironically enough, to -

Ms ARMITAGE - Who might know about the dashboard, the New South Wales dashboard, I did think that.

Mr ELLIS - To provide an update on the specific locations. You're right, we think there's some more opportunities to increase Tasmanian representation on our boards in general. Can I say Homes Tasmania has quite a low representation of Tasmanians on their boards.

Ms ARMITAGE - I noticed.

Mr ELLIS - And it has been affected by a Tasmanian moving interstate after they were appointed - but, you know, the choice that people make - but we think there's some big opportunities there.

Ms O'CONNOR - Is anyone based here?

Mr ELLIS - Yes

A WITNESS - Two.

A WITNESS - Three, two now.

Mr ELLIS - It's certainly something that we'll be looking at in general.

Ms ARMITAGE - There's obviously substantially more cost as well, for interstate, people have to come, they have to have accommodation, they have to have meal allowances, there's certainly more of a cost for interstate members. It's just a question, is how many applications did we have? Did we applications from suitably qualified Tasmanians as well?

Mr ELLIS - Yeah, as I say, we're always looking for the best people for the job.

Ms ARMITAGE - I appreciate that.

Mr ELLIS - And the opportunity to bring in some outside skills isn't something that should be discounted, but you're right, we think that there's big opportunities in the future. Can I say as well, Ms Armitage, we really encourage Tasmanians when there are future opportunities to put up their hands for Homes Tasmania to take those. As the model is becoming more understood, we think that there's increasing interest in the work that Homes Tasmania is doing, and so I think it's a great opportunity for Tasmanians to make a meaningful difference for people doing it tough.

Ms ARMITAGE - One would think they understand their own state quite well, as opposed to - as I said, it's no disrespect to those in other states - but obviously, if you live here, you understand the situation in Tasmania.

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Mr ELLIS - Yeah definitely, and as I say, that nice balance between some outside expertise but also understanding that local knowledge is important. I might pass over to the Chair if she's got anything further to add.

Ms ADAIR - Thank you for the question, Ms Armitage. We do now, as of earlier this year, have seven members of the board. There were originally three, appointed in December 2022, three local and three from the mainland, one of those from Victoria and two of us from New South Wales, myself, of course, as independent Chair happens to be Sydney-based. One of the Tasmanians, personal circumstances led him to move to Victoria earlier this year.

INQUIRY CHAIR - We cannot understand why.

Mr ELLIS - Hear, hear.

Ms ADAIR - As someone who has actually trying to move here on and off for the last 20 years and was prevented from doing so as a consequence of single parenting and relationships, and ironically my ex-husband ended up here and I'm still stuck in Sydney, but suffice to say, I share the commitment.

INQUIRY CHAIR - It would be nice to reacquaint.

Ms ADAIR - Indeed. In recruiting for the most recent director, we were explicit, and with support from Premier and Cabinet on the whole board recruitment process consistent with cabinet policy and guidelines, were explicit and were expecting to have extensive Tasmanian Government and Tasmanian financial experience in capital context and investment experience. We were explicitly looking for that. Regrettably, we had 27 people apply, of the 11 people that made the shortlist, there was only 1 Tasmanian, and that person did not make the shortlist for interview, which is how we came to appoint Ms Kerry Adby, who is now the fourth person out of the Board.

Mr ELLIS - They're doing an excellent job.

Ms ADAIR - She is. But of the two shortlisted candidates, Ms Adby was ultimately successful, she was the former and has extensive background and experience here with the Tasmanian Superannuation Board and context. It is something that we're very mindful of. What we have been very successful in doing, and we're only ever going to do, was have Tasmanians appointed to all of our advisory Committees. There are nine Tasmanians across our three different board Committees, and they are representative across the state, so we do have quite a number from the north, as well as here towards the south. There we've got nine Committee members and two board directors.

In relation to costs, it is something we're very, very mindful of. All our Committees meet online. The board has felt very strongly that in terms of not only our relationships and establishment but also in us understanding and working very closely to really establish the organisation and the relationships and networks that are necessary for that. We have met the majority of the time face-to-face over the last 18 months, but now that the Committees are up and established, we're anticipating that the board will move from monthly to bi-monthly meetings. That will assist.

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We also anticipate that where we can, we will indeed have online meetings. We have decided, and I think for all of us, we appreciate and understand having a hybrid situation in a meeting, particularly our board meetings go from 8:30 in the morning to 3:00 in the afternoon, we're better off all being online than some of us being in the room and some of us being online is problematic. That is certainly something that we are committed to doing.

