

Updating Council's Affordable Housing Policy Statement

Background Paper (July 2023)



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1. Introduction

There is an urgent need for more Affordable Housing in Hobsons Bay. Research undertaken by Council indicates that currently there are just over 1,400 households in need of Affordable Housing.

Council's current Affordable Housing Policy Statement 2016 (the 2016 Policy Statement) is now due to be updated. Since it was adopted in 2016, there have been important changes to the legislative, policy and funding contexts, alongside ongoing changes to Hobsons Bay's residential development landscape.

Key changes since the Policy Statement was adopted in 2016 include:

- Inclusion of a definition of 'Affordable Housing' in the *Planning and Environment Act 1987*
- Commencement of the Victorian Government's Big Housing Build program, including significant funding and planning changes
- Establishment of the Hobsons Bay Affordable Housing Trust and progression of the Epsom Street Affordable Housing Project
- Increased commitment from the Commonwealth Government in terms of future investment in Affordable Housing
- Implementation of Council's Industrial Land Management Strategy 2008, including the re-zoning of key 'brownfield' sites for residential use (with Affordable Housing planning controls included on several sites).

The purpose of this background paper is to inform the update of Council's Affordable Housing Policy Statement. It presents the key information, research and data that supports the policy settings proposed in the updated Policy Statement.

The background paper included the following sections:

- Section 3 (Defining Affordable Housing) – this section describes the definition of 'Affordable Housing' provided in the *Planning and Environment Act 1987*, while also recognising various types of Affordable Housing that sit within this definition.
- Section 4 (Roles and Responsibilities) – this section outlines the roles and responsibilities of all levels of government, as well as key stakeholders such as Registered Housing Agencies, landowners and developers, and local communities and businesses.
- Section 5 (Policy and funding context) – this section describes the current policy and funding contexts for Affordable Housing that are administered by the Commonwealth and Victorian Governments.
- Section 6 (Council's Approach to Affordable Housing) - this section summaries the key aspects of Council's approach to increasing the supply of Affordable Housing in Hobsons Bay, including the existing policy context and key projects and activities.
- Section 7 (Land-use planning) – this section presents an overview of the relationship between land-use planning and the provision of Affordable Housing in Hobsons Bay.
- Section 8 (Affordable housing needs assessment) – this section presents an overview of data on the provision of Affordable Housing in Hobsons Bay
- Section 9 (Evaluation of 2016 Policy Statement) – this section evaluates the implementation of the 2016 Policy Statement

2. Defining Affordable Housing

The Affordable Housing Policy Statement 2016 defines affordable housing 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’. The statement primarily focusses on non-market (or social housing), recognising Council’s limited capacity to influence private housing markets.

Since the Policy Statement was adopted in 2016, the Victorian Government has added a definition of ‘affordable housing’ to the *Planning and Environment Act 1987* which includes housing for very low, low- and moderate-income households. There are various types of Affordable Housing that sit within this definition, including social housing, affordable rental housing and affordable purchase housing.

Council’s updated Policy Statement should take account of these changes and describe the types of Affordable Housing that will be the main focus of the Policy Statement.

Definition

Affordable housing is defined in the *Planning and Environment Act 1987* as ‘housing, including social housing, that is appropriate for the housing needs of very low, low, and moderate income households’. The Act also includes an objective ‘to facilitate the provision of affordable housing in Victoria’. Income ranges for household groups are published annually by the Victorian Government and form part of the definition under the legislation. The most recent income ranges for Greater Melbourne, which were published in June 2023, are presented in Table 1.¹

Table 1: Household Income ranges for Affordable Housing in Greater Melbourne (June 2023)

	Very low income range (annual)	Low income range (annual)	Moderate income range (annual)
Single adult	Up to \$29,770	\$29,771 to \$47,630	\$47,631 to \$71,450
Couple, no dependent	Up to \$44,650	\$44,651 to \$71,450	\$71,451 to \$107,170
Family (with one or two parents) and dependent children	Up to \$62,510	\$62,511 to \$100,030	\$100,031 to \$150,030

A Ministerial Notice issued in 2018² also establishes eight key criteria that need to be considered when determining whether housing is appropriate for the needs of very low, low and moderate-income households, including:

- Housing need – dwellings will broadly respond to housing need established through official data such as ABS Community Profiles and Victoria Housing Register, e.g. location, dwelling type, price, etc.
- Allocation – dwellings will be allocated in accordance with household income bands established under the legislation (see above).
- Affordability – dwellings will be affordable to target income groups (e.g. very low income households), typically at no more than 30 per cent of gross household income.

¹ Governor in Council Order (2023) *Planning and Environment Act 1987, Section 3AB – Specification of Income Ranges for Affordable Housing*, June 2023.

² Victorian Government (2018) *Ministerial Notice – Specified Matters under Section 3AA(2) of the Planning and Environment Act 1987*, May 2018.

- Tenure – tenure (e.g. rental, ownership) will respond to identified housing need and financial capacity of target groups.
- Type – dwellings will respond to identified housing need, e.g. number of bedrooms
- Location – dwellings will be in areas that allow residents to access transport and other services.
- Integration - dwellings will be integrated within local communities and be indistinguishable from private market housing.
- Longevity – dwellings will be provided as affordable housing for an appropriate length of time.

The Victorian Government has also encouraged the use of Section 173 agreements to assist in the facilitation of negotiations for voluntary affordable housing contributions.³

Types of Affordable Housing

Figure 1 illustrates a spectrum of housing types and tenures on a 'housing continuum', which range from homelessness to renting and ownership in the private housing market.



Figure 1: Housing continuum

(Source: adapted from <https://www.northumberland.ca/en/housing-help/housing-continuum.aspx>)

The following definitions of the key types of Affordable Housing have been adapted from the Victorian Government:⁴

- **Social housing** - rental housing suitable for the needs of very low- and low-income households provided either by government (public housing) or the community housing sector (community housing) and supported with a subsidy of some kind. Tenants access social housing via the Victorian Housing Register and rents are typically set as a percentage of income, e.g. 25 to 30 per cent.
- **Affordable rental housing** – housing suitable for the needs of (primarily) moderate income households, typically provided either by government or the community housing sector. Housing is priced so these households can meet their other essential living costs. Tenants are subject to eligibility criteria and rents are usually set as a percentage of market rate, e.g. 70-80 per cent. Affordable rental housing may be delivered through programs such as the Commonwealth Government's National Rental Affordability Scheme (ending in 2026) and the Victorian Government's Homes Victoria Affordable Home program.

³ Department of Transport and Planning (2022) Planning for affordable housing (<https://www.planning.vic.gov.au/policy-and-strategy/affordable-housing>).

⁴ Homes Victoria (2023) 10-Year Strategy for Social and Affordable Housing (<https://www.homes.vic.gov.au/10-year-strategy-social-and-affordable-housing>).

- **Affordable purchase housing** - housing suitable for the needs of (primarily) moderate income households, typically provided or supported by government, community housing sector or the development sector. Housing may be priced as a percentage of market rate (e.g. 70-80 per cent) and/or delivered through various programs such as 'shared equity' or 'rent to buy' (see Key Terms).

It is recommended that the updated Policy Statement focus primarily on these types of Affordable Housing. Crisis accommodation and transitional housing should not be a primary focus for the updated Policy Statement, as they typically provide short-term housing options for people experiencing homelessness or an immediate crisis such as family violence. Private rental and private ownership should be also out of scope, as Council has limited capacity to influence housing affordability in the private market.

Focus for the updated Statement

Increasing the supply of social housing has been a key priority for Council through the 2016 Policy Statement. This has been reflected in the development of the Hobsons Bay Affordable Housing Trust and the Epsom Street Affordable Housing Project.⁵ The Victorian Government has also prioritised social housing through recent funding initiatives, including the Social Housing Growth Fund and Big Housing Build.

However, in recent years, there has been a growing focus on 'affordable rental' models at the state level. For example, around 20 per cent of the dwellings expected to be delivered through the Big Housing Build will be affordable housing. Additionally, the Australian Government's National Housing Accord seeks to increase supply of affordable rental, which it defines as rental housing that is provided at between 70 and 80 per cent of market rent.⁶

Therefore, it is recommended that the updated policy statement focus on affordable rental, affordable purchase, and social housing models. However, this should be underpinned by the broader definition of affordable housing that is presented in the *Planning and Environment Act 1987*. This is particularly relevant in the context of voluntary negotiations for affordable housing contributions through the planning system.

Implications for the updated Policy Statement

- The updated policy statement should adopt a broad definition of Affordable Housing (which includes social housing) that aligns with the definition in the *Planning and Environment Act 1987*.
- The updated policy statement should focus on three key types of Affordable Housing (social housing, affordable rental housing and affordable purchase housing), underpinned by the broader definition of Affordable Housing presented in the *Planning and Environment Act 1987*.

⁵ Both projects use the term 'affordable housing' in their titles despite being primarily focused on the delivery of social housing. This is consistent with the broader definition of affordable housing (which includes social housing) added to the *Planning and Environment Act 1987* in 2018. However, this does have the potential to create confusion and consideration should be given to using different terminology, as particularly for future stages of the Epsom Street project (subject to funding).

⁶ Australian Government (2022) National Housing Accord 2022 (<https://ministers.treasury.gov.au/sites/ministers.treasury.gov.au/files/2022-10/national-housing-accord-2022.pdf>).

3. Roles and responsibilities

This section outlines the roles of government in relation to Affordable Housing, as well as other key stakeholders such as Registered Housing Agencies, developers and support services.

Government

All three levels of government play a role in the availability and supply of Affordable Housing in Australia.

At the Federal level, the Australian Government oversees tax policy frameworks that directly affect housing demand and affordability in the private market, including through negative gearing and capital gains tax. It also delivers programs that aim to provide increased access such as First Home Buyer Grants. In a more targeted way, the Australian Government also funds homelessness services, offers low-cost financing for social housing projects, and provides payments to individuals through Commonwealth Rent Assistance.

At the State level, the Victorian Government oversees the state's public housing system and provides funding to registered housing agencies to manage community housing. It is also responsible for setting land-use planning policy frameworks, including an objective within the *Planning and Environment Act 1987* to 'facilitate the provision of affordable housing'.

Additionally, the Victorian Government is delivering the Big Housing Build program, which is providing funding to construct more than 12,000 new social and affordable housing dwellings by 2024. To streamline the implementation of the Big Housing Build, the Victorian Government introduced changes to the Victoria Planning Provisions in December 2020. More detail on the Big Housing Build is provided in Section 5.

Local government has traditionally focused on advocacy and land-use planning, with some Councils (including Hobsons Bay) taking a more proactive approach by using Council-owned assets or other contributions to enable Affordable Housing. Local government also has broader role in terms of collecting rates and applying rates concession and exemption policies, as well as delivering and maintaining local infrastructure and managing the registration, monitoring and compliance of rooming houses.

Government roles and responsibilities in the Australian housing system are summarised in Appendix 2. Key policy and funding contexts for each level of government are presented in Sections 5 and 6.

Other Key Stakeholders

Collective action from a range of stakeholders is required to increase the supply of Affordable Housing. The following key stakeholders play important roles.

Homes Victoria

Homes Victoria was established in 2020 and sits within the Victorian Government Department of Families, Fairness and Housing. It works across all levels of government, as well as industry and the community housing and homelessness sectors to increase the supply of social housing, including through programs such as Big Housing Build.

Homes Victoria oversee the delivery and maintenance of social housing in Victoria, including approximately 1,350 social housing dwellings in Hobsons Bay. Most of these are managed directly by Homes Victoria (as public housing), but some are managed by registered housing associations on long-term leases from the state (as community housing).

Registered Housing Agencies

Registered Housing Agencies (RHAs) are not-for-profit organisations established to develop and manage Affordable Housing. In Victoria, there are two types of RHAs: *Housing Associations* are typically larger organisations and *Housing Providers* are smaller, often locally-focused, organisations. As of October 2022, there were 10 housing associations and 36 housing providers registered in Victoria. Registered Housing Agencies are a regulated sector under the *Housing Act 1983*. The Victorian Housing Registrar is responsible for the regulatory oversight of the sector, ensuring it delivers safe, secure and affordable housing and protects investment into the sector.

