## 2016

# AFFORDABLE HOUSING POLICY STATEMENT





#### April 2016

The Affordable Housing Policy Statement replaces the Improved Housing Choices for Residents on Low Incomes (Affordable Housing) Policy Statement, 2011

#### Acknowledgements

This policy was compiled by the Hobsons Bay Strategy and Advocacy Department. For further information contact the Hobsons Bay City Council on 9932 1000 <a href="https://www.hobsonsbay.vic.gov.au">www.hobsonsbay.vic.gov.au</a>

Council acknowledges all language groups of the Kulin Nation as the traditional owners of these municipal lands. We recognise the first people's relationship to this land and offer our respect to their elders past and present.

Council acknowledges the legal responsibility to comply with the *Charter of Human Rights and Responsibilities Act 2006* and the *Equal Opportunity Act 2010*. The *Charter of Human Rights and Responsibilities Act 2006* is designed to protect the fundamental rights and freedoms of citizens. The Charter gives legal protection to 20 fundamental human rights under four key values that include freedom, respect, equality and dignity.

## Introduction

In 2015 Hobsons Bay had 34,932 households, of these 9.4 per cent were in housing stress. While Hobsons Bay once provided relatively affordable housing opportunities, due to rising house prices and rents the growing shortage of affordable and appropriate housing in Hobsons Bay has meant that at best those on low incomes have very limited choice or they may no longer be able to afford to live in the municipality. Affordable housing for those on low income may be substandard, insecure in tenure and isolated from services and infrastructure. In some cases, low income residents are at risk of, or are, experiencing homelessness. Furthermore, the issues associated with securing affordable and appropriate housing are compounded by increased utility costs.

The rising cost of housing in Hobsons Bay has also started to impinge on other groups such as key workers who are in need of an adequate supply of appropriate housing, at the right price points and in proximity to their employment.

More broadly, providing a range of housing in Hobsons Bay plays an important role in maintaining diversity in the socio-economic mix of residents, which in turn ensures Hobsons Bay is a place which is inclusive for all.

## Purpose and scope of policy statement

The purpose of this policy statement is to articulate Council's commitment to ensuring all households in the municipality are able to live in affordable, secure and appropriate housing that meets their needs, particularly those with low and moderate incomes.

To do this, the policy statement focuses on the provision of affordable housing for:

- low income households who are particularly vulnerable in the housing market
- key workers households on lower incomes

Key worker<sup>1</sup> can be defined as those needed to support local businesses or who provide essential services and whose shortage is likely to affect the ability of a region to grow or function efficiently.<sup>2</sup>

There has been a market failure to provide affordable housing for lower income residents of Hobsons Bay. Council has a limited role and few policy levers to influence the housing markets and, as a result, Council's affordable housing policy statement primarily focuses on <u>non-market or social housing</u>. The way in which Council aims to implement the policy statement is outlined in the guiding actions.

<sup>&</sup>lt;sup>1</sup> Examples of key workers include retail, cleaning and hospitality workers together with those delivering education, health and emergency services and whose incomes fall within the lower 40 per cent of the income distribution scale

<sup>&</sup>lt;sup>2</sup> Housing affordability, occupation and location in Australian Capital Cities, J Yates, B Randolph & D Hollowy, 2006 Pg8

## **Defining affordable housing**

#### Affordable housing can be defined as:

Market and non-market affordable housing that is occupied by households in the lower 40 per cent of the income distribution scale including key workers.

#### Affordable market Housing (private housing)

Private home ownership where the purchaser's mortgage costs do not exceed 30 per cent of the gross income of the occupant.

Rental housing that is owned and managed by private individuals or corporations where rent does not exceed 30 per cent of the gross income of the household.

#### Non-market housing (social housing)

Rental housing that is owned and managed by the Director of Housing.

Rental housing that is owned and managed by a not for profit housing organisation.

#### Affordable market and non-market housing provide

housing choices, which are of appropriate size, liveable, accessible and incorporating the principles of universal design, secure in tenure and located in good proximity to employment services and critical infrastructure such as transport

#### are

managed under tenant selection and rent setting policies that ensure occupants do not pay more than 30 per cent of their income on rent

#### and are

delivered and managed by not for profit organisations in a manner intended to implement the aims of Council's Municipal Public Health and Wellbeing Plan as amended from time to time.

