

SOUTH GIPPSLAND SHIRE COUNCIL

# Social and Affordable Housing Strategy

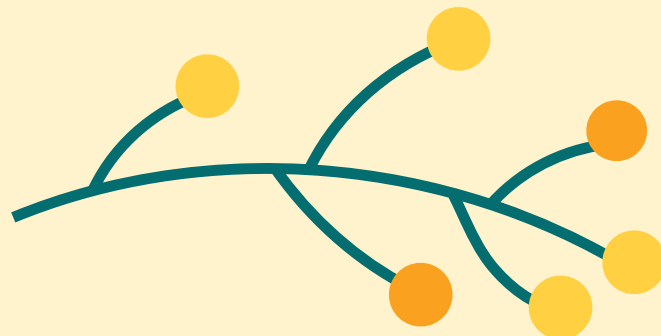


**Hornsby & Co.**  
Brokering Social and Affordable Housing



### *Acknowledgment of Country*

*We acknowledge the Bunurong and Gunaikurnai people as the Traditional Custodians of South Gippsland and pay respect to their Elders, past, present, and future, for they hold the memories, traditions, culture, and hopes of Aboriginal and Torres Strait Islander people of Australia.*



*Acacia pycnantha (wattle)*

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## At Home in South Gippsland Shire

South Gippsland Shire is an area with several unique small townships, agricultural land and a significant tourism industry. While the population of South Gippsland is growing, there is a challenge of not having a regional city centre to support affordable housing growth. The increasing cost of housing in South Gippsland is making it more and more difficult to find long term housing.

There is a housing crisis in Australia, and Victoria has the lowest rate of social housing of any State. In the South Gippsland Shire, over a thousand households are in housing stress. They pay more than 30 per cent of their household income on housing costs, leaving not enough for other expenses like transport, education supplies, health, food and utilities.

A person who is in insecure, inadequate or unaffordable housing cannot fully participate in the community and in the economy. It impacts on their ability to successfully complete education or training programs, to secure and maintain a job, or to pay for vital health care. It limits their capacity to contribute to community cohesiveness.

The dispersed nature of South Gippsland communities, and the State Government policy settings that encourage investment in social and affordable housing in metropolitan or regional cities mean there is a significant underinvestment in social housing in South Gippsland. Without change, the growing demand for housing in South Gippsland to meet the needs of people who are struggling to participate in the private housing market will only continue to increase.

Action needs to be taken to ensure South Gippsland can offer affordable places to live and build cohesive and inclusive communities now and into the future. South Gippsland Shire Council knows that this is a challenge that we cannot solve on our own. It requires commitment and funding from State and Federal Governments. But as a local government, we are committed to doing what we can to facilitate and advocate for the delivery of affordable housing.

South Gippsland Shire Council supports the need for:

- Affordable housing – including emergency, transitional and social housing.
- Support services to help people access and sustain housing.
- Local housing for local people.

Our current and future community want a great place to live, work and recreate – and we want to help create that. This means that affordable housing will be:

- Located in townships so that residents have good access to services.
- Well-designed to provide comfortable homes with good amenity for the residents and neighbours.
- Part of vibrant and cohesive communities connected to a range of support services.

South Gippsland Shire Council will facilitate the delivery of affordable housing by:

- Engaging in advocacy and partnerships.
- Leveraging the land use planning system to the extent practicable.
- Providing incentives and opportunities.

South Gippsland Shire Council is committed to playing its part to tackle the housing crisis. We will work with all communities to support them with their unique social and affordable housing challenges, opportunities and projects. We urge other stakeholders to play their part too.

## Purpose and Scope

The Social and Affordable Housing Strategy (the Strategy) has been developed to support Council to facilitate affordable housing outcomes in the South Gippsland Shire. The Strategy sets out the role of Council and the principles that Council will adopt in delivering that role.

The Strategy focuses on affordable housing. The community is facing broader issues around housing supply, the cost of market housing, and environmentally sustainable design but those are addressed in other strategic Council, State or Federal Government documents.