The following RHAs currently manage social and/or affordable housing in Hobsons Bay: Unison Housing; Aboriginal Housing Victoria; Common Equity Housing; Haven Home Safe; Housing Choices Australia; Launch Housing; United Housing Co-operative; Williamstown Rental Housing Co-Op; Wintringham Housing; Women's Housing; and Women's Property Initiatives.⁷ As the Trustee of the Hobsons Bay Affordable Housing Trust, HCA is a key stakeholder for future development of Affordable Housing in Hobsons Bay (see below for more detail on the Trust).

RHAs may contribute to increasing supply by developing their own land or land owned by government agencies. They may also apply for government funding for housing development. RHAs can also accept developer contributions, which may be required through planning controls, by agreeing to purchase dwellings at a reduced agreed price or accepting cash or land contributions. Some RHAs also incorporate real estate businesses, which may provide affordable housing to moderate income households. Some also provide, or have access to, support services that may be required for residents.

Landowners and developers

Landowners and developers are key stakeholders in the provision of Affordable Housing. Under the current planning framework, landowners and developers make voluntary contributions in the form of dwellings, land and/or cash.

Landowners and developers take various forms, including private commercial entities, government agencies or local residents. For example, government agencies (such as VicTrack or VicRoads) who own large parcels of land in Hobsons Bay which, if surplus to needs for rail or road infrastructure, may be suitable for affordable housing.

Council is responsible for assessing planning permit applications and planning scheme amendments from developers and landowners to ensure development and rezoning complies with the Hobsons Bay Planning Scheme. Council should consider how it can further strengthen its relationships and engagement with landowners and developers to facilitate Affordable Housing and as part of its updated Policy Statement.

Support service agencies

A range of not-for-profit organisations work within Hobsons Bay to support local communities impacted by housing stress, homelessness and the broad lack of Affordable Housing. This includes financial, legal, health and education services. It also extends to homeless support services and organisations providing material aid to vulnerable residents. Support services can play a key role by providing support to help maintain tenancies, and as supporters of local funding applications.

⁷ Internal Council data.

Local communities and businesses

Hobsons Bay residents and businesses are Council's primary stakeholders. Local communities may provide input into the planning of housing, while community members (as land and property owners) are also responsible for some development. Council also has a statutory requirement to engage with the community through policy development, planning scheme amendments, and planning permit assessment process.

Members of local communities also live in Affordable housing. As noted, there are more than 1,350 social housing dwellings in Hobsons Bay. The Hobsons Bay Affordable Housing Trust also seeks to make Affordable Housing available to people with a connection to the local community, so this is likely to increase in the years ahead.

Implications for the updated Policy Statement

- All three levels of government play a role in the availability and supply of Affordable Housing in Australia.
- To increase the supply of Affordable Housing, collective action is required from a range of stakeholders, including government agencies, Registered Housing Agencies, landowners, developers, support services, and local communities and businesses.
- Through the updated Policy Statement, Council should recognise and seek to engage with a wide range of key stakeholders to achieve the best possible outcomes.
- Through the updated Policy Statement, Council should continue to be an advocate for the community on matters relating to Affordable Housing

4. Policy and funding context

This section describes the current policy and funding context for affordable housing within the Commonwealth and Victorian Governments. It also highlights how these inform a range of future opportunities and challenges for Council in seeking to increase local supply.

Commonwealth Government

There is currently no national housing strategy or policy in Australia. Over the past decade, the Commonwealth Government has sought to influence housing supply primarily through monetary policy (such as taxation and superannuation), targeted programs (such as the First Home Buyer's Grants) and income supplements (such as Commonwealth Rent Assistance). The key elements of the Commonwealth Government policy and funding context are outlined below.

National Housing Accord

The National Housing Accord (the Accord) was announced in October 2022. It is an agreement that aims to align all levels of government, institutional investors (e.g. superannuation funds) and the construction sector to address housing issues in Australia. The Commonwealth aims to fund 10,000 new affordable housing dwellings from 2024, with in-kind or financial contributions from state and territory governments to support an additional 10,000 affordable dwellings.

It is important to note that under the Accord, 'affordable housing' is generally taken to refer to rental housing that is provided at below market rent to qualifying tenants (usually between 70 and 80 per cent of market rent). This sits within the 'affordable rental housing' part of the housing spectrum (rather than 'social housing') and has important implications for Council and the Hobsons Bay Affordable Housing Trust in terms of planning future projects and funding applications.

Other aspects of the Accord that are relevant for Council include plans to expedite zoning, planning and land release for Affordable Housing, and to work with local governments to deliver planning reforms and free up landholdings. More generally, the Accord provides an opportunity for Council to engage and potentially partner with Commonwealth Government to facilitate the delivery of affordable housing in Hobsons Bay.

Housing Legislative Package

In December 2022, the Commonwealth Government released exposure draft legislation to progress key housing election commitments. The *Housing Australia Future Fund Bill* and the *National Housing Supply and Affordability Council Bill* will establish the \$10 billion Housing Australia Future Fund and the establishment of the National Housing Supply and Affordability Council. The Housing Australia Future Fund is expected to deliver an additional 30,000 new social and affordable dwellings. As at June 2023, the legislation has not been passed in the Senate.

National Housing and Homelessness Agreement

The [National Housing and Homelessness Agreement](#) (NAHA) is an agreement between the Commonwealth, State and Territory Governments. It is primarily a funding agreement, whereby the Commonwealth Government allocates funding to state and territory governments to improve access to secure and affordable housing.

In 2021-22, the Federal Government allocated \$419 million to Victoria. Under the agreement, state and territory government are required to match Commonwealth funding for homelessness services and to develop and maintain housing and homelessness strategies. In 2022, the Productivity Commission released its report on the National Housing and Homelessness Agreement, which it described as 'ineffective'. The Agreement is expected to be reviewed and updated during 2023.

National Housing Finance and Investment Corporation (Housing Australia)

The [National Housing Finance and Investment Corporation](#) (NHFIC) provides long-term, low-cost finance to eligible organisations (such as community housing providers) and projects with the aim of increasing supply of Affordable Housing. For example, Housing Choices Australia (as the Trustee for the Hobsons Bay Affordable Housing Trust) can finance developments in Hobsons Bay with the assistance of NHFIC finance. The Commonwealth Government's Housing Legislative Package includes a proposal to rename NHFIC as 'Housing Australia'.

National Housing Infrastructure Facility

The [National Housing Infrastructure Facility](#) funds critical major infrastructure projects which enables the delivery of new housing, particularly affordable housing. This may indirectly finance new infrastructure required for housing development, which could possibly be leveraged for new precinct sites in Hobsons Bay.

Commonwealth Rent Assistance

Commonwealth Rent Assistance (CRA) is a non-taxable income supplement paid to eligible people who rent in the private or community housing rental markets. The Commonwealth Government spends around \$5 billion annually on CRA. Housing Choices Australia (trustee of the Hobsons Bay Affordable Housing Trust) is a community housing provider, which means their residents are eligible for CRA.

Victorian Government

The Victorian Government plays a key role in the provision Affordable Housing in Victoria. The key elements of the Victorian Government policy and funding context are outlined below.

Housing Act 1983

The [Housing Act 1983](#) aims to ensure that every person in Victoria has 'adequate and appropriate housing at a price within his or her means'. The Act establishes the key elements of Victoria's social housing system, including the Victorian Housing Register and the regulatory system for the community housing sector.

Residential Tenancies Act 1997

The [Residential Tenancies Act 1997](#) outlines the rights and responsibilities of renters and rental providers in Victoria. The Act sets out rules on a range of topics, including rent increases, property condition and repairs, and when a tenancy can be ended. The Act was updated in 2021 to implement the Victorian Government's rental law reforms, which introduced rental minimum standards and a range of other changes, including a ban on rental bids, new options for renters in claiming their bond, and limitations on the information landlords may request in application forms.

The [Residential Tenancies \(Rooming House Standards\) Regulations 2012](#) are made under Sections 142C and 511 of the Act. The regulations establish a set of minimum standards for rooming houses operators relating to privacy, security, safety and amenity. As at June 2023, there are 15 registered rooming houses in the Hobsons Bay and Council is responsible for monitoring compliance against the standards.

Planning and Environment Act 1987

The [Planning and Environment Act 1987](#) establishes a framework for planning the use, development and protection of land in Victoria. In 2018, several amendments to the Act came into effect, including a definition of 'Affordable Housing' (see Section 3) and an objective to 'facilitate the provision of affordable housing in Victoria'. Agreements made under Section 173 of the Act have

been encouraged as a legal mechanism that planning authorities (such as Councils) can use to record voluntary affordable housing contributions.

Homes for Victorians

[Homes for Victorians](#), the Victorian Government's housing strategy, was released in 2017 and aims to improve housing choices for all Victorians. It includes a range of initiatives across five broad areas: 1. Supporting people to buy their own home; 2. Increasing supply of housing through faster planning; 3. Promoting stability and affordability for renters; 4. Increasing and renewing social housing stock; and 5. Improving housing service for Victorians in need. As such, the strategy aims to improve outcomes across the housing spectrum.

A number of these initiatives have been implemented in the following years, including reform of the *Rental Tenancies Act 1997*, abolishing stamp duty for eligible first home buyer purchases, and re-development of selected public housing estates. A key purpose of the updated Policy Statement will be to provide an updated policy tool that assists with delivering Affordable Housing, which broadly aligns with the Homes for Victorians strategy.

Victoria's homelessness and rough sleeping action plan

Victoria's homelessness and rough sleeping action plan was released in 2018. It aims to provide a framework to reduce the incidence and impacts of rough sleeping within the context of four key themes: 1. Intervening early to prevent homelessness; 2. Providing stable accommodation as quickly as possible; 3. Support to maintain stable accommodation; 4. An effective and responsive homelessness system.

With the onset of the COVID-19 pandemic, the Victorian Government introduced additional measures to support people experiencing homelessness and rough sleeping. This included hotel accommodation, programs such as From Homelessness to a Home, and increases to the Housing Establishment Fund, which specialist homelessness services use to purchase short-term accommodation for client. However, many of these measures have since been discontinued or rolled back, with support levels largely returning to levels offered prior to the pandemic.

Big Housing Build

Victoria's [Big Housing Build program](#) is a \$5.3 billion investment in social and affordable housing, which aims to deliver over 12,000 new dwellings by 2024. It was announced in December 2020 and extends the Victorian Government efforts to increase supply of social and affordable housing, previously directed through the Homes for Victorians Strategy and Social Housing Growth Fund. To date, four projects have been funded in Hobsons Bay, which are expected to deliver 34 dwellings.

To streamline the implementation of the Big Housing Build, the Victorian Government introduced changes to the Victoria Planning Provisions in December 2020. These apply to projects funded through the Big Housing Build (Clause 52.20), and for housing by or on behalf of the Director of Housing (Clause 53.20). Where Clause 52.20 applies, projects are exempt from normal planning scheme requirements and may not require a planning permit provided certain requirements are met. Rather, they are subject to the approval of the Minister for Planning. Prior to seeking approval from the Minister, there is an expectation that the proponent will undertake and document public consultation (including with Council) on relevant plans, documents and information, although timeframes have been relatively short for this to occur through the initial implementation.

Where Clause 53.20 applies, the Minister for Planning is the responsible authority for projects with ten or more dwellings and all apartment projects. Council remains the responsible authority for projects with nine or fewer dwellings. In either case, projects are subject to a planning permit

application assessment, although they are exempt from third party notice and review rights. Projects under Clause 53.20 are also exempt from most planning scheme provisions and are instead required to consider the development standards in Clause 52.20, which include requirements in relation to energy efficiency and accessibility for apartment buildings.

Other measures and initiatives

The Victorian Government has commenced work on other initiative in recent years, including:

- **Ten Year Strategy for Social and Affordable Housing** – consultation was undertaken in early 2021 on the Strategy but it has not yet been released. A discussion paper released during the consultation phase indicated the strategy would provide a framework to guide action by those who are part of the social and affordable housing system, including local government. Council officers provided a submission for consideration in developing the Strategy.
- **Social and Affordable Housing Compact** – consultation was undertaken in mid-2022 on the Compact (Council officers also provided a submission) but further detail has not yet been announced. The Compact represents a partnership between Homes Victoria and local government, represented by the Municipal Association of Victoria. It is expected that Councils will also be able to enter into local agreements with Homes Victoria to assist the planning, delivery, and management of Affordable housing.
- **Windfall Gains Tax** – from 1 July 2023, a Windfall Gains Tax (WGT) applies to land that is subject to a government rezoning resulting in a value uplift to the land of more than \$100,000. Uplift values between \$100,000 and \$500,000 will be taxed at 62.5 per cent, while uplift values above \$500,000 will be taxed at 50 per cent of the total uplift. The Commissioner of State Revenue will administer the WGT, but it is unclear how the proceeds will be used by the Victorian Government. The WGT will impose additional costs on developers and landowners, potentially making it more difficult to negotiate Affordable Housing contributions.