Ms ARMITAGE - Was it 10 meetings in the last year?

Ms ADAIR - It was probably more. I think there have been a total of 20 meetings since we were established. We started on 1 December [2023] and I think we had three meetings before Christmas or four or something before January [2024].

Ms ARMITAGE - Will seven be the number of board meetings or are you intending to increase it or that's to be -

Ms ADAIR - No, the Act sets the minimum.

Ms ARMITAGE - Yes, I was looking through and the question got to me before I found it.

Ms ADAIR - The act establishes the minimum. I've got to say, there has been such an intense and very broad agenda that we have needed to meet more often than what we were anticipating, and for longer. That's been a really good thing and a really valuable thing that I think has very, very strongly contributed to the outcomes that the organisation has achieved today.

INQUIRY CHAIR - Ms Webb has a series of questions.

Ms WEBB - I'm just going to run through some quick questions if that's okay.

INQUIRY CHAIR - It's quick question, quick answer and if there's anything that we need to take on notice. Thank you.

Ms WEBB - I would appreciate it if you can provide quick answers to some of them though, because they've been raised with me and I find them concerning to some extent.

It's about the MyHome shared equity program that has the Bank of Us as the sole accredited financial provider. It offers one loan product as part of this program and I'm interested to understand why that is not a competitively formulated product. For example, the interest rate for the loan product offered through MyHome is 6.86% at the moment and Bank of Us has two other offerings available right now: their Bank of Us FlexiDiscount Home Loan Rate Special at 5.99% and their FlexiDiscount Home Loan for 6.14%.

Why is the MyHome interest rate through Bank of Us so much higher than market conditions, noting it has been that way, not just now as a one off, but since before the interest rate rises began in 2023?

Why can't the interest rate be lowered to a more competitive rate or offered across a range of products so that there can be some competition, as there are in other states who have similar assistance programs?

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Mr ELLIS - I'll pass over to Ms Morgan-Thomas or her team shortly. One of the things I will say is we really appreciate the partnership.

Ms WEBB - We don't need a discussion of the program though, Minister, because we're short on time.

Mr ELLIS - Sure. I will say we appreciate the partnership and it's working really well. Just the other day we welcomed the thousandth Tasmanians to secure home ownership through MyHome and it's been a really successful program. We're looking to expand that and that came online on 1 July and it's really encouraging.

It should be noted that MyHome provides a different service to the products that you mentioned that are in the broader market in general and that's why people look to use this product rather than those other ones. It gives you the ability to purchase a home with only 2% deposit. Obviously, as you have a lower deposit rate, that changes a number of different things around the calculation but by providing shared equity and having that lower deposit required, that enables people to get into that loan arrangement more quickly. They also have, obviously, opportunities to refinance down the track if they're looking for lower rates and potentially, if their circumstances change.

Ms WEBB - To clarify, they would have to be buying out the Government component, if they were refinancing so they're unlikely to be ready to do that for quite some time if they've entered this scheme. They don't have a competitive rate at the moment compared to other loan products so I'm just asking, given that other states do manage to offer a competitive rate and various options, why here in Tasmania where we would think our people are most vulnerable who are using this program don't have that option?

Mr ELLIS - I'll pass over to the team to add, but as I did say, this is a different product and people are choosing this product over those other ones because it enables different things; for example, only a 2% deposit to get into your own home.

Ms WEBB - Yes, I understand. It's a shame to penalise them with a higher interest rate though, and might I just say they can only make monthly repayments, not fortnightly, which we know is of assistance when we're paying back a mortgage. It's better to have that flexibility. The loan product offered through MyHome only offers monthly repayment options. Why is that?

Mr ELLIS - I'll pass over to Ms Morgan-Thomas and her team if they've got anything further to add with regards to the arrangement on MyHome.

Ms MORGAN-THOMAS - When we selected Bank of Us, they were selected through a competitive tender and they offered the best product through that tender?

INQUIRY CHAIR - They were the best of a bad bunch.

Ms MORGAN-THOMAS - They were the best product to provide that in Tasmania and they set the interest rates and set those things. That's a question for them, not us. We don't try and intervene. They are a federally regulated lending institution so they have to abide by all of those sorts of things and I presume they set their risk.