Rolling Hills, South Gippsland

## How to Use This Strategy

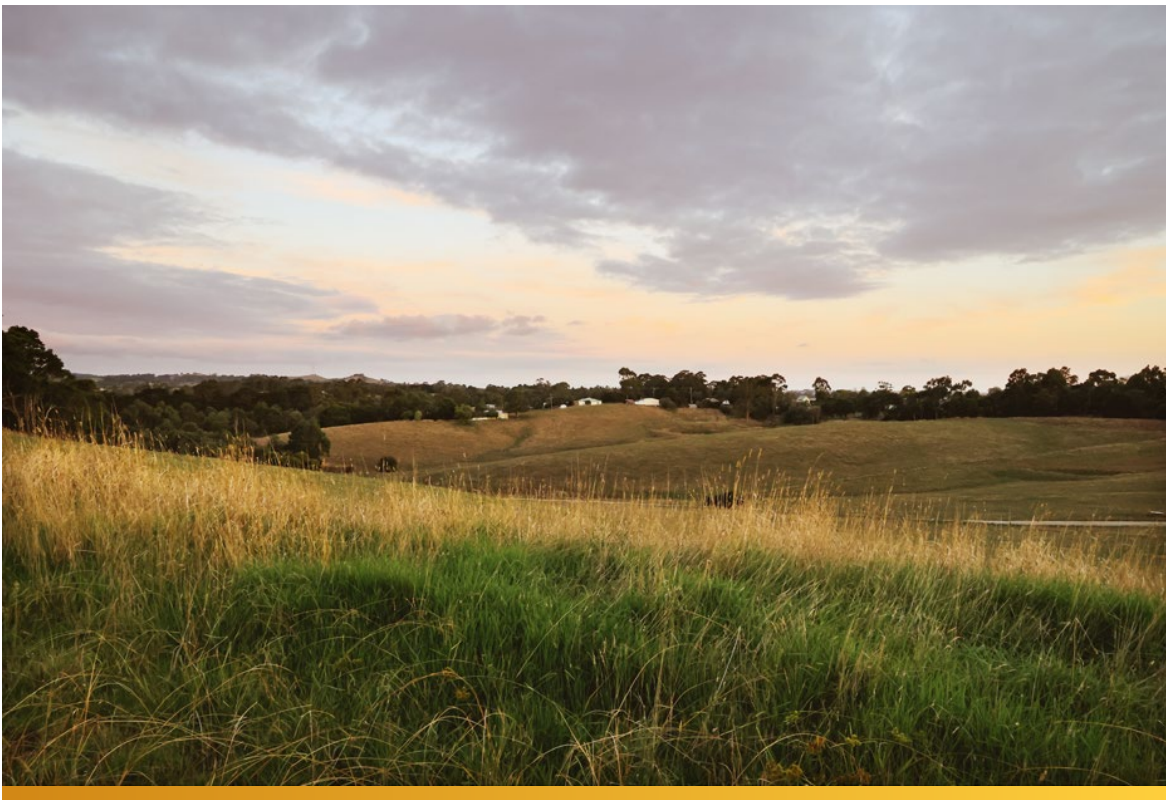
This strategy is a document that can be used by Council, Council staff, the housing sector and the community to support advocacy and actions in relation to affordable housing.

The Strategy is a succinct document written to provide direction and a platform for action. Detailed data analysis and evidence sits in a Background Report which is available on Council's website.

The Strategy sets out overarching principles for affordable housing in the South Gippsland Shire. There are then three key areas that reflect the role Council has adopted. They are:

- Advocacy, engagement and partnerships.
- Land use planning.
- Incentives and opportunities.

For each of these roles, the strategy sets out objectives and key opportunities for action. More detailed actions and tasks are set out in the Action Plan (a separate document) which will be monitored and updated each year. A section on policy for land use planning is also included so that the strategy can be easily connected to and reflected in the South Gippsland Planning Scheme, should a planning policy be developed in the future.



Bena

## What is Social and Affordable Housing?

Affordable housing is housing, including social housing, that is appropriate for very low, low and moderate income households<sup>1</sup>. Appropriate housing means:

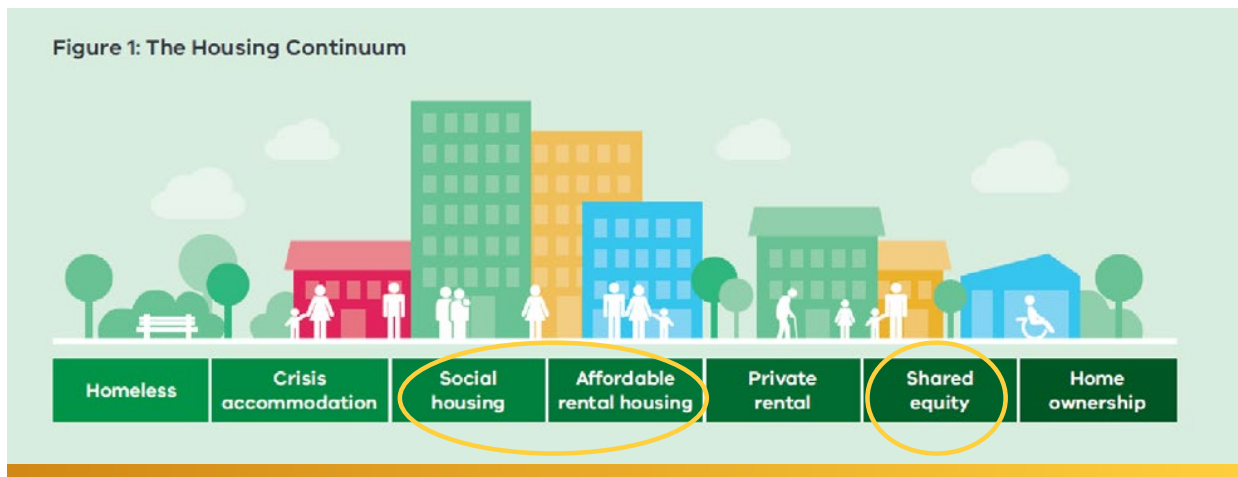
- There is an eligibility and allocation process to ensure the housing goes to people who need it.
- The rent or purchase price is affordable for that household (generally no more than 30 per cent of household income).
- The dwelling is of suitable form and quality and integrated into the neighbourhood both in terms of physical build and local community.
- The housing is located close to amenities, employment and transport.

The most common type of affordable housing is social housing, where rent is set as a proportion of household income.

Social housing is either public housing – owned and managed by the State Government, or community housing – owned and/or managed by an agency regulated by the Victorian Housing Registrar (not-for-profit organisations).

Affordable housing also includes a broad range of other possible housing types that are not public or community housing but are 'appropriate to the needs' of very low, low and moderate income households, provided they address the points listed above. It can be affordable rental (a discount on market rent) or affordable purchase through a program like shared equity.

The diagram below illustrates where affordable housing fits into the broader housing continuum.



<sup>1</sup> See definition in the *Planning and Environment Act 1987* and the matters for consideration in the supporting *Ministerial Notice*.

### The Difference Between Housing Affordability and Affordable Housing

Housing affordability is 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 outpaces relatively fixed household income. People are spending more on housing both in absolute terms and as a proportion of household income.

Affordable housing is housing that meets the definition in the *Planning and Environment Act 1987*. It has an eligibility requirement and allocation processes in place to make sure it is made available to very low, low and moderate income households.

The term 'affordable housing' is often incorrectly used to describe lower-cost market housing which can be purchased or rented within the financial means of a greater range of people. However, unless there is an eligibility requirement or allocation process for that housing, it will not necessarily go to an eligible household and so does not meet the requirements of the *Planning and Environment Act 1987* and Ministerial Notice that would make it affordable housing. To avoid confusion, lower-cost market housing should be referred to as 'lower-cost housing', not affordable housing.



Sandy Point



## Housing Need in South Gippsland Shire

### How much Affordable Housing do we need?

There is a significant need for more affordable housing in South Gippsland. In 2022, it is estimated that there is a shortfall of at least 420 affordable homes<sup>i</sup>. The number of people who received specialist homelessness services in 2018 was 579 and in 2019 was 604<sup>ii</sup>.

South Gippsland has a higher proportion of people on a lower income compared with the State average (42.3 per cent compared with 40.2 per cent). And, the number of social housing dwellings is significantly lower than the State average (1.8 per cent compared with 3.3 per cent)<sup>iii</sup>.

As of 30 June 2021, there were 218 public and social housing dwellings available in South Gippsland – the lowest number of any of the local government areas in Gippsland<sup>iv</sup>. At December 2021, there were 1,129 households on the priority access list seeking social housing in Inner Gippsland (South Gippsland, Baw Baw, Latrobe, Bass Coast) and a further 1,187 were on the Register for Interest<sup>v</sup>.

This under supply of social housing is against a backdrop of a significant increase in house prices and a steady decline in affordable rentals across the municipality. On average, house prices have risen by 50 per cent between 2016 and 2020<sup>vi</sup>. In the 12-months to December 2021, there were no affordable rental properties available to households on a very-low income in South Gippsland<