



Snapshot: AnglicareSA – Adelaide Region

Prepared for AnglicareSA by Ian Goodwin-Smith and Gabriella Zizzo, Australian Centre for Community Services Research, April 2017

Introduction

The AnglicareSA Rental Affordability Snapshot was undertaken in conjunction with the Australian Centre for Community Services Research at Flinders University. The snapshot surveyed rental properties available in the Adelaide area on Saturday 2 April 2017. The survey used rental listings on realestate.com.au.

Properties were assessed for affordability and appropriateness for a number of different household types and incomes. This survey defined an affordable rental as one which took up less than 30% of the household's income. The 30% benchmark is commonly used as an indicator of 'housing stress' among low income households.

We assessed how many properties would be affordable for each of the household types listed in the findings section of this report. The only income sources taken into account were the household's main income support payment or minimum wage and Family Tax Benefit. Other allowances the household might receive (e.g. Mobility Allowance, electricity supplements) were not included. Commonwealth rent assistance was included as income for the purpose of calculations.

Data was disaggregated to separate listings of appropriate and affordable properties. Appropriateness for properties was assessed on the basis of the number of the bedrooms in relation to the number of occupants. For a property to be considered suitable, it was required to be affordable and appropriate.

Findings

On the weekend of 2 April, 3,661 private rentals were advertised for rent in and around Adelaide. Private rentals were surveyed from online sources¹. While a property could be affordable and appropriate for more than one household type, any individual property can only be rented out by one household type at any time. To this end, we found that:

- 134 individual properties were suitable for at least one household type living on income support payments without placing them in housing stress.
- 1536 individual properties were suitable for at least one household type living on minimum wage without placing them in housing stress.

¹ In 2016, a data collection method was adopted where rental listings were retrieved and exported by realestate.com.au (RE) from the RE website. This method, replacing the former manual collection that we used before 2015, will result in minor variation due to random errors. Where possible, the effects have been minimised, and should not be more prevalent than what was expected in previous Snapshots due to human error.



Table 1: Rental Affordability, Adelaide, by household type and percentage

#	Household Type	Payment Type	Number Affordable & Appropriate	Percentage Affordable & Appropriate
1	Couple, two children (one aged less than 5, one aged less than 10)	Newstart Allowance (both adults)	71	2%
2	Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	35	1%
3	Couple, no children	Age Pension	95	3%
4	Single, one child (aged less than 5)	Parenting Payment Single	13	0%
5	Single, one child (aged over 8)	Newstart Allowance	0	0%
6	Single	Age Pension	10	0%
7	Single aged over 21	Disability Support Pension	4	0%
8	Single	Newstart Allowance	0	0%
9	Single aged over 18	Youth Allowance	0	0%
10	Single in share house	Youth Allowance	0	0%
11	Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A (both adults)	1516	41%
12	Single, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A & B (both adults)	247	7%
13	Single	Minimum Wage	23	1%
14	Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + Parenting payment (partnered) + FTB A & B	601	16%
Total No of Properties		3661		

On the Snapshot day, these are the number of unique properties affordable and appropriate for:

Households on income support payments (#1-10)	Households on minimum wage (#11-14)
134	1536



Discussion

On the day of the snapshot, 134 appropriate and affordable houses were available for rent in the aggregate by households on income support payment. This was equivalent to 3.6% of the rental market. 1536 appropriate and affordable houses were available to rent in the aggregate for households on a minimum wage. This was equivalent to 42% of the rental market.

Appropriate and affordable rental accommodation was in extremely short supply for households on income support as a whole category, but the property availability figures were lower than the aggregate figure of 3.6% for each household type analysed. Disaggregating the figures for household type, 2% of properties were available at the time of the snapshot for couples on Newstart allowance with two children, and 3% of properties were available to couples on the Age Pension with no children. 1% of properties were available to a single parent on Parenting Payment with two children.

Similarly, disaggregated figures for households on the minimum wage reveal 1% of the rental market (or 23 properties) being available as affordable and appropriate housing for a single person on the minimum wage at the time of the snapshot.

This survey does not take in to account suitability of properties in regards to physical accessibility, nor does it account for suitability of neighbourhood or region.

An additional stressor which is not addressed in this snapshot is the bond payments. In South Australia, the Residential Tenancies Act 1995 (SA) 61(3) indicates that the bond is calculated according to weekly rent. If the rent amount is lower or equivalent to \$250 per week, the maximum bond is four weeks rent. However, where the weekly rent is greater than \$250, the maximum bond is the equivalent of six weeks rent. For households that require more than 1 bedroom the demands on bond payments may be considerable.

Policy Implications

Over the eight years of the Anglicare Rental Affordability Snapshot, AnglicareSA has shown repeatedly that housing unaffordability is at crisis levels for people living on low incomes across the Adelaide area. Action must be taken with a coordinated, systemic and broad approach to addressing housing affordability.

The Commonwealth Government has acknowledged that reform is required in Australia's housing market to increase social and affordable housing options, and it has proposed an aggregated bond model. We support this proposal as one component of a broader and more complex solution.

We call for a national plan for social and affordable housing, which includes the following key priority areas:

1. Grow the supply of social housing.
2. Reform the current tax system including negative gearing to support lower cost housing.
3. Supply a mix of housing that meets the different needs of people.

Conclusion

This snapshot assessed the degree of access to the housing rental market for 14 household types on 2 April 2017, when housing was assessed against criteria for affordability and appropriateness. All

disaggregated household types reliant on income support payment had access to less than 3.6% of the rental market, with 7 household types having access to 0% of the rental market at the time that the snapshot was taken.