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Ms WEBB - We're happy to offer a sole option with a non-competitive rate with only, for example, monthly repayments, not fortnightly so there is no flexibility for people to be able to get there quicker with paying off their home.

Mr ELLIS - Ms Webb, I think we've covered this pretty substantially. They provided the best option and, as well, people are choosing that option over everything else in the market: a thousand Tasmanians -

Ms WEBB - It might be their only option. So, let's just be clear, a lot of people are accessing this scheme because it's their only option and we're giving them one option out of it.

Mr ELLIS - Obviously, we need to work through these prudently, but to provide the opportunity for someone to own their own home on a 2% deposit is a really innovative scheme. It's a big step forward and can I say as well, there are shared equity programs popping up around the country at the moment and we think -

Ms WEBB - I have a table here comparing their characteristics. I'm well aware of them.

Can I ask another question about insurance on these properties? My understanding is that when people are purchasing through this program and they're seeking insurance, the wording that's required is proving problematic with some potential insurers. I've heard this from people making me aware that they've tried up to six insurers unsuccessfully because Bank of Us requires particular wording on the certificate of currency and then what happens is Bank of Us recommends CGU as the insurer. That turns out to be the only option as an insurer because others won't accept the wording on the certificate of currency. It turns out that Bank of Us has a relationship with CGU and receives commissions on any insurance contract arranged through them so I'm concerned that there's this circular arrangement where there's a particular requirement from Bank of Us about wording that prevents insurance options and then people are directed to a particular insurer who has a relationship with Bank of Us. Can you confirm that that's the case?

Mr ELLIS - I'm happy to take on board any feedback, but I'll pass over to Ms Morgan-Thomas to provide an update on that.

Ms MORGAN-THOMAS - Thanks, Ms Webb. We're aware of those problems and we've just recently changed our instructions, as of last week, to Bank of Us because some of them were resulting from our requirement about the nature of insuring some of our interests.

I can't remember the technical details of it, but I totally understand what the problem was and that's why I've agreed to it. I am not aware of the CGU thing, but I am aware that most financial institutions have an arrangement of some sort.

Sorry, I have just received some information about this: we changed the wording on our tripartite agreement that we have with the person buying the house and the bank that will change that.

Ms WEBB - That won't prevent various insurers being available for people to go to?

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Ms MORGAN-THOMAS - It was one of the things that we were requiring under our insurance: it was the way our interests were being insured and it was something to do with public liability and things like that so we've, we've changed it.

Ms WEBB - Can you comment on the length of time, Minister, that it takes to secure finance through this arrangement? My understanding is that because of the protracted time that it takes to go through the process, people are missing out on homes. They have to make an offer quickly because it's a very competitive home market at the moment. How are we ensuring that this is as efficient and as quick as it needs to be given how nimble buyers need to be in the market.

Mr ELLIS - I'll pass over to Ms Morgan-Thomas and her team again around the specifics but as I mentioned, there's been quite a number of Tasmanians – 1,000 already - who have had success through this process.

Ms MORGAN-THOMAS - A range of things happen in these things. A part of it is the people buying the house don't always come back as quickly or there are hiccups with their lawyers, but there's also things at our end that we've been trying to streamline. The program has been very successful, so we've had to change the resourcing in that. But I'm aware of the time. We're not aware of many people missing out, though. Some people say - I think there may be a feeling - that people think or are worried about missing out, but that certainly isn't coming. There are very few that start and don't finish.

Ms WEBB - Minister, you're not aware of real estate agents refusing to accept offers from MyHome clients?

Mr ELLIS - I have to say it hasn't been reported to me personally. That being said, it may have been reported to Homes Tasmania.

Ms MORGAN-THOMAS - No, I'm not aware of it.

Ms WEBB - It has never been brought to your attention that real estate agents -

Ms MORGAN-THOMAS - Not to me.

Ms WEBB - are not accepting offers from MyHome clients because of the delayed time in -

Ms MORGAN-THOMAS - No. It's a very successful program.

Ms WEBB - Have you interacted with the real estate industry about it?

Mr ELLIS - I might just say, I'm happy to speak with any real estate agents that may be contacting you to get a further understanding of their concerns. If there's more information that we can pass on from our end around the reality of the program I am happy to do that as well.

INQUIRY CHAIR - Is there anything else that you might like to send to the Minister?

Ms WEBB - Yes, I'll definitely follow that up.

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INQUIRY CHAIR - Is the Minister happy to take some direct questions?