## **Defining the issues**

Housing costs in the middle ring municipalities such as Hobsons Bay have increased significantly over recent times. Given its close proximity to the Melbourne CBD, infrastructure, and open space, the cost of housing in Hobsons Bay has become a barrier to a sizeable proportion of households wanting to rent or buy a home in the municipality.

According to research undertaken by Australian Housing and Urban Research Institute (AHURI, 2011) the impact of rising house prices can be profound as more affluent households move into middle and lower income neighbourhoods.<sup>3</sup>

AHURI (2013) also found that low-income households are most likely to move out of gentrifying areas and these include "both renters and home owners, with unemployed owner-purchasers, low-income private renters with one employed person in the household, retired private renters and unemployed working age private renters being most vulnerable".<sup>4</sup>

While housing in the outer western municipalities such as Wyndham and Melton is currently still affordable compared to Hobsons Bay, it is often in areas without access to community



<sup>&</sup>lt;sup>3</sup> (www.ahuri.edu.au/publications/download/ahuri rap issue 137)

<sup>&</sup>lt;sup>4</sup> (www.ahuri.edu.au/housing information/review/evrev043)

infrastructure, services and employment. As a result, the benefits of affordable housing are offset by poor access to services and infrastructure, resulting in increased car ownership, transport costs, long commutes, and decreased walkability.

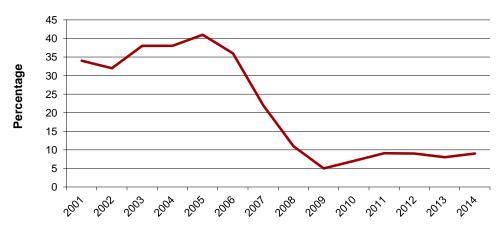
In order to maintain the diversity of residents who have traditionally lived in the municipality, a range of interventions and advocacy is required to ensure the city's housing stock caters for households across the socio-economic spectrum.

## Housing affordability in Hobsons Bay

Tracking the cost of housing in Hobsons Bay provides a clear illustration of the impacts on affordability over time.

Data for June 2015 shows that the median (mid point) rental for a house in Hobsons Bay was \$390 per week, \$10 higher than for Greater Melbourne and an increase of \$45 on 2012 rents. In terms of house ownership, the median house valuation for Hobsons Bay was \$614,024, which was \$31,957 higher than the Greater Melbourne figure and represents an increase of \$80,000 on the 2012 median valuation.<sup>5</sup>

The availability of rental housing that is affordable for households who are eligible for Centrelink payments is monitored by Victoria's Department of Health and Human Services (DHHS). The graph below highlights the substantial decline in affordable housing for this group in Hobsons Bay since 2005, when affordability peaked at just over 41 per cent of dwellings for rent (243 dwellings), dropping to less than 10 per cent (63 dwellings) in 2014.<sup>6</sup>



#### Percentage of Affordable Rentals (4th Quarter) in Hobsons Bay

Figure 1. The percentage of affordable rentals available in Hobsons Bay since 2001

To quantify the number of households who are affected by high housing costs, Council commissioned an analysis of housing stress<sup>7</sup> and marginal housing stress,<sup>8</sup> based on 2011 Census

<sup>&</sup>lt;sup>7</sup> Housing stress is defined as a household in a rented or being purchased dwelling, with a household income in the lowest two quintiles (below 40%) of equivalised households incomes in Australia, spending more than 30% of gross household income on either rent or mortgage repayments.



<sup>&</sup>lt;sup>5</sup> <u>www.economy.id.com.au/hobsons-bay</u>, housing data

<sup>&</sup>lt;sup>6</sup> DHHS (2015) Rental Reports, June. <u>www.dhs.vic.gov.au/about-the-department/documents-and-resources/research,-data-and-statistics/current-rental-report</u>

data. The research found that of the almost 31,150 households in the municipality, 9.4 per cent were in housing stress (almost 3,000 households). This equates to just over 22 per cent of renting households and 10 per cent of purchasers being in housing stress. In areas such as Laverton, this rises to 28 per cent of renting households being in housing stress. Among those purchasing, mortgage stress in Altona North and Brooklyn affects approximately 18 per cent of households.

The analysis also assessed how many Hobsons Bay households were in marginal housing stress. In 2011, 3.3 per cent of households were in marginal stress, less pronounced than those in housing stress. By tenure, over five per cent of both renting households and those with a mortgage were in marginal stress.

Numerically, both couple and single parent families with young children are the largest household types that are affected by housing stress in Hobsons Bay. However, single parent families are far more likely to be in housing stress than any other type of households.<sup>9</sup> In addition, Hobsons Bay has an increasing ageing population which is also vulnerable to housing stress.

Research undertaken by Bankwest (2011) focussed on housing for key workers (delivering essential services) wanting to buy a house and found that 81 per cent of Melbourne's local government areas (LGAs) are considered unaffordable for this group compared to 68 per cent in 2009.<sup>10</sup> House prices were found to be "more than five times the earnings of key workers in 2010, a significant increase on the 2009 and 2005 figures of 68 per cent and 52 per cent respectively". The research identified Hobsons Bay as being an unaffordable LGA and has been since 2009.

Bankwest research also assessed the median price of units for key workers which are generally considered more affordable than detached houses. It found that 53 per cent of LGAs in Melbourne were unaffordable, including Hobsons Bay, compared to 43 per cent in 2009 and 10 per cent in 2005.

As key workers find themselves unable to buy housing, further demand is placed on providing private rental and this demand translates to higher rents.

Further to this, in September 2015, there were 4,612 applicants (and potentially their partners or dependants) registered at DHHS offices in Footscray and Sunshine\* seeking public housing. Of these 1,460 were priority or early housing applicants, meaning they are either experiencing recurring homelessness and or require supported housing options.<sup>11</sup>

\*No specific data for Hobsons Bay is available

## **Legislative context**

The Affordable Housing Policy Statement 2016 has been developed within the context of federal and state government legislation and regulation that was current at the time of development.

#### **Federal Government**

The National Australian Housing Agreement guides the Commonwealth's partnership agreements with the states about social housing.



<sup>&</sup>lt;sup>8</sup> Marginal housing stress impacts on households with middle incomes or in the 3rd quintile (40-60%) of equivalised household incomes

<sup>&</sup>lt;sup>9</sup> Australian Bureau of Statistics (2012) Census of population and Housing 2011, commissioned analysis undertaken by .idconsulting

<sup>&</sup>lt;sup>10</sup> Bankwest (2011) 3rd Key Worker Housing Affordability Report: Financial Indicator Series

<sup>&</sup>lt;sup>11</sup> DHHS (2015) Public housing waiting and transfer list, September 2015

The Coalition of Australian Government (COAG) Affordable Housing National Leading Practice Guide and Tool Kit highlights the importance of ensuring that affordable housing impacts are addressed by the planning system in a variety of ways, including:

- ensuring that development processes (particularly large scale urban renewal and redevelopment projects) offset their impact on the availability of low-cost housing
- ensuring that planning systems provide for greater housing diversity to achieve social mix and to support economic prosperity
- enabling planning authorities to use planning mechanisms to facilitate new affordable housing for low and moderate income people<sup>12</sup>

In late 2015, the federal government established a working group tasked with identifying ways to increase affordable housing supply for those on low incomes, and implementing trials of models in cooperation with states and territories.

However, at this stage there is no Federal legislative or regulatory direction regarding affordable housing.

#### **Victorian Government**

Plan Melbourne (2014) is the key planning document in Victoria. The plan recognises that 1.6 million new dwellings will be required across the metropolitan region by 2051. In considering affordable housing, the plan states:

"As competition for housing increases, areas close to the city have become increasingly unaffordable for middle and low-income households wanting to buy or rent. In future, we will need to provide a better range and supply of affordable housing options close to the central city and other major areas of employment."

To do this "will require making efficient use of underutilised land, enabling significant density in defined locations and well-planned growth in greenfield locations". The plan also acknowledges that changes in the population will require housing diversity and support ageing in place.

Plan Melbourne (2014) is currently being reviewed and a discussion paper has been released. The discussion paper flags the need for the revised plan to have "a stronger focus, particularly on how the planning system might facilitate the supply of social and affordable housing. Plan Melbourne 2016 should strengthen the importance of housing choice and affordability in its key concepts". To date, Plan Melbourne provides general direction rather than legislation or regulation to assist in increasing affordable housing supply.

The Victorian Government has also announced plans to pilot inclusionary zoning on the sale of surplus government land, requiring a component of affordable housing to be included.

A government review of current policies affecting housing affordability, including taxation, regulatory settings and the suite of grants and concessions available to different categories of property purchasers will be completed in early 2016 to guide future reforms.

<sup>&</sup>lt;sup>12</sup> Refer Affordable Housing National Leading Practice Guide and Tool Kit (COAG, June 2008 page 15)



#### **Local Government**

The *Planning and Environment Act 1987* (the Act) establishes a regulatory planning framework for planning the use, development and protection of land in Victoria in the present and long-term interests of all Victorians. Section 4 (1) of the Act sets out a series of objectives for planning in Victoria, the following of which are particularly relevant in the context of this policy statement:

- (a) to provide for the fair, orderly, economic and sustainable use, and development of land
- (c) to secure a pleasant, efficient and safe working, living and recreational environment for all Victorians and visitors to Victoria
- (e) to protect public utilities and other assets and enable the orderly provision and coordination of public utilities and other facilities for the benefit of the community
- (g) to balance the present and future interests of all Victorians

Section 4 (2) of the Act sets out the objectives for the planning framework in Victoria. These objectives establish (inter alia) a system of planning schemes as a way of setting out policies and controls for regulating the use, development and protection of land.

The following objectives from section 4 (2) of the Act are specifically relevant in the context of this policy statement:

- (d) to ensure that the effects on the environment are considered and provide for explicit consideration of social and economic effects when decisions are made about the use and development of land
- (g) to encourage the achievement of planning objectives through positive actions by responsible authorities and planning authorities

The State Planning Policy Framework (SPPF) contained within all Victorian Planning Schemes includes the following policy statement in relation to integrated decision making:

"Society has various needs and expectations such as land for settlement, protection of the environment, economic well-being, various social needs, proper management of resources and infrastructure. Planning aims to meet these by addressing aspects of economic, environmental and social well-being affected by land use and development.

Planning authorities and responsible authorities should endeavour to integrate the range of policies relevant to the issues to be determined and balance conflicting objectives in favour of net community benefit and sustainable development for the benefit of present and future generations." (SPPF, clause 10.04)

The SPPF also deals with affordable housing at Clause 16 (Housing), which states:

"Planning for housing should include providing land for affordable housing."

Clause 16.01-5 (Housing Affordability) provides further direction in relation to affordable housing, which includes delivering more affordable housing closer to jobs, transport and services with a series of strategies to implement this objective.

In summary, the key elements of the legislative and policy framework that should guide the role the planning include:



- the planning system is intended to deliver orderly, economic and sustainable use and development of land, including providing land for affordable housing
- the planning system is intended to contribute to the efficient operation of urban settlements
- the needs of current and future interests must be balanced
- the social and economic effects of decisions need to be considered
- responsible and Planning Authorities are expected to realise planning objectives by taking positive actions
- conflicting objectives need to be balanced in favour of net community benefit and sustainable development

It is clear from the above framework that planning regulation in Victoria is not just about mitigating the negative effects of land use and development, but rather it clearly extends to the pursuit of positive actions to deliver orderly urban development, net community benefits (including affordable housing), and sustainable development outcomes.



## **Guiding actions**

Through Council's Municipal Public Health and Wellbeing Plan and Council Plan, Hobsons Bay City Council is committed to improving the health and wellbeing of the Hobsons Bay community; valuing the wellbeing of our people and our place now and into the future.

To support the implementation of affordable housing, Council will work towards achieving the actions below.

## 1. Land use planning

Council, together with the Victorian Government, has an important land use planning role that can influence building form, location and the total supply of land for housing. These factors can affect the market price of housing.

In the context of the current state legislation and policies, Council will:

- 1.1 Consider amending the planning scheme by updating the Local Planning Policy Framework to provide a framework for addressing affordable housing
- 1.2 Pursue negotiated agreements for the inclusion of affordable housing on appropriate development sites as part of planning scheme amendment rezonings and planning permit applications. For planning scheme amendments, due to potential uplift<sup>13</sup> in value, this may involve identifying the creation of "unearned increments"
- 1.3 Utilise Section 173 Agreements and planning conditions that clearly set out the responsibilities for affordable housing
- 1.4 Implement a process whereby town planning applications for affordable housing projects are dealt with by experienced planning officers and provide advice to developers on:
  - 1.4.1 The management of public consultation for affordable housing projects
  - 1.4.2 Social impact assessment (SIA) for affordable housing projects
  - 1.4.3 Requirements for SIAs and mitigation strategies for proposed redevelopments on sites that provide existing affordable housing (e.g. caravan parks, rooming houses)
- 1.5 Consider the appropriateness of development concessions for developments that provide increased amounts of affordable housing
- 1.6 Apply a spatially differentiated approach to:
  - 1.6.1 Strategic Redevelopment Areas (SRAs) and Strategic Redevelopment Sites (SRSs)<sup>14</sup>
    - 1.6.1.1 Seek 10 per cent non-market affordable housing (as per the previous iteration of this policy statement) until a revised trigger is in place
    - 1.6.1.2 Capture the betterment uplift of zoning changes, amended planning controls (e.g. building heights), or significant public infrastructure investments (e.g. road or rail changes)
    - 1.6.1.3 Be incorporated in planning overlays, Section 173 Agreements, and or planning conditions

<sup>&</sup>lt;sup>14</sup> Hobsons Bay City Council (2008) Industrial Land Management Strategy and the Hobsons Bay Planning Scheme Clause 16.01-3



<sup>&</sup>lt;sup>13</sup> In circumstances where the planning scheme is being amended to make changes to the land use (zoning) or development potential of land, it is argued that the planning system is delivering a significant uplift in value and that at least part of this "unearned increment" should be captured for the purposes of addressing broader public policy goals in relation to affordable housing.

- 1.6.2 Activity Centres
  - 1.6.2.1 Encourage the provision of affordable housing
  - 1.6.2.2 Negotiate affordable housing outcomes on large residential and mixed use development sites
  - 1.6.2.3 Be incorporated in planning overlays, Section 173 Agreements, and or planning conditions
- 1.6.3 Established suburbs
  - 1.6.3.1 Negotiate affordable housing outcomes on larger development sites<sup>15</sup>
  - 1.6.3.2 Be incorporated in planning overlays, Section 173 Agreements, and or planning conditions
  - 1.6.3.3 Support the development of dependant persons units (e.g. granny flats, laneway units)<sup>16</sup>
- 1.7 Encourage the design of dwellings that are supportive of ageing in place, sympathetic to the needs of older people and people with a disability, through the implementation of Universal Design principles and the *Disability Discrimination Act 1992*
- 1.8 Manage the quality of affordable housing, including ensuring affordable housing developments are:
  - 1.8.1 indistinguishable from surrounding dwellings
  - 1.8.2 designed to maximise environmentally sustainable design (ESD) principles
  - 1.8.3 designed to minimise energy costs to the resident
  - 1.8.4 designed to minimise future maintenance costs to the owner
  - 1.8.5 established to minimise the future costs of communal services and body corporate fees
  - 1.8.6 convenient to public transport
  - 1.8.7 convenient to services, employment, schools and shops
  - 1.8.8 contain dwellings suitable for a range of tenants of all ages and abilities and from individuals to families
  - 1.8.9 designed to incorporate the principles of Universal Design
- 1.9 Manage the re-zoning and release of land suitable for residential use to maintain an ongoing supply of land in a manner that:
  - 1.9.1 minimises the upward pressure on residential land prices
  - 1.9.2 assists residents to remain in the municipality to access local jobs, services and social opportunities
  - 1.9.3 encourages the development of a diverse range of housing types
  - 1.9.4 minimises living and ownership costs for residents
  - 1.9.5 recognises the variance in land value (and the associated difference in the development and ownership cost of dwellings) across the municipality
- 1.10 Undertake an audit to identify all Council assets that have the development potential to incorporate affordable housing and implement the aims of this policy statement

<sup>&</sup>lt;sup>16</sup> This refers to a movable building on the same lot as an existing dwelling and used to provide accommodation for a person dependent on a resident of the existing dwelling



<sup>&</sup>lt;sup>15</sup> Includes, but is not limited to, surplus government land, and developments of 20 or more dwellings

1.11 Council will consider affordable housing outcomes when making decisions concerning Council assets, land and land use

## 2. Service provision

Through its various functions, Council plays a major role in protecting, improving and promoting the health of its residents. As the closest level of government to the community, Council works to ensure all residents are provided with an environment which allows them to achieve the best possible health and wellbeing. Housing, a basic human right, plays a critical role in enabling everyone to fully engage in community life, both economically and socially.

Council will:

- 2.1. Financially assist low-income homeowners to remain in their homes by:
  - 2.1.1. providing rates discounts to pensioners
  - 2.1.2. providing rates rebates to war veterans and widows
  - 2.1.3. considering a reduction of rates under the *Local Government Act 1989* in cases of hardship
- 2.2. Assist older residents to remain in their homes (either owned or rented) rather than transitioning to higher cost aged care through the provision of a range of support services
- 2.3. Manage Council's existing tenant nomination rights into aged and affordable housing, consistent with the objectives of this policy
- 2.4. Maintain a minimum privacy, security, safety and amenity standard for low-income rooming house residents through administration of the *Public Health and Wellbeing Act 2008, Building Act 1993* and *Residential Tenancies Act 1997*

## 3. Establishment of a Housing Trust

Council will establish the Hobsons Bay Housing Trust as a flexible and funded implementation tool for the development of affordable housing. A Trust provides a method to collect, hold and manage assets such as land, money and buildings to be used to increase the supply of affordable housing in Hobsons Bay.

The Trust will:

- 3.1. Receive and hold assets, funds and other forms of economic value
- 3.2. Address the concerns of Panels and Tribunals regarding the capacity of Council to implement this policy and develop affordable housing
- 3.3. Provide a permanent solution to ensure that any affordable housing contribution is not lost through subsequent market sales
- 3.4. Be subject to a strategic level of control from Council through: the terms of the trust deed, the appointment and removal by Council of the Trust Manager, and a reporting framework from the Trust Manager to Council against financial and social outcomes, as agreed
- 3.5. Be managed by a Trust Manager that shall be a Registered Housing Association regulated by the Victorian Registrar of Housing under the *Housing Act 1983* and appointed for a finite term following a contestable public process



- 3.6. Ensure that any housing assets are maintained from tenant rent payments and do not present a future maintenance cost to Council
- 3.7. Enable Hobsons Bay to access, through the Trust Manager, the capacity, expertise and development advantages of the Victorian Registered Housing Associations and Registered Housing Providers
- 3.8. Ensure that any housing owned or developed by the Trust is occupied and used for the benefit of residents of Hobsons Bay
- 3.9. Become registered as a public benevolent institution and tax concession charity to attract Commonwealth and State taxation benefits
- 3.10. Provide simplification and certainty about future land use when Council officers consider requests for affordable housing planning dispensations
- 3.11. Assist Council officers to negotiate the quantum, form and timing of affordable housing contributions
- 3.12. Provide certainty to developers concerning the timing, price and design of affordable housing.

Council, through the Housing Trust Deed, will direct the Manager of the Hobsons Bay Housing Trust to:

- 3.13. Seek additional sources of government and private funding for housing, including, but not limited to, Commonwealth and State grants, debt, rent assistance, philanthropic grants, bequests, and transfers of assets
- 3.14. Accept affordable housing contributions
- 3.15. Identity and select future tenants who shall be in housing need (refer to 3.8)
- 3.16. Develop and implement rent setting policies that meet Council's aims and the aims of this policy
- 3.17. Develop housing that meets Council's design and location objectives
- 3.18. Support and encourage tenants to move into private rental housing and home ownership through practices that include private rental brokerage and shared equity schemes

Council will create flexibility in the affordable housing contribution mechanisms through consideration of alternative mechanisms, including but not limited to:

- 3.19. The delivery of part of a development site as a land contribution rather than the delivery of completed dwellings, allowing a separate development by a Registered Housing Association (RHA)
- 3.20. The developer supplying a land parcel in an alternative location allowing a separate development by a RHA. The land parcel could be on lower value land in Hobsons Bay
- 3.21. The sale of 10 per cent of dwellings OR less than 10 per cent at a discounted price that a RHA can finance, subject to negotiation



- 3.22. A cash payment in lieu of a dwelling contribution with the funds used on an alternate project on land elsewhere in Hobsons Bay
- 3.23. Joint ventures between multiple RHAs
- 3.24. Joint ventures with DHHS aimed at renewing existing public housing that would otherwise be at the end of economic life and uninhabitable
- 3.25. Joint ventures with DHHS aimed at retaining the current number of public housing dwellings in Hobsons Bay

Council will recognise the importance of affordable housing to local industry and business owners seeking a skilled local workforce and to residents seeking to upgrade their workforce skills and remain in their current homes. As such Council will:

- 3.26. Provide the Housing Trust Manager with discretion to allocate up to 20 per cent of housing created or managed under the policy as affordable rental housing for residents of Hobsons Bay who are in the workforce (key workers), in the bottom 40 per cent of income as determined by the latest ABS Personal Income Data for the City of Hobsons Bay, and who are employees of a business or public service located in Hobsons Bay or who are in full time higher education and who have a long-term established connection with Hobsons Bay
- 3.27. Such housing to be managed and tenants selected by the Housing Trust Manager with a maximum tenancy of one year, after which such tenants are to be assisted to find housing in the private rental market through private rental brokerage or other means

#### 4. Advocacy and leadership

Council recognises that tackling housing affordability requires the involvement of all tiers of government, as well as partnering with other councils and relevant agencies. Council's recognition of its importance is reflected in Council's key strategic plans and strategies which aim to increase the supply of affordable housing.

#### Council will:

- 4.1. Provide adequate resourcing to support the actions of this policy statement
- 4.2. Work constructively and cooperatively with neighbouring councils to address the provision of affordable housing for low-income residents within the Western Region of Metropolitan Melbourne
- 4.3. Advocate for changes to the State Planning Policy Framework to provide more explicit support for affordable housing in planning
- 4.4. Advocate for appropriate public, not for profit and private housing outcomes that address the housing needs of low to moderate income residents
- 4.5. Demonstrate public sector innovation and leadership in the identification of housing opportunities in decisions concerning Council assets and advocate that other public and government organisations do the same



4.6. Advocate for all surplus Victorian Government land in Hobsons Bay that is to be developed for residential or mixed use purposes to carry a requirement for the delivery of affordable housing as a part of its redevelopment

### 5. Building the evidence base and community understanding

Research plays a critical role in developing an evidence base on which to measure and monitor housing affordability in Hobsons Bay and to keep the community informed of the important role it plays in maintaining the wellbeing and diversity of our residents.

Council will:

- 5.1. Fund targeted research such as best practice implementation methods and local data collection to continue to build on Council's understanding of affordable housing and the impact of limited housing on the community
- 5.2. Monitor DHHS housing affordability data and other data on housing affordability in Hobsons Bay
- 5.3. Undertake an economic analysis to identify the trigger for when and the extent of the contribution to affordable housing will be requested (e.g. sites over a certain size)
- 5.4. Continue to raise awareness of the importance of affordable housing by building the capacity and understanding of the community and stakeholders around affordable housing and the benefits of ensuring an adequate supply is available in Hobsons Bay

## 6. Partnering to maintain existing public housing

Council will seek a productive partnership with the Hobsons Bay Housing Trust and the Director of Housing to support an outcome that ensures there is no future net loss of the estimated 990 public housing dwellings in Hobsons Bay.

In particular, Council will:

- 6.1. Explore how the Trust and the Director of Housing may work together on the redevelopment and replacement of ageing public housing dwellings and address the issues identified in the 2012 Report of the Auditor General
- 6.2. Minimise the undesirable impacts on individuals and neighbourhoods associated with high concentrations of public housing
- 6.3. Explore the possibility of creating a register of public housing dwellings in Hobsons Bay and request the Director of Housing to consult with Council prior to the sale or disposal of dwellings upon the register
- 6.4. Seek asset transfers of surplus Victorian Government land within Hobsons Bay to the Hobsons Bay Housing Trust for the purposes of increasing the overall supply of affordable housing

## Monitoring and evaluation of this policy statement

Ongoing monitoring will occur for the policy statement, with an in-depth review undertaken in 2021. This review will aim to identify what has been achieved since the policy adoption, ensure the policy statement is reflective of any state and federal policy changes and to incorporate any changes within community and stakeholder needs.