Implications for the updated Policy Statement

- The Commonwealth Government's Housing Legislative Package will introduce reform that may provide opportunities to increase local supply of Affordable Housing.
- The Commonwealth Government is expected to provide funding for Affordable Housing from 2024, with a focus on affordable rental housing (typically prices at 70-80 per cent of market rate).
- The current system of voluntary negotiations for affordable housing contributions is likely to remain in place for the foreseeable future. As such, the updated Policy Statement should support Council's efforts to maximise outcomes through this system.
- The Big Housing Build program remains a key funding source Affordable housing in Victoria. Future funding rounds should be considered in conjunction with HCA as the Trustee for the Hobsons Bay Affordable Housing Trust.
- Other Victorian Government policies and initiatives may create barriers and opportunities to increase supply in the years ahead. These include the Windfall Gains Tax, Ten Year Strategy for Social and Affordable Housing, and Social and Affordable Housing Compact.

5. Council's approach to Affordable Housing

Guided by the Affordable Housing Policy Statement 2016, Council takes a 'proactive' approach in seeking to increase the supply of Affordable Housing in Hobsons Bay. Alongside its advocacy and land use planning roles, Council has established the Hobsons Bay Affordable Housing Trust and undertaken detailed planning and consultation to consider the use of Council-owned land in the Epsom Street Affordable Housing Project. This section summaries the key aspects of Council's approach to increasing the supply of Affordable Housing in Hobsons Bay with a more detailed evaluation of the 2016 Policy Statement provided in Section 9.

Policy Context

Hobsons Bay City Council has several strategies and policies which guide its efforts to increase the supply of Affordable Housing in the municipality.

Council Plan 2021-25

The [Council Plan 2021-25](#) sets the strategic direction and objectives for Council's work every four years. The current plan was adopted in October 2021, following an extensive community engagement campaign involving more than 1,400 people. The Plan includes a priority to deliver more affordable housing, alongside an indicator to measure the availability of affordable housing in new developments and attracting Big Housing Build investment. The Plan also incorporates Council's Municipal Public Health and Wellbeing Plan which outlines Council's priorities to support the health and wellbeing of the community. Priority 4 (A Safe, Healthy and Equitable Society) recognises Council's role in improving access to affordable housing.

A Fair Hobsons Bay for All 2019-23

[A Fair Hobsons Bay for All 2019-23](#) is Council's first integrated social policy. It was adopted in October 2019 and aims to ensure that equity and fairness are embedded in all of Council's decisions and activities. Strategy 1.13 proposed to 'work in partnership to understand homelessness within Hobsons Bay and increase the amount of affordable housing'.

Hobsons Bay Housing Strategy 2019

The [Hobsons Bay Housing Strategy](#) provides a policy framework for managing housing in the municipality until 2036. One of the key policy objectives in the strategy is to improve housing affordability in Hobsons Bay and increase the supply of affordable housing in the municipality. Policy Area 3.2 (Affordable Housing) recommends that Council continue to review opportunities to increase local supply of social housing; review the affordable housing policy statement as required; and continue to advocate to the Victorian Government for Inclusionary Zoning.

Policy Areas 3.3 (Homelessness) and 3.4 (Empty Homes) provide further recommendations to address homelessness as part of the affordable housing agenda, monitor the number of rooming houses, advocate for changes to relevant legislation, and monitor the rates of empty houses and the effectiveness of the Vacant Residential Land Tax. The updated Policy Statement should complement and align with the Housing Strategy and consider further detail and guidance to achieve agreed objectives.

Hobsons Bay Property Strategy 2021

The Hobsons Bay Property Strategy 2021 aims to ensure that Council property delivers the highest possible public value through objective and effective planning, utilisation and management. The Strategy recognises Affordable Housing as one of the 'property types' that make up Council's

property portfolio, noting the role of the Hobsons Bay Affordable Housing Trust in protecting the liveability of the municipality and supporting the diversity of our community.

Better Places

Council's Better Places program aims to provide a more holistic and integrated approach to designing for change into the future. It takes a more place-based approach - thinking in terms of overall 'places' rather than individual 'pieces' - and providing a new model for the way Council designs and delivers projects. Better Places also aims to involve the community more actively in the process of shaping the place they live in, helping to create a vision that reflects their values, ideas and priorities.

In 2020, community consultation occurred to inform the development of the Better Places Laverton Place Guide which identified a range of potential projects and initiatives, including the delivery of affordable housing on the Council-owned site at Epsom Street. It notes that housing development's construction would create jobs and increase the population and demand for local goods and services in Laverton, creating a more vibrant community as per the objectives of the Better Places Laverton Place Guide.

Affordable Housing Policy Statement

Council's Affordable Housing Policy Statement was adopted in 2016. It articulates Council's commitment to ensuring all households in the municipality can live in affordable, secure and appropriate housing that meets their needs, particularly those with low and moderate incomes. This Background Paper will inform the update of the Policy Statement, and a detailed evaluation is presented in Section 9 and Appendix 4.

Other Strategies and Plans

The following Council strategies and plans also have some relevant to Affordable Housing:

- Hobsons Bay Advocacy Strategy 2021-25 – affordable housing is noted as one of the challenges facing the Hobsons Bay community.
- Building Asset Management Plan 2020 – the plan notes that building assets that are identified for possible disposal will be further investigated to scope available options for alternate service delivery, if any.
- Asset Plan 2022-32 – the plan notes the number, replacement value and condition of all buildings owned or managed by Council, and provides guidance on maintenance, renewal and disposal of these assets.
- Community Services and Infrastructure Plan 2020-30 – the purpose of this plan is to provide Council with a strategic framework for the provision and delivery of community services and infrastructure; it does not specifically relate to the provision of Affordable Housing but is relevant in the context of increasing demand for local services and infrastructure.

Projects and other activities

Hobsons Bay Affordable Housing Trust

A key action arising from Council's Affordable Housing Policy Statement was the establishment of the Hobsons Bay Affordable Housing Trust. The Policy Statement proposes that the Trust be established for the charitable purpose of providing housing to low-income individuals or households that have a connection to Hobsons Bay. The Trust is Council's preferred mechanism for the delivery of affordable housing contributions in the municipality.

In June 2020, Housing Choices Australia (HCA) was appointed by Council as the Trustee of the Hobsons Bay Affordable Housing Trust. HCA is a Registered Housing Association and a key stakeholder for Council in building the Trust and seeking to increase the supply of Affordable Housing more generally through the updated Policy Statement.

A Trust Deed and Funding and Services Agreement was subsequently signed by Council and HCA to guide the development and implementation of the Trust. With support from Council, HCA finalised the Trust's first annual business plan in early 2023, which outlines a range of actions to build relationships with key stakeholders (such as landowners and developers) and ultimately grow the Trust's asset base.

The further development and success of the Hobsons Bay Affordable Housing Trust is a key priority for Council. Significant time, money and effort have been invested to date, and the updated Policy Statement should continue to prioritise and support its development. A key challenge will be to demonstrate the benefit to landowners and developers of using the Trust to deliver their Affordable Housing contributions required under the Planning Scheme, as there is no mandatory requirement to use the Trust. Please also refer to the discussion in Section 7.

Epsom Street Affordable Housing Project

For nearly a decade, the Epsom Street Affordable Housing Project has been a key part of Council's approach to increasing the supply of Affordable Housing in Hobsons Bay. In 2014, Council purchased the former Laverton Primary School site at 7-43 Epsom Street, Laverton for the purposes of providing open space and consideration of future provision of affordable housing. Council subsequently purchased a single residential lot at 45 Epsom Street to enable a more holistic design for the overall development.

In 2018, a master plan for the site was finalised which nominated the central portion for open space and allocated the northern and southern sections of the site for affordable housing. Various community consultation activities were undertaken to inform this master plan. The first stage of the project was delivered with the opening of Curlew Community Park in December 2019.

With the formation of the Hobson Bay Affordable Housing Trust and the potential for Victorian Government funding, Council continued work to realise the Affordable Housing component of the master plan. In early 2022, Council sought feedback through a community consultation process on the draft Epsom Street Affordable Housing Design Guidelines. The guidelines were subsequently revised in response to community feedback and included in a state government funding submission made by HCA (on behalf of the Hobsons Bay Affordable Housing Trust). A decision on the funding is expected in mid-2023.

Advocacy

Advocacy remains a key part of Council's approach to increasing supply of Affordable Housing, with the Australian and Victorian Governments primarily responsible for setting the policy and funding context. Council officers have also made submissions to a range of state government inquiries and committees in recent years, including:

- Parliamentary Inquiry into homelessness in Victoria (2020)
- Ten Year Strategy for Social and Affordable Housing in Victoria (2021)
- Social and Affordable Housing Compact (2022).

Hobsons Bay has previously worked with the Municipal Association of Victoria (MAV) and neighbouring Councils to advocate for increase funding and planning reforms. In 2019, Council

officers contributed to the MAV's submission to the Ministerial Advisory Committee on Planning Mechanisms for Affordable Housing. More recently, Council contributed to a submission on the Social and Affordable Housing Compact prepared by M9, a group of nine inner city Councils seeking to increase supply of social and affordable housing. With the Australian Government appearing to take a stronger interest in Affordable Housing (as indicated in its National Housing Accord released in late 2022), advocacy will remain a key part of Council's approach and should be maintained in the updated Policy Statement.

Land use planning

Seeking to increase supply through the land use planning system is another key element of Council's approach to Affordable housing. This is covered in detail in the next chapter.

Implications for the updated Policy Statement

- Council's current policy framework provides support to continue to be proactive in addressing unmet need for Affordable Housing in Hobsons Bay
- Council's takes a more 'proactive' approach to increasing supply compared to many other Councils, including through the establishment of the Hobsons Bay Affordable Housing Trust and consideration of use of Council-owned assets.
- Council's approach also incorporates more typical activities, including advocacy and seeking contributions through the land use planning system. Council has been relatively successful in the latter, securing contributions through several Strategic Redevelopment Areas (see Section 7).
- This approach should be maintained and consolidated through the updated Policy Statement to meet future demand for Affordable Housing.

6. Land-use planning

This section presents an overview of the relationship between land-use planning in Hobsons Bay and the provision of Affordable Housing.

Affordable Housing contributions via the Hobsons Bay Planning Scheme

Like all local governments, Hobsons Bay works within the current voluntary negotiation framework for affordable housing contributions, established through the Victorian Planning System, the *Planning and Environment Act 1987* and supporting policies and processes.

Hobsons Bay implements the objective in the *Planning Environment Act 1987* to ‘facilitate the provision of affordable housing in Victoria’ and Clause 16.01-2S (Housing Affordability) by seeking voluntary affordable housing contributions for certain land use and developments that require a planning permit or planning scheme amendment. This has been guided to-date by the 2016 Policy Statement.

The 2016 Policy Statement outlines that Council will pursue negotiated agreements for the inclusion of affordable housing for certain applications made through the planning system, particularly:

- rezonings in Strategic Redevelopment Areas (SRA), when there is a residential rezoning proposed that will result in a significant uplift. The Policy Statement identifies that in SRAs where land is proposed to be rezoned from an industrial to a residential use Council will ‘seek 10 per cent non-market affordable housing’
- in Activity Centres
- in established suburbs / larger development sites, that includes but is not limited to, surplus government land and developments of 20 or more dwellings.

The 2016 Policy Statement is currently a background document in the Hobsons Bay Planning Scheme. As a background document, it has limited weight in the planning process, although it provides a solid platform for starting voluntary negotiations through the planning system.

Social Impact Assessment Guidelines 2023

In 2023, Council adopted the Residential Social Impact Assessment (SIA) guidelines, that trigger an SIA for planning permit applications that would deliver 200 or more dwellings. As part of this SIA, the applicant needs to demonstrate how the development may contribute to affordable housing stock in the area in line with the 2016 Policy Statement.⁸

Securing Affordable Housing contributions in Strategic Redevelopment Areas

Strategic Redevelopment Areas (SRAs) were first identified in the 2008 Industrial Land Management Strategy (ILMS) and have had a significant influence on housing supply and affordable housing contributions in Hobsons Bay. To date, Council has successfully negotiated contributions towards affordable housing within several key SRAs, including Precinct 15 (Altona North), Precinct 16 East and Precinct 16 West (South Kingsville).

In these larger SRAs, Council has secured contributions equivalent to five per cent of the total number of market dwellings delivered at a 25 per cent discount to market rate. Table 2 identifies affordable housing contributions that have been secured in Hobsons Bay.

⁸ Hobsons Bay Social Impact Assessment Guidelines - Residential 2023, pg. 11.

Table 2: Summary of Affordable Housing Contributions Negotiated in Hobsons Bay

Precinct / Site	Address	Affordable Housing Mechanism	Summary of Negotiated Affordable Housing Contribution
Precinct 15, Altona North	Land bordered by Kyle Road, Blackshaws Road, New Street, the West Gate Freeway and Brooklyn Terminal Sub-station, in Altona North and South Kingsville	Schedule 2 to Clause 37.02 Comprehensive Development Zone – Altona North Comprehensive Development Plan – 3.1 Requirements S173 Agreement/s	<ul style="list-style-type: none"> • 5 per cent of dwellings to be available for purchase by a Housing Agency • price must not exceed an amount that is 25 per cent less than the current 12-month median unit price for a 2-bedroom unit in Altona North
Precinct 16, South Kingsville (East)	38-48 Blackshaws Rd South Kingsville	Schedule 2 to Clause 43.04 – Design and Development Plan Overlay (DDO11) Permit condition S173 Agreement	<ul style="list-style-type: none"> • 5 per cent of dwellings to be available for purchase by a Housing Agency at a price 25 per cent less than the average 12- month median price for a 1 bedroom apartment and a 2- bedroom apartment within the development • mix of 1 and 2 bedroom apartments but no more than 50 per cent 2 bedroom
Precinct 16, South Kingville (West)	5-7 Sutton Street, 9 and 9A Sutton Street and 41-59 Stephenson Street, South Kingsville	Development Plan Overlay (DPO) Schedule 2 S173 Agreement/s	<ul style="list-style-type: none"> • 5 per cent of dwellings to be available for purchase by a Housing Agency at a 25 per cent discount to market rate
Precinct 17, Spotswood	571-589 Melbourne Rd Spotswood	Permit condition	<ul style="list-style-type: none"> • 5 per cent of dwellings to be available for purchase by a Housing Agency or Hobsons Bay Affordable Housing Trust at an amount that is 25 per cent less than the market value of an equivalent 1 bedroom apartment and/or a 2 bedroom apartment within the development
Precinct 18, McLister St	31-69 McLister St Spotswood	Permit condition	<ul style="list-style-type: none"> • 10 per cent affordable housing (34 dwellings) certified as Specialist Disability Accommodation for 25 years

Barriers to securing Affordable Housing via the planning system

The Victorian Government has strengthened planning policy in recent years to prohibit the rezoning of state significant industrial land (which is the majority of industrial land in Hobsons Bay) towards a non-industrial zone to protect jobs and the economy.⁹

A revised Draft Industrial Land Management Strategy (ILMS) has been prepared that proposes to remove reference to Strategic Redevelopment Areas (SRAs) and restrict the rezoning of industrial or 'brownfield land' to a non-industrial zone consistent with the State Planning Provisions.

Therefore, in future, Council will need to focus on negotiating contributions for affordable housing on larger developments sites of 20 or more dwellings rather than industrial rezonings.

Council has had some success in this regard with affordable housing contributions secured through planning permit conditions and/or Section 173 agreements. However, this process is time consuming and challenging. The uplift associated with a rezoning is more significant, meaning that it can more easily justify an Affordable Housing contribution than the uplift associated with a redevelopment.

The planning system is also complex. Affordable housing is only one of many considerations when assessing planning permit applications, particularly for major projects of 20 or more dwellings.

Incentivising the delivery of Affordable Housing via the planning system

It is challenging to establish effective and sustainable incentives for developers and landowners to make affordable housing contributions. For example, it is difficult to 'fast track' major projects which are inherently complex. Similarly, it is challenging to provide dispensations such as increased height for affordable housing contributions as it is often not possible to directly compare impact.

Council could however explore a priority planning process that allows Council Officers to retain delegation for relevant planning permit applications that would provide a substantial Affordable Housing contribution. For example, these applications would not be required to be heard at the Delegated Planning Committee if they incur significant objections.

Preliminary discussions with planning officers identified that commitment 1.4 in the 2016 Policy Statement, that requires affordable housing projects to be 'dealt with by experienced planning officers', has helped with early negotiations on affordable housing contributions.

Further work is needed to promote the Hobsons Bay Affordable Housing Trust to developers and landowners as Council's preferred mechanism for making affordable housing contributions. Council cannot require that a contribution be made to the Trust over other Registered Housing Agencies. In this regard, Council's Social Planning team should work with HCA to develop promotional materials and updated processes to encourage developers to select the Trust for future contributions.

Negotiating Affordable Housing contributions via the planning system

Statutory Planners at Hobsons Bay have highlighted that it is critical to start discussions around affordable housing contributions early in the application and assessment process. Ideally, this should occur at (or before) a pre-application meeting, as the provision of affordable housing is via voluntary agreement through the planning system.

⁹ Melbourne Industrial and Commercial Land Use Plan (MICALUP), 2020, Victorian Government.

It was also found that when entering negotiations with landowners and developers on affordable housing contributions, it is important for planners to have a good understanding of the economics of development, particularly in recent years as construction costs have increased.

The starting point for negotiations in the 2016 Policy Statement for a 10 per cent contribution towards affordable housing in SRAs is still considered appropriate, given the growing need for affordable housing in Hobsons Bay and when compared to contributions sought within other municipal planning schemes and strategies (see Table 3).

Table 3: Affordable housing requirements in other municipalities

Municipality	Summary of affordable housing contribution sought
City of Yarra	Policy seeks 10 per cent of dwellings as affordable housing for developments of 50 or more dwellings
City of Port Phillip	Policy aims for 20 per cent of new dwellings within multi-unit developments to be affordable. Existing planning scheme policies include 6 per cent affordable housing for Fisherman's Bend and 10 per cent affordable housing for the Carlisle Street Major Activity Centre and Bay Street Activity Centre
City of Maribyrnong	Policy for areas subject to Development Plan Overlays is to contribute 10 per cent of development for affordable housing
City of Melbourne	Policy seeks 6 per cent affordable housing for Fisherman's Bend, Arden Precinct, and West Melbourne Precincts (within the Schedule 6 to the Special Use Zone)

Mandating Affordable Housing contributions via the planning system

The current process of securing voluntary affordable housing contributions via the planning scheme creates uncertainty for landowners, developers, and the community.¹⁰ Research conducted by the University of Melbourne found consistent mandatory contributions across all developments to be the preferred policy approach amongst all stakeholders, including private developers and finance, local Councils, and nonprofit providers.¹¹ Council's Housing Strategy 2019 recommends that Council continue to advocate to the Victorian government for 'Inclusionary Zoning' to increase affordable housing supply rather than relying on voluntary agreements.¹²

A mandatory provision in the planning scheme would provide certainty on the requirement to contribute to Affordable Housing, alleviate officer time in negotiating and advocating for contributions and hopefully reduce permit delays. The provision of a mandatory contribution in the

¹⁰ MAV Submission to Ministerial Advisory Committee on Planning Mechanisms for Affordable Housing, Oct 2019.

¹¹ Katrina Raynor, Georgia Warren-Myers and Matthew Palm (2020) "Confusing and not delivering enough": developers and councils want new affordable housing rules' (<https://findanexpert.unimelb.edu.au/news/12508-%27confusing-and-not-delivering-enough%27---developers-and-councils-want-new-affordable-housing-rules>).

¹² Hobsons Bay City Council (2019) *Housing Strategy 2019*, <https://www.hobsonsbay.vic.gov.au/files/assets/public/documents/volume-3-housing-strategy-adopted-20190813.pdf>, accessed June 2023.

planning scheme would also be beneficial in ensuring affordable housing contributions are secured for the Trust for sites proposed to deliver 20 or more dwellings. As discussed above, in future there will be less opportunity for affordable housing contributions to be secured via a rezoning process due a lack of brownfield sites in Hobsons Bay.

Implications for Council's updated Policy Statement

- The updated Policy Statement should continue to seek an Affordable Housing contribution equivalent to 10 per cent of the total number of constructed dwellings for a rezoning of land that would result in 20 or more dwellings.
- The updated Policy Statement should continue to seek an Affordable Housing contribution equivalent to 5 to 10 per cent when assessing relevant planning permit applications for residential development sites that yield 20 or more dwellings.
- The updated Policy Statement should retain commitments that seek to investigate incentives within Council's control for developers to make affordable housing contributions, such as a priority planning pathway. In particular this should focus on contributions to the Hobsons Bay Affordable Housing Trust.
- The updated Policy Statement should include a position that supports the inclusion of a new provision in the planning scheme that makes affordable housing contributions mandatory, but only where this is fair and reasonable and is borne solely by the developer or recipient of any uplift from a development or rezoning. It should not be passed on unfairly in some way to the Hobsons Bay community. This is consistent with Council's Housing Strategy 2019.
- The updated Policy Statement should include a commitment towards reviewing the

7. Affordable Housing Needs Assessment

There are range of factors that drive need for Affordable Housing in Hobsons Bay. Like many areas around Melbourne, Hobsons Bay has experienced an increase in housing prices and rents in the past decade. For example, between 2011 and 2021, the median price for houses (up 83%), units (up 58%) and vacant house blocks (up 144%) all increased substantially.¹³

An Affordable Housing Needs Analysis has been undertaken to determine the levels and types of need for Affordable Housing need in Hobsons Bay. This assessment draws on available housing data and will inform the update to Council's Policy Statement.

Key findings

Below are the key findings from the assessment:

- One in four renting households were experiencing rental stress in 2021 (24% or 2,221 households). This means they are paying more than 30 per cent of their total income towards rent.
- More than five in ten (51.4%) low-income households and more than eight in 10 very low-income households (83.0%), including all those on government payments, were experiencing rental stress.
- One in eleven households with a mortgage were experiencing mortgage stress in 2021 (9.0% or 1,071 households). The number of households experiencing mortgage stress has almost certainly increased since 2021, following 12 interest rate rises between May 2022 and May 2023.
- Rental costs in Hobsons Bay increased by 10 per cent in the year to 2022, compared to only 7 per cent in Greater Melbourne overall.
- The proportion of households living in social housing has declined in Hobsons Bay from 3.2 per cent in 2001 to 2.7 percent in 2021.
- The Victorian Housing Register waiting list for the Altona and Werribee Districts (which includes Hobsons Bay) increased by around 20 per cent between 2020 and 2022. In 2022, there were 11,473 applications on the priority access and register of interest lists for social housing in the location areas of Altona and Werribee.¹⁴ Single people (including parents and older people) account for most people on the waiting list.
- Almost 300 people were experiencing homelessness on Census night 2021 (primarily as 'severe overcrowding') and a further 262 people were living in marginal housing (primarily in 'other overcrowded dwellings').
- Based on this data, it is estimated there are 1,409 households in Hobsons Bay that have unmet need for affordable housing (4.1% of all households) (see Figures 2 and 3, below).

¹³ Department of Transport and Planning (c. 2023) About Valuer-General Victoria (<https://www.land.vic.gov.au/>).

¹⁴ Applicants can choose up to five location preferences on a housing application with the average applicant selecting four preferences, so applicants may be counted multiple times. The Altona location area includes Altona, Altona Meadows, Altona North, Brooklyn, Footscray, Kingsville, Newport, Seddon, South Kingsville, Spotswood, West Footscray, Williamstown, Williamstown North, Yarraville, Seaholme. The Werribee location area includes Hoppers Crossing, Laverton, Point Cook, Seabrook, Tarneit, Truganina, Werribee, Wyndham Vale.

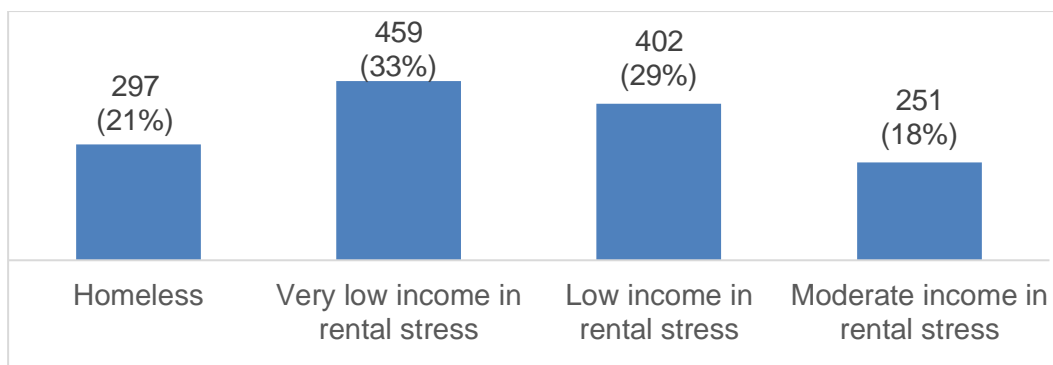


Figure 2: Households in need of affordable housing – number of homeless and by income type (Source: ABS Estimating Homelessness 2021 and ABS Census 2021.)

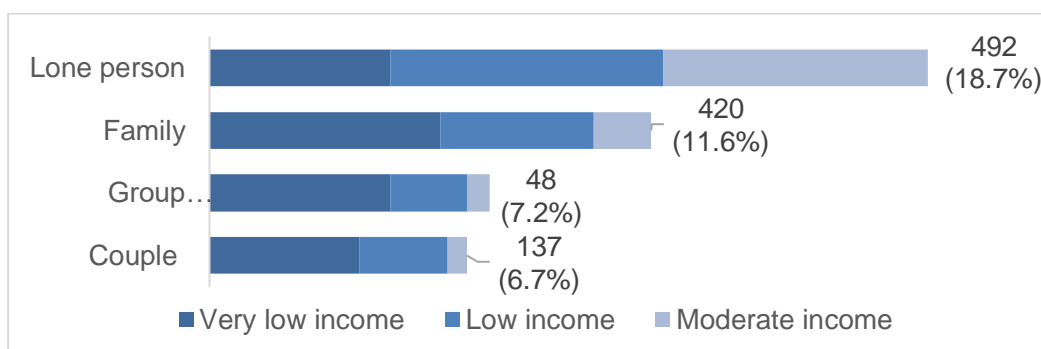


Figure 3: Households in need of affordable housing - % of household type (Source: ABS Census of Population and Housing, 2021. Compiled and presented by .id (informed decisions))

- This means these households are unable to access private market housing or require some form of housing assistance to avoid being in long term rental stress. More specifically:
 - Lone person households are particularly vulnerable and are also the fastest growing household type in Hobsons Bay. One in five people who live by themselves with an annual income of \$58,000 or less are in need of affordable housing.
 - Additionally, one in nine families with children on annual income of \$137,000 per year or less are in need of affordable housing.
- Based on this assessment, it is recommended that future social housing stock (typically for very low and low income households) should prioritise one-, two- and three-bedroom dwellings, while affordable housing stock (typically for low- and moderate-income households) should prioritise one- and two-bedroom dwellings, with a focus on lone person households.
- Based on current need and forecast population growth, it is estimated that there will be 1,987 households in need of affordable housing by 2041, an increase of 578 households on 2021 figures.¹⁵ If this need was to be fully met by 2041, approximately 17 percent of all new dwellings built would need to be Affordable Housing.¹⁶

¹⁵ This is calculated from the current rates of unmet need (4.1% of all households) and estimated population growth to 2041 (.id Consulting 2023, Housing Monitor and Population Forecasts for Hobsons Bay).

¹⁶ This is calculated as a proportion of the total forecast additional 11,813 households in Hobsons Bay by 2041 (.id Consulting 2023, Population Forecasts for Hobsons Bay).

- In practice, increased supply of Affordable Housing is expected from various sources including:
 - anticipated Affordable Housing contributions from Strategic Redevelopment Areas
 - projects in development, e.g. projects funded through the Big Housing Build
 - future projects through the Hobsons Bay Affordable Housing Trust
 - anticipated Affordable Housing contributions on larger development sites and re-zonings (outside of the Strategic Redevelopment Areas).

Implications for the updated Policy Statement

- Based on 2021 data, it is estimated there were 1,409 households in Hobsons Bay that have unmet need for affordable housing (4.1% of all households).
- Need is highest amongst lone person households (all income groups) and family households (low and very low income groups).
- Based on this needs assessment, It is recommended that future social housing stock (for very low and low income households) should prioritise one-, two- and three-bedroom dwellings, while affordable housing stock (for low- and moderate-income households) should prioritise one and two bedroom dwellings.

8. Evaluation of the 2016 Policy Statement

This section presents an evaluation of the current Affordable Housing Policy Statement 2016, including completed actions and key achievements.

Key achievements

The following key achievements have occurred through the 2016 Policy Statement:

- **Hobsons Bay Affordable Housing Trust** – the Trust has been established, with Housing Choices Australia (HCA) appointed the Trustee and the Trust Deed and Funding and Services Agreement executed in July 2022.
- **Epsom Street Affordable Housing Project** – significant progress has been made on the Epsom Street Affordable Housing Project, including community consultation, endorsement of Design Guidelines, and submission of application for Victorian Government funding in October 2022.
- **Planning Scheme Amendments** – requirements for affordable housing contributions have been included into the Hobsons Bay Planning Scheme, including through the Altona North Comprehensive Development Plan (Precinct 15) and the Development Plan Overlay for Precinct 16 West.
- **Advocacy** – Council has undertaken various advocacy activities in relation to Affordable Housing, including developing submission to the Planning Mechanisms for Affordable Housing Ministerial Advisory Committee (2019), Ten Year Social and Affordable Housing Strategy for Victoria (2021) and Social and Affordable Housing Compact (2022).
- **Networks** – Council has participated in various networks to share information and support collective advocacy, including through the M9 Group and Inter Council Affordable Housing Forum (convened by the Municipal Association of Victoria).
- **Housing Strategy 2019** – Council adopted the Hobsons Bay Housing Strategy in 2019, which provides additional support and guidance for Council's efforts to increase supply of Affordable Housing. Council has also implemented the housing strategy by introducing new residential zones that encourage a diversity of dwelling stock, including more apartments in appropriate locations.
- **Negotiations and agreements** – Council officers have conducted numerous negotiations with developers and landowners to secure affordable housing contributions via Section 173 agreements (see Table 2, above).
- **Planning Processes** – Council's Statutory Planning team have introduced processes whereby projects including a portion of affordable housing are managed by senior planner.
- **Land audit** – Council officers have completed a high-level audit of government-owned land in Hobsons Bay with the potential to be considered for future development including Affordable Housing.
- **Financial Hardship Policy** – Council has developed the Hobsons Bay Financial Hardship Policy 2020, which provides a framework for financial relief to eligible households who need assistance from the impacts of financial hardship, including rates payments.

- **Rooming houses** – Council's Health Department has monitored standards in registered rooming houses in Hobsons Bay, as per legislative responsibilities under the [Residential Tenancies \(Rooming House Standards\) Regulations 2012](#)
- **Research** – Council has commissioned research on a range of topics to guide its planning and actions to increase the supply of Affordable Housing, including feasibility studies for the Epsom Street Affordable Housing Project.
- **Data** – Council officers have monitored local data from the Victorian Housing Register and Specialist Homelessness Services, as well as engaging with Homes Victoria and establishing a [Hobsons Bay Housing Monitor](#).
- **Community attitudes** – Council has sought to raise awareness of the need for and benefits of Affordable Housing, including through its submissions and consultation on the Epsom Street Affordable Housing Project Design Guidelines.
- **Land** – Council has engaged with the Victorian Government to explore opportunities to purchase appropriate land in Hobsons Bay for consideration as future affordable housing.

Evaluation

A detailed evaluation of each of the Policy Statement's 56 Guiding Actions is included in Appendix 3. This evaluation indicates the status of each action (e.g. completed, progressing, ongoing), key Council teams involved, summary of work completed, and any other relevant comments.

The key points are summarised below:

- Priority Area 1 (Land Use Planning) - work has been undertaken against all 11 actions, with varying levels of impact.
- Priority Area 2 (Service Provision) - work has been undertaken against three (of four) actions.
- Priority Area 3 (Establishment of a Trust) - of 27 actions in this area, 11 have been completed and 12 are progressing. The remaining four have not started, are no longer relevant, or need to be re-scoped now that the Trust has been established.
- Priority Area 4 (Advocacy and Leadership) - work has been undertaken against all six actions.
- Priority Area 5 (Building the evidence base and community understanding) - work has been undertaken against all four actions, with two actions completed and two actions progressing.
- Priority Area 6 (Partnering to maintain existing public housing) - some work has been undertaken against all four actions, but significant progress has not yet been made.

A substantial proportion of the actions in the 2016 Policy Statement were quite specific and prescriptive, particularly with regards to the establishment of the Trust. It is recommended that the updated Policy Statement articulate broader policy commitments, which can be implemented more flexibly through specific actions. As such, it is expected that the updated Policy Statement will have fewer guiding actions/commitments than the 2016 Policy Statement.

Implications for the updated Policy Statement

The evaluation of the 2016 Policy Statement highlights the following topics for consideration in developing the updated Policy Statement:

- *Priority Area 1 – Land use planning:* Most of these actions are ongoing and should be considered for inclusion in the updated Policy Statement.
- *Priority Area 2 – Service provision:* A focus on rooming houses should be retained for the updated Policy Statement, but the focus on community care may be reduced.
- *Priority Area 3 – Establishment of a Housing Trust:* The updated Policy Statement should retain a strong focus on the Hobsons Bay Affordable Housing Trust, particularly to grow the Trust and to encourage it as a destination for affordable housing contributions.
- *Priority Area 4 – Advocacy and Leadership:* The updated Policy Statement should retain a strong focus on advocacy, given the significant role played by the Victorian Government in land use planning and funding of Affordable housing. This focus should be expanded to include the Commonwealth Government, who also play a role in funding construction and facilitation outcomes through access to low-cost finance.
- *Priority Area 5 - Building the evidence base and community understanding:* The focus on research, data and raising awareness should be retained for the updated Policy Statement.
- *Priority Area 6 – Partnering to maintain existing public housing:* The updated Policy Statement should retain a focus on working with other levels of government, including exploring asset transfers of surplus government land to the Hobsons Bay Affordable Housing Trust.

Overall, it is recommended that the updated Policy Statement include fewer specific guiding actions/commitments, instead shifting the focus to broader policy commitments that can be implemented flexibly over the life of the Policy Statement.

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10. Appendices

Appendix 1: Key terms

Affordable Housing

Affordable housing is a broad term which refers to housing that is affordable for lower income households. It is defined in the *Planning and Environment Act 1987* as ‘housing, including social housing that is appropriate for the housing needs of very low, low and moderate income households’.

Affordable Housing contribution

An Affordable Housing contribution may be negotiated between Council and another party, typically a landowner or property developer. The contribution may be made in the form of dwellings, land, payments or a combination. Contributions are voluntary and agreed by negotiation, although some planning controls in the Hobsons Bay Planning Scheme set out requirements for the provision of Affordable Housing, e.g. Schedule 2 to Clause 37.02 Comprehensive Development Zone (Altona North Comprehensive Development Plan). The Hobsons Bay Affordable Housing Trust is Council’s preferred mechanism to manage Affordable Housing contributions.

‘Brownfield land’

‘Brownfield land’ refers to land that was (or is) being used for industrial purposes and has been (or is intended) to be re-zoned to accommodate residential development. Council’s Industrial Land Management Strategy 2008 identified a series of Strategic Redevelopment Areas on ‘brownfield land’ that have been subsequently re-zoned for residential use.

Commonwealth Rent Assistance

Rent Assistance is a non-taxable income supplement payable to eligible people who rent in the private rental market or community housing.¹⁷ Pensioners, allowees and those receiving more than the base rate of Family Tax Benefit Part A may be eligible for Rent Assistance.

Community Housing

Community housing is a form of social housing managed by Registered Housing Agency (see ‘Social Housing, below’).