Mr ELLIS - Yes, of course. If I can head off at 11.05 a.m., I am happy to.

Ms O'CONNOR - I just want to unpack some of the projections and assumptions around being able to build 10,000 allegedly new homes by 2032 for \$1.5 billion. That averages out to a cost of about \$150,000 per home but when you have a look at the Commonwealth's social housing accelerator program, the Tasmanian Government's committed to building about 130 new homes at a cost of \$485,000 per dwelling. So, it is nearly three times as much as what the Commonwealth understands it will take to build a new home. Where did that number come from and has Housing Tasmania done any modelling on how you could build 10,000 homes by 2032 for \$1.5 billion given the rising cost of materials, housing and construction?

Mr ELLIS - As I mentioned earlier, Ms O'Connor, there's a range of different ways that we're looking to deliver 10,000 social and affordable homes. There are different costs that relate to the different parts of the model that we're looking to deliver. For example, if you're looking to deliver a hardened home for someone who potentially has quite a number of challenging behaviours or someone in supported disability accommodation, that home to deliver is significantly more expensive than, for example, the overall total cost that it might take to deliver an affordable home that you then sell to a general consumer in the market on a lower income.

Ms O'CONNOR - You still have to build the home, Minister. With respect, you're still committing to investing capital in the construction of new homes and your projections are that it's going to cost Homes Tasmania on average \$150,000 per home. Even if you squash some of your build up to make it sort of more dense and cheaper to build, you've still got this huge differential between what the Commonwealth and the state understands it'll cost to build a new home under the Commonwealth grant and what your Government is promising it can build for.

Mr ELLIS - What I'm trying to communicate there, Ms O'Connor, is say for example, in the affordable part of the market where you sell a home to a private buyer that may be low and middle income. It may cost you, let's say \$400,000 to build that and then you sell it to that person for around the same so the actual total cost to the budget is actually not very much at all. Because we're looking at a spectrum of housing options, the actual total net cost can be quite different: right up to extremely costly, but very much worthwhile for people with very high needs, right down to quite a low net cost to people that are actually able to buy the property themselves.

I might pass over to Ms Morgan-Thomas and her team.

Ms O'CONNOR - It's just a three-time cost differential between what the Commonwealth understands it takes to build and accepting what you say about the spectrum. It's a massive differential.

Mr ELLIS - It's 10,000 social and affordable homes and you spoke about land release before, which is part of that 10,000 as well. I'll pass over to the team to give you a sense of that average net cost. I'm hopeful that they might -

Ms O'CONNOR - And the confidence in that figure, given that it's public money, that'll be paying off the debt it'll be saddling Homes Tas with.

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Ms MORGAN-THOMAS - The cost to build those homes is different to what the cost to Government will be, and I think that's the point the Minister was trying to make. When I talked about how we want to lay our capital build and capital stack and things like that - and a good example is the Housing Australia fund - the state investment in that will be during the development stage. Say it costs us \$10 million for whatever: when the Commonwealth HAFF (Housing Australia Future Fund) funding comes in, we refinance, so we pay that back. So actually, the cost to the Tasmanian Government of whatever we build with that \$10 million is zero or it's probably the cost of interest for two years at best.

INQUIRY CHAIR - That's not zero.

Ms MORGAN-THOMAS - That's not zero, but it's TASCORP, so thankfully we know what that interest cost is. The actual cost is just the cost of interest during the development stage and any of the things that my team needs to do to organise it.

After that though, that's Commonwealth money and it's fully funded and paid so it's not the cost to the Tasmanian Government. A lot of our plan is about how do we leverage the funds that we have available to us to be able to trade some of those things commercially if we're doing a development like Huntingfield where some of that revenue will come in: we're not going to give the blocks away. That will be revenue that will stay within Homes Tasmania and be available for other housing. It's about debt repayment and how we think commercially about those. It is the same with the shared home ownership when those when those people do eventually refinance, which a fair proportion do after a number of years. It has slowed down a little bit at the moment because of interest rates, but those funds come back into Homes Tasmania and are able to be used for other things.

INQUIRY CHAIR - Thank you again. I apologise for the confusion around times. There will be some questions that are sent through, so we will definitely be making contact, reaching out and asking and requesting for another opportunity to further discuss this really important issue.

On behalf of the Committee, I thank everyone for their time here today. We shall cease the broadcast. Thank you.

The witnesses withdrew.

The Committee adjourned at 11:08 am.