Hobsons Bay Affordable Housing Trust

The Hobsons Bay Affordable Housing Trust is a key commitment of Council’s Affordable Housing Policy Statement 2016. The Policy Statement proposed that the Trust be established for the charitable purpose of providing housing to low-income individuals or households that have a connection to Hobsons Bay. The Trust is Council’s preferred mechanism for the delivery of Affordable Housing contributions in the municipality. In 2020, Housing Choices Australia was appointed by Council as the Trustee of the Hobsons Bay Affordable Housing Trust.

¹⁷ Australian Government – Department of Social Services (2023) Commonwealth Rent Assistance (<https://www.dss.gov.au/housing-support/programmes-services/commonwealth-rent-assistance>).

Homelessness

There is no single agreed definition of homelessness. The Australian Bureau of Statistics uses six operational groups for presenting estimates of people experiencing homelessness on Census night.¹⁸ These groups are:

- people living in improvised dwellings, tents or sleeping out
- people living in supported accommodation for the homeless
- people staying temporarily with other households
- people living in boarding houses
- people in other temporary lodgings
- people living in 'severely' overcrowded dwellings

An alternative 'cultural definition' of homelessness (developed by academics David MacKenzie and Chris Chamberlain¹⁹) includes three categories:

- Primary homelessness is experienced by people without conventional accommodation, e.g. sleeping rough or in improvised dwellings
- Secondary homelessness is experienced by people who frequently move from one temporary shelter to another, e.g. emergency accommodation, youth refuges, 'couch surfing'
- Tertiary homelessness is experienced by people staying in accommodation that falls below minimum community standards, e.g. boarding housing and caravan parks.

Housing Affordability

Housing affordability is not the same as Affordable Housing. It refers to the relationship between expenditure on housing (prices, mortgage payments or rents) and household income, regardless of whether the housing is Affordable Housing or market housing. Housing affordability is a significant issue across Australia as the increasing cost of housing has outpaced household income for many years.²⁰

Housing Stress

Housing stress is a specific term which refers to households having trouble meeting their financial housing obligations, either rent or mortgage payments. Moderate, low, and very low income **households** are considered to be in housing stress if they are spending more than 30 per cent of their gross household income on housing costs. Income brackets for this definition are classified as very low (< 50% of median), low (50% to 80% of median) and moderate (80% to 120% of median). Households on high incomes are not counted as being in housing stress, even if payments are above 30 per cent of income, as this is more likely to contain an element of choice, e.g. paying extra on a mortgage to complete the loan sooner.²¹

Inclusionary Zoning

The Australian Housing and Urban Research Institute (AHURI) defines inclusionary zoning as follows: *A land use planning intervention by government designed to deliver affordable housing. It either*

¹⁸ Australian Bureau of Statistics (2023) Estimating Homelessness: Census (<https://www.abs.gov.au/statistics/people/housing/estimating-homelessness-census/latest-release>).

¹⁹ James Farrell (2012) 'Definition of homelessness changes but problems remain' (<https://theconversation.com/definition-of-homelessness-changes-but-problems-remain-9525>).

²⁰ South Gippsland Shire Council (c. 2022) Social and Affordable Housing Strategy (<https://yoursay.southgippsland.vic.gov.au/social-affordable-housing-strategy>).

²¹ .id Consulting (c. 2023) Housing monitor Hobsons Bay City (<https://housing.id.com.au/hobsons-bay>).

*mandates or creates incentives for a residential development to provide a specified proportion or number of affordable housing dwellings.*²² Within the Australian context, inclusionary zoning has been implemented to varying degrees in South Australia, New South Wales and the Australian Capital Territory.

Key worker

The following definition is adapted from research prepared for the Australian Housing and Urban Research Institute (AHURI): *There is no single definition of what constitutes a 'key worker'. The term usually refers to employees in services that are essential to a city's functioning but who earn low to moderate incomes. In cities and regions with high housing costs, this makes access to appropriate and affordable housing in reasonable proximity to work difficult for key workers.*²³

Marginal housing

In addition to homelessness operational groups, the ABS also compiles estimates from Census data for the following three groups of people living in marginal housing, but who are not classified as homeless:

- people living in other crowded dwellings
- people in other improvised dwellings
- people marginally housed in caravan parks.²⁴

Planning authority

'Using Victoria's Planning System', the Victorian Government's technical guide to the *Planning and Environment Act 1987*, provides the following definition of 'Planning Authority': *any person or body given the power to prepare a planning scheme or an amendment to a planning scheme. The Minister is a planning authority and may authorise any other Minister or public authority to prepare an amendment to a planning scheme. A council is planning authority for its municipality and for any area adjoining its municipality that the Minister authorises.*²⁵

Public Housing

Public housing is a form of social housing managed by the Victorian Government (see 'Social Housing, below).

Registered Housing Agency

Registered Housing Agencies provide Affordable Housing for very low, low and moderate-income households and allocate tenants from the Victorian Housing Register (see below). To become a Registered Housing Agency, a not-for-profit organisation must be a company limited by shares or guarantee, an incorporated association, or a co-operative. Housing managed by a Registered Housing Agency is usually long term or transitional, although some agencies also provide crisis housing and other forms of housing such as specialist disability accommodation and rooming

²² Australian Housing and Urban Research Institute (AHURI) (2017) Understanding Inclusionary Zoning (<https://www.ahuri.edu.au/analysis/brief/understanding-inclusionary-zoning>).

²³ Catherine Gilbert, Zahra Nasreen and Nicole Gurrin for AHURI (2021) 'Housing key workers: scoping challenges, aspirations, and policy responses for Australian cities' (<https://www.ahuri.edu.au/research/final-reports/355>).

²⁴ Australian Bureau of Statistics (2023) Estimating Homelessness: Census (<https://www.abs.gov.au/statistics/people/housing/estimating-homelessness-census/latest-release>).

²⁵ Department of Transport and Planning (2023) Using Victoria's planning system (<https://www.planning.vic.gov.au/guide-home/using-victorias-planning-system>).

houses. It is a regulated sector and all registered agencies must comply with Performance Standards and other legislative requirements under the Housing Act. There are currently 10 Registered Housing Associations and 36 Registered Housing Providers in Victoria.²⁶

‘Rent to buy’ program

‘Rent to buy’ is a form of affordable purchase housing. Assemble Communities’ ‘Build to Rent to Own’ is an example. Under the program, residents have the option to purchase after a five-year lease period at a pre-agreed price. The program is typically aimed at moderate income households.²⁷

Responsible Authority

‘Using Victoria’s Planning System’, the Victorian Government’s technical guide to the *Planning and Environment Act 1987*, provides the following definition of ‘Responsible Authority’: *the body responsible for the administration or enforcement of a planning scheme or a provision of a scheme. A responsible authority is responsible for considering and determining planning permit applications and for ensuring compliance with the planning scheme, permit conditions and agreements. The responsible authority is usually the municipal council.*²⁸

Shared equity program

Shared equity is a form of affordable purchase housing. It involves financing arrangements where the equity required for home ownership is shared between the purchaser, government and/or a Community Housing Provider. The Victorian Government’s Victorian Homebuyer Fund is an example of a shared equity model. Under the program, the Victorian Government makes a financial contribution towards the purchase of a property (up to 25%) in exchange for a proportional interest (share) in the property. Purchases are required to repay the Government’s financial contribution within the initial duration of the home loan plus 60 days.²⁹

Social Housing

Social housing is made up of two types of housing. **Public housing** is long-term rental housing that is owned and managed by the Victorian Government for eligible households, including people who are unemployed, on low incomes, live with a disability or mental illness, or who are at risk of homelessness. **Community housing** is secure, affordable, long-term rental housing that is owned or managed by a Registered Housing Agency, who may specialise in housing for a diverse range of tenants including women and children escaping family violence, people with a disability, or households with lower incomes.

Strategic Redevelopment Areas

Council’s Industrial Land Management Strategy 2008 identified a number of Strategic Redevelopment Areas, which have some or all of the following characteristics:

- Areas that may evolve from a previous industrial use to provide a wider mix of employment opportunities, including a mix of industry, commercial and office accommodation.

²⁶ State Government of Victoria (2022) Registered housing agencies in Victoria (<https://www.vic.gov.au/registered-housing-agencies-victoria>).

²⁷ Assemble (c. 2021) FAQs (<https://assemblecommunities.com/faq-cat/assemble-futures/>).

²⁸ Department of Transport and Planning (2023) Using Victoria’s planning system (<https://www.planning.vic.gov.au/guide-home/using-victorias-planning-system>).

²⁹ State Revenue Office Victoria (2023) Homebuyer Fund (<https://www.sro.vic.gov.au/homebuyer/frequently-asked-questions-about-homebuyer-fund>).

- Areas that are constrained by surrounding land use patterns or access arrangements and where the opportunity exists for uses to change over time to a residential use._
- areas that are not currently industrial, but because of the existing land use conditions are best suited to an industrial zone.

The Affordable Housing Policy Statement 2016 established a policy position to seek 10 per cent non-market affordable housing on all SRAs.

Victorian Housing Register

The Victorian Housing Register is a centralised waiting list for all social housing providers in Victoria, administered by the Department of Families, Fairness and Housing). The register has two categories:

- Priority Access: for people who are homeless and receiving support; escaping or have escaped family violence; with a disability or significant support needs; or with special housing needs.
- Register of Interest: for all eligible applicants to register their interest in social housing.

As at December 2022, there were a total of 67,120 total applications on the Victorian Housing Register.³⁰

³⁰ Homes Victoria (2023) Applications on the Victorian Housing Register (VHR) (<https://www.homes.vic.gov.au/applications-victorian-housing-register-vhr>).

Appendix 2: Government roles and responsibilities in the Australian housing system

Table 4: Government roles and responsibilities in the Australian housing system

(Source: adapted from AHURI (2019) Understanding of the 30:40 indicator of housing affordability stress cited in City of Melbourne's Affordable Housing Strategy)

AUSTRALIAN GOVERNMENT	VICTORIAN GOVERNMENT	LOCAL GOVERNMENT
<p>Housing demand</p> <ul style="list-style-type: none"> Tax incentives, e.g. negative gearing <p>Home ownership</p> <ul style="list-style-type: none"> Capital gains tax, e.g. main residence exemption Pension eligibility, e.g. value of 'principal place of residence' not considered <p>Income support and rental subsidies</p> <ul style="list-style-type: none"> Rental supplements, e.g. Commonwealth Rent Assistance Affordable Housing programs e.g. National Rental Affordability Scheme (NRAS) <p>Funding and investment</p> <ul style="list-style-type: none"> Funding agreements, e.g. National Housing and Homelessness Agreement (NHHA) Low cost financing, e.g. National Housing Finance and Investment Corporation (NHFIC) <p>Major infrastructure</p> <ul style="list-style-type: none"> Funding, e.g. National Housing Infrastructure Facility (NHIF) Partnerships, e.g. North West Melbourne City Deal 	<p>Taxes and duties</p> <ul style="list-style-type: none"> Stamp duty, e.g. First Home Buyer Duty exemptions and concessions Land tax, e.g. tax on vacant residential properties and exemptions for principle place of residence and rooming houses land Windfall Gains Tax, e.g. value uplift arising from rezoning of land will be taxed at minimum 50 per cent (from 1 July 2023) <p>Public and community housing</p> <ul style="list-style-type: none"> Funding public and community housing development, e.g. Big Housing Build Management and maintenance of public housing (approx. 64,000 properties in Victoria) <p>Home ownership programs</p> <ul style="list-style-type: none"> Grants e.g. First Home Owner Grant program Shared equity schemes e.g. Victorian Homebuyer Fund or 'Buy Assist' community shared equity scheme <p>Land release</p> <ul style="list-style-type: none"> Release of public non-residential land <p>Major infrastructure</p> <ul style="list-style-type: none"> Funding for planning and delivery of major infrastructure, e.g. transport, health care, and education <p>Planning laws</p> <ul style="list-style-type: none"> Oversight of the Victorian Planning System and statewide zoning tools 	<p>Rates</p> <ul style="list-style-type: none"> Council is responsible for collecting rates and applying rates concession and exemption policies <p>Minor infrastructure</p> <ul style="list-style-type: none"> Delivery and maintenance of minor infrastructure e.g. roads and footpaths Delivery of community infrastructure e.g. libraries, sporting pavilions <p>Planning laws</p> <ul style="list-style-type: none"> Application of land use zoning Planning permits and planning scheme amendments Negotiating voluntary affordable housing contributions <p>Rooming houses</p> <ul style="list-style-type: none"> Managing registration, monitoring and compliance of rooming houses <p>Advocacy</p> <ul style="list-style-type: none"> Advocating to the Victorian and Australian Governments for increased supply of social and affordable housing <p>Partnerships</p> <ul style="list-style-type: none"> Engaging with Registered Housing Agencies and other key stakeholders to increase local supply <p>Council contributions</p> <ul style="list-style-type: none"> Considering opportunities to make land (or other contributions) available to increase local supply, having regard to the overall community need and Council's financial sustainability.

Appendix 3: Evaluation of the Affordable Housing Policy Statement 2016

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.

Guiding Action	Status	Key Teams	Work undertaken / Comments
1.1 Consider amending the planning scheme by updating the Local Planning Policy Framework to provide a framework for addressing affordable housing.	Completed (ongoing)	Strategic Planning Social Planning	<ul style="list-style-type: none"> Requirements for affordable housing have been added to the Hobsons Bay Planning Scheme, including for Precinct 15, Precinct 16 West and Precinct 16 East. VC169 (9/10/20) updated Clause 16.01-2S - Housing Affordability to include objective: To deliver more affordable housing closer to jobs, transport and services. The 2016 policy statement has been added as a background document to the Hobsons Bay Planning Scheme.
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 in value, this may involve identifying the creation of “unearned increments”	Completed (ongoing)	Strategic Planning Statutory Planning Social Planning	<ul style="list-style-type: none"> Negotiated affordable housing contributions have been achieved on appropriate development sites, including Precinct 15 and other sites. Updated Policy Statement should also include a statement encouraging the use of the Hobsons Bay Affordable Housing Trust for contributions.
1.3 Utilise Section 173 Agreements and planning conditions that clearly set out the responsibilities for affordable housing	Completed (ongoing)	Strategic Planning Statutory Planning Social Planning	<ul style="list-style-type: none"> Section 173 Agreements are in place for several developments.
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: <ul style="list-style-type: none"> 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) 	Completed (ongoing)	Statutory Planning	<ul style="list-style-type: none"> Experienced planning officers have been dealing with applications for affordable housing projects.
1.5 Consider the appropriateness of development concessions for developments that provide increased amounts of affordable housing	Progressing	Strategic Planning Statutory Planning Social Planning	<ul style="list-style-type: none"> Up until now Council has been able to successfully secure affordable housing negotiations without reliance on development concessions. Development concessions could be further explored as part of the next Policy Statement along with a process for prioritising applications that deliver Affordable Housing

<p>1.6 Apply a spatially differentiated approach to:</p> <p><u>1.6.1 Strategic Redevelopment Areas (SRAs) and Strategic Redevelopment Sites (SRSs)</u></p> <p>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</p> <p>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)</p> <p>1.6.1.3 Be incorporated in planning overlays, Section 173 Agreements, and or planning conditions</p> <p><u>1.6.2 Activity Centres</u></p> <p>1.6.2.1 Encourage the provision of affordable housing</p> <p>1.6.2.2 Negotiate affordable housing outcomes on large residential and mixed use development sites</p> <p>1.6.2.3 Be incorporated in planning overlays, Section 173 Agreements, and or planning conditions</p> <p><u>1.6.3 Established suburbs</u></p> <p>1.6.3.1 Negotiate affordable housing outcomes on larger development sites</p> <p>1.6.3.2 Be incorporated in planning overlays, Section 173 Agreements, and or planning conditions</p> <p>1.6.3.3 Support the development of dependent persons units (e.g. granny flats, laneway units)</p>	Ongoing	Strategic Planning Statutory Planning	<ul style="list-style-type: none"> • A spatially differentiated approach has been partially implemented, with most progress made through SRAs and SRSs, e.g. Precinct 15. • However, with no new SRAs expected, the focus of the updated policy statement will need to be on Activity Centres and established suburbs • This will have implications for any targets included in the updated Policy Statement, and Council's approach to prioritising sites and achieving negotiated contributions. • Additionally, this Guiding Action overlaps with others (e.g. 1.2 and 1.3) and it is suggested that the updated Policy Statement seek to avoid overlap as much as possible. • It is recommended that the new policy statement include a commitment to continue to seek a 10 per cent affordable housing contributions for larger rezonings, as well as continue negotiate affordable housing outcomes on larger redevelopment sites of 20 or more dwellings
<p>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</p>	Completed (ongoing)	Strategic Planning Statutory Planning	<ul style="list-style-type: none"> • Universal Design Principles have been included in the adopted Design Guidelines for the Epsom Street Affordable Housing Project. • The Social and Strategic Planning team encourage adherence to Liveable Housing Australia Silver Level Guidelines, particularly for social and affordable housing dwellings
<p>1.8 Manage the quality of affordable housing, including ensuring affordable housing developments are:</p> <p>1.8.1 indistinguishable from surrounding dwellings</p> <p>1.8.2 designed to maximise environmentally sustainable design (ESD) principles</p> <p>1.8.3 designed to minimise energy costs to the resident</p> <p>1.8.4 designed to minimise future maintenance costs to the owner</p> <p>1.8.5 established to minimise the future costs of communal services and body corporate fees</p> <p>1.8.6 convenient to public transport</p> <p>1.8.7 convenient to services, employment, schools and shops</p> <p>1.8.8 contain dwellings suitable for a range of tenants of all ages and abilities and from individuals to families</p> <p>1.8.9 designed to incorporate the principles of Universal Design</p>	Ongoing	Strategic Planning Statutory Planning	<ul style="list-style-type: none"> • The Victorian Government has established criteria in relation to affordable housing that meet most of these requirements. • Council's role in managing the quality of affordable housing occurs predominantly through the planning process. • The Design Guidelines for the Epsom Street Affordable Housing Project includes design requirements, including for ESD principles and 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	Progressing	Strategic Planning Statutory Planning Property	<ul style="list-style-type: none"> Re-zoning of land is managed on a case-by-case basis in consultation with DTP, etc. Amendment C131 was gazetted in February 2023 that implemented the 2019 Housing Strategy and introduced a new suite of residential zones into the Hobsons Bay Planning Scheme, to ensure an ongoing and diverse supply of residential land A key objective of the Hobsons Bay Affordable Housing Trust is to provide affordable housing that will keep residents in 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	Progressing	Social Planning Property	<ul style="list-style-type: none"> The assets department has undertaken an audit of all council assets in 2022 and published an asset plan 2022-32 Site at Epsom Street, Laverton identified for affordable housing as well as a potential site at Trafalgar Avenue, Altona Meadows. A high-level audit of government land in the municipality has been undertaken to identify potential future sites for affordable housing developments.
1.11 Council will consider affordable housing outcomes when making decisions concerning Council assets, land and land use	Ongoing	Social Planning Property	<ul style="list-style-type: none"> Council has made several decisions over the life of the policy statement that consider affordable housing in the context of Council assets, land, and land use. For example, in August 2022, Council resolved to consider a proposal to transfer parcels of land at 7-45 Epsom Street to Housing Choices Australia subject to funding and meeting legislative requirements. Affordable housing outcomes have not been considered in councils asset plan 2022-32 'Better Places' guides identify potential sites for affordable housing - eg. Better Places Laverton.

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.

Guiding Action	Status	Key Teams	Work undertaken / Comments
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	Complete (ongoing)	Rates Social Planning	<ul style="list-style-type: none"> Currently provide discounts to pensioners, and rebates to war veterans and widows (to be confirmed) / other hardship measures introduced during COVID-19 pandemic Rates exemptions on social housing was a key issue for Councils in early 2022 Council charges a 'Vacant land rate' (approx. \$200 per annum but not a big incentive).
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	Complete (ongoing)	Community Care Sustainability	<ul style="list-style-type: none"> Council continues to provide support services for older people, although this is currently being reviewed considering funding changes from federal government. Council may also play an information provision role (eg. Reverse mortgages) but needs to ensure it does not provide financial advice. Council may also play a role in increasing the supply of medium density smaller dwellings ('downsize') through land use planning that may provide alternatives for older people. Overall, however, this may not be a key aspect of the updated policy statement

2.3. Manage Council's existing tenant nomination rights into aged and affordable housing, consistent with the objectives of this policy	Not started	Community Life?	<ul style="list-style-type: none"> Limited or no action has been undertaken on this action Council may not have any existing tenant nomination rights into affordable housing - this is unlikely as it is managed through the VHR.
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, Public Health and Wellbeing (Prescribed Accommodation) Regulations 2020, Building Act 1993 and Residential Tenancies Act 1997	Complete (ongoing)	Public Health	<ul style="list-style-type: none"> Council's public health team has an ongoing role in inspecting and monitoring the compliance of registered rooming houses. Suggest retaining some focus on rooming houses - it is BAU, but worth noting Council's role.

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.

Guiding Action - The Trust will:	Status	Key Teams	Work undertaken / Comments
3.1. Receive and hold assets, funds and other forms of economic value	Complete	HCA Social Planning	<ul style="list-style-type: none"> Trust has been established with Housing Choices Australia as Trustee. Trust Deed and Funding and Services Agreement executed in July 2022. Funding application for Epsom Street project has been lodged with State Government
3.2. Address the concerns of Panels and Tribunals regarding the capacity of Council to implement this policy and develop affordable housing	Complete	HCA Social Planning	<ul style="list-style-type: none"> Trust has been established with Housing Choices Australia as Trustee. Trust Deed and Funding and Services Agreement executed in July 2022.
3.3. Provide a permanent solution to ensure that any affordable housing contribution is not lost through subsequent market sales	Complete	HCA Social Planning	<ul style="list-style-type: none"> Trust has been established with Housing Choices Australia as Trustee. Trust Deed and Funding and Services Agreement executed in July 2022. Trust Deed has provision (section 5.3) for Trustee to sell assets at its discretion, as this is part of asset management.
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	Complete	HCA Social Planning	<ul style="list-style-type: none"> Trust has been established with Housing Choices Australia as Trustee. Trust Deed and Funding and Services Agreement executed in July 2022. Planning and reporting process established, including Annual Business Plans and reporting to maintain accountability and measure progress.
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	Complete	HCA Social Planning	<ul style="list-style-type: none"> Trust has been established with Housing Choices Australia as Trustee. HCA is a Registered Housing Association, regulated by the Housing Act 1983.
3.6. Ensure that any housing assets are maintained from tenant rent payments and do not present a future maintenance cost to Council.	Progressing	HCA Social Planning	<ul style="list-style-type: none"> Trust has been established with Housing Choices Australia as Trustee. Trust Deed and Funding and Services Agreement executed in July 2022. From Trust Deed – Trustee Powers (s.8.1 (n)): <i>to manage any real property it holds from time to time with all the powers of an absolute owner including, but not limited to, power to conduct repairs on the property and power to allow an Eligible Resident to occupy the property on terms and conditions that the Trustee thinks fit;</i> The Deed may not provide sufficient detail, and it should be clarified that rent is able to cover maintenance of Trust properties. This should be clarified to ensure it does not pose a future risk 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	Complete	HCA Social Planning	<ul style="list-style-type: none"> Trust has been established with Housing Choices Australia as Trustee. HCA is a Registered Housing Association, regulated by the Housing Act 1983.
3.8. Ensure that any housing owned or developed by the Trust is occupied and used for the benefit of residents of Hobsons Bay	Complete	HCA Social Planning	<ul style="list-style-type: none"> Trust has been established with Housing Choices Australia as Trustee. Trust Deed and Funding and Services Agreement executed in July 2022. 'Eligible Resident' defined in the Trust Deed to mean individual or household 'who has significant links to the City of Hobsons Bay'.
3.9. Become registered as a public benevolent institution and tax concession charity to attract Commonwealth and State taxation benefits	Complete	HCA Social Planning	<ul style="list-style-type: none"> The Hobsons Bay Affordable Housing Trust has been registered with Australian Charities and Not-for-Profits Commission.
3.10. Provide simplification and certainty about future land use when Council officers consider requests for affordable housing planning dispensations	Progressing	HCA Stat Planning Strat Planning Social Planning Comms	<ul style="list-style-type: none"> Brochures have been developed and will be updated as part of Trust promotional strategy (as detailed in Year One Business Plan). Further discussions required to identify any planning dispensations or other assistance that may be available to encourage use of the Trust for affordable housing contributions. Suggest retaining this in the updated Policy Statement
3.11. Assist Council officers to negotiate the quantum, form and timing of affordable housing contributions	Progressing	HCA Stat Planning Social Planning	<ul style="list-style-type: none"> Negotiations have been undertaken for several sites Ongoing discussions needed between Trustee and Council Officers – suggest retaining this in some form within the updated Policy Statement.
3.12. Provide certainty to developers concerning the timing, price and design of affordable housing	Not started	HCA Stat Planning	<ul style="list-style-type: none"> Council and HCA will promote the Trust as a vehicle for developers, but it unclear to what extent it may provide certainty re. timing, price and design of affordable housing.
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	Progressing	Social Planning	<ul style="list-style-type: none"> Application lodged for state government funding for social housing development at Epsom Street, Laverton. Additional funding sources identified as an action in the Year One Business Plan.
3.14. Accept affordable housing contributions	Progressing	HCA Social Planning Stat Planning	<ul style="list-style-type: none"> Trust has been established with Housing Choices Australia as Trustee. Trust Deed and Funding and Services Agreement executed in July 2022. Further promotion of the Trust is needed, alongside consideration of incentives for developers and landowners.
3.15. Identity and select future tenants who shall be in housing need (refer to 3.8)	Progressing	HCA	<ul style="list-style-type: none"> Trustee will be responsible for tenant selection. HCA has its own policies and will develop a Tenancy Allocation Process for Trust properties as part of Year One Business Plan. In some cases, tenant selection will be determined by the requirements of specific funding sources, e.g. Social Housing Growth Fund (Victorian Housing Register).
3.16. Develop and implement rent setting policies that meet Council's aims and the aims of this policy	Progressing	HCA	<ul style="list-style-type: none"> Trustee will be responsible for setting rent. HCA has its own policies and will develop a Tenancy Allocation Process for Trust properties as part of Year One Business Plan. In some cases, rent setting will be determined by requirements of specific funding sources, e.g. Social Housing Growth Fund (Victorian Housing Register).

3.17. Develop housing that meets Council's design and location objectives	Progressing	HCA Social Planning	<ul style="list-style-type: none"> The Victorian Government has established criteria in relation to affordable housing that address design and location objectives. HCA has its own guidelines for the design of dwellings. The Design Guidelines for the Epsom Street Affordable Housing Project includes design requirements, including for ESD principles and Universal Design.
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	Not started	Stat Planning Social Planning	<ul style="list-style-type: none"> HCA have advised this is not within their policies - this was updated in the Trust Deed. Consider including elsewhere in updated Policy Statement, e.g. Statutory Planning have considered shared equity schemes as developer contributions separate from Trust.
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)	Complete	Strategic Planning Statutory Planning Social Planning HCA	<ul style="list-style-type: none"> Trust has been established with Housing Choices Australia as Trustee. Trust Deed and Funding and Services Agreement executed in July 2022. The Trust Deed allows the Trust to acquire land in the City of Hobsons Bay and construct housing on it. The Trust does not specify housing models, but the definition of 'Eligible Residents' is limited to individuals and households 'registered on the Victorian Housing Register'. It is recommended that the updated Policy Statement provide direction that this definition be broadened to facilitate additional affordable housing models (this may also be completed independently of the Policy Statement, if required).
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	Complete	Strategic Planning Statutory Planning Social Planning HCA	<ul style="list-style-type: none"> Trust has been established with Housing Choices Australia as Trustee. Trust Deed and Funding and Services Agreement executed in July 2022. The Trust Deed allows the Trust to acquire land in the City of Hobsons Bay and construct housing on it.
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	Progressing	Strategic Planning Statutory Planning Social Planning HCA	<ul style="list-style-type: none"> The Trust deed does not include a specific percentage contribution. The updated Policy Statement should include a commitment to seek 10 percent of dwellings as Affordable Housing dwellings or a contribution
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	Complete	Strategic Planning Statutory Planning Social Planning HCA	<ul style="list-style-type: none"> Trust has been established with Housing Choices Australia as Trustee. Trust Deed and Funding and Services Agreement executed in July 2022. The Trust Deed allows the Trust to accept cash contributions.
3.23. Joint ventures between multiple RHAs	Progressing	HCA	<ul style="list-style-type: none"> Trust has been established with Housing Choices Australia as Trustee. Trust Deed and Funding and Services Agreement executed in July 2022. Joint ventures could be explored through future business plans and/or as opportunities arise.
3.24. Joint ventures with DHHS aimed at renewing existing public housing that would otherwise be at the end of economic life and uninhabitable	Progressing	Trust Homes Vic	<ul style="list-style-type: none"> Trust has been established with Housing Choices Australia as Trustee. Trust Deed and Funding and Services Agreement executed in July 2022. Joint ventures with the Homes Victoria (Department of Families, Fairness and Housing) could be explored through future business plans and/or as opportunities arise. Updated policy statement could reference the Compact on Social and Affordable Housing (and potential Local Agreements) as a forum for planning and negotiations for these types of projects.
3.25. Joint ventures with DHHS aimed at retaining the current number of public housing dwellings in Hobsons Bay	Progressing	Trust Homes Vic	

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	Not completed	Trust	<ul style="list-style-type: none"> The Trust Deed definition of 'Eligible Residents' is limited to individuals and households 'registered on the Victorian Housing Register'. As such, it may not extend to key workers and other relevant groups. It is recommended that the updated Policy Statement provide direction that this definition be broadened to encompass additional groups (this may also be completed independently of the Policy Statement, if required).
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	Not completed	Trust	<ul style="list-style-type: none"> Trustee will be responsible for tenant selection. HCA has its own policies and will develop a Tenancy Allocation Process for Trust properties as part of Year One Business Plan. In some cases, tenant selection will be determined by the requirements of specific funding sources, e.g. Social Housing Growth Fund (Victorian Housing Register). As such, it is recommended that this action not be included in the updated Policy Statement.

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.

Guiding Action	Status	Key Teams	Work undertaken / Comments
4.1. Provide adequate resourcing to support the actions of this policy statement	Complete	Social Planning Strategic Planning Statutory Planning	<ul style="list-style-type: none"> Several Council teams have undertaken actions to implement the Policy Statement, including the Social Planning, Strategic Planning and Statutory Planning teams. Council's Housing Strategy also identified responsibilities of various Council departments.
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	Complete (ongoing)	Social Planning	<ul style="list-style-type: none"> Officers from Western region councils have met on a regular basis during the life of the policy (however, meetings stopped during the COVID-19 pandemic). Council officers also attend the statewide Inter Council Affordable Housing Forum (which is convened by the MAV and meets 5-6 times p[er years) Hobsons Bay is also a member of the M9 and meets occasionally to plan and deliver advocacy
4.3. Advocate for changes to the State Planning Policy Framework to provide more explicit support for affordable housing in planning	Complete (ongoing)	Social Planning Advocacy	<ul style="list-style-type: none"> Council officers prepared and contributed to submissions to various inquiries and policy development processes, including the Planning Mechanisms for Affordable Housing Ministerial Advisory Committee (2019), Ten-Year Strategy for Social and Affordable Housing (2021) and Social and Affordable Housing Compact (2022).
4.4. Advocate for appropriate public, not for profit and private housing outcomes that address the housing needs of low to moderate income residents	Complete (ongoing)	Social Planning Advocacy	<ul style="list-style-type: none"> Council officers prepared and contributed to submissions to various inquiries and policy development processes, including the Planning Mechanisms for Affordable Housing Ministerial Advisory Committee (2019), Ten-Year Strategy for Social and Affordable Housing (2021) and Social and Affordable Housing Compact (2022).
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.	Complete	Property Social Planning	<ul style="list-style-type: none"> Council has made significant progress on the Epsom Street Affordable Housing Project, a community housing development to be built on Council land by Housing Choices Australia as the Trustee of the Hobsons Bay Affordable Housing Trust (subject to funding).

			<ul style="list-style-type: none"> Key actions include community consultation on Draft Design Guidelines, presentations to colleagues in state and local government, and supporting the Trust to develop a funding proposal.
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	Complete (ongoing)	Social Planning Advocacy	<ul style="list-style-type: none"> Council officers prepared and contributed to submissions to various inquiries and policy development processes, including the Planning Mechanisms for Affordable Housing Ministerial Advisory Committee (2019), Ten-Year Strategy for Social and Affordable Housing (2021) and Social and Affordable Housing Compact (2022). Council officers have also met with representatives from Homes Victoria to highlight local need for Affordable Housing, as well as the need to consider state-owned sites (it is expected this engagement will continue through the Compact and local area agreements).

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.

Guiding Action	Status	Key Teams	Work undertaken / Comments
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	Complete (ongoing)	Social Planning	<ul style="list-style-type: none"> Several research projects have been undertaken over the life of the Policy Statement, including feasibility studies for the Epsom Street Affordable Housing Project. Research has been funded by Council and through external grants, e.g. Social Housing Investment Planning (SHIP) Grants Program. Council has also subscribed to .id's Housing Monitor product which provide up-to-date data on housing access and affordability in Hobsons Bay (see https://housing.id.com.au/hobsons-bay).
5.2. Monitor DHHS housing affordability data and other data on housing affordability in Hobsons Bay	Complete (ongoing)	Social Planning	<ul style="list-style-type: none"> Homes Victoria have shared housing and homelessness service data for Hobsons Bay for the years ending June 2021 and June 2022. Council officers advocated for increased sharing of data in submission on the Social and Affordable Housing Compact (to be implemented via a Local Area Agreement, to be confirmed). Council officers also monitor publicly available datasets from the ABS, Homes Victoria and Australian Institute of Health and Wellbeing.
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)	Progressing	Social Planning Strategic Planning Statutory Planning	<ul style="list-style-type: none"> The 2016 Policy Statement sets out 'triggers' to commence negotiations for affordable housing, including on Strategic Redevelopment Sites and for residential development of 20+ dwellings in established suburbs. This should be carried through to new statement.
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	Progressing	Social Planning	<ul style="list-style-type: none"> Community consultation on the Draft Design Guidelines for the Epsom Street Affordable Housing Project involved raising awareness of social housing. It highlighted need amongst key workers and people with a connection to Hobsons Bay. Council's commitment to increasing the supply of Affordable Housing is also reflected in the Council Plan 2021-25 and Better Place Guides.

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.

Guiding Action	Status	Key Teams	Work undertaken / Comments
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	Progressing	Homes Victoria Social Planning HCA / Trust	<ul style="list-style-type: none"> • Council's submission on the Social and Affordable Housing Compact (2022) highlighted the importance of an ongoing partnership between Homes Victoria, Council and the Hobsons Bay Affordable Housing Trust. • Homes Victoria have shared data with Council on public housing dwellings and residents that assists in future planning. The Compact and Local Area Agreements provide an opportunity to build further collaboration. • The Epsom Street Affordable Housing Project has been a priority for the Trust over the life of the Policy Statement – further work is required to explore the role of the Trust in future opportunities to redevelop public housing dwellings in Hobsons Bay.
6.2. Minimise the undesirable impacts on individuals and neighbourhoods associated with high concentrations of public housing	Progressing	Social Planning	<ul style="list-style-type: none"> • Council does not play a role in managing tenancies at public housing developments in Hobsons Bay. • Council has also responded to two petitions in relation to the Epsom Street Affordable Housing Project by highlighting the expected benefits of the project if it is funded and proceeds.
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	Progressing	Social Planning	<ul style="list-style-type: none"> • Council officers have obtained a list of public housing dwellings in Hobsons Bay from Council's Rates Department. • Council has also engaged directly with Homes Victoria on a range of topics and will continue to engage via the Compact and Local Area Agreements (as they are developed). These discussion could include engagement on future decisions to sell or dispose public housing dwellings.
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	Progressing	Property Social Planning	<ul style="list-style-type: none"> • Through its engagement with Homes Victoria, Council periodically raises the prospect of surplus Victorian Government land and its potential for Affordable Housing. This process could be formalised through the development of the Compact and Local Area Agreements. • Council officers have also commenced a high-level audit of government-owned land to determine its suitability for future development of Affordable Housing. This could assist future discussions with Homes Victoria and (potentially) Commonwealth Government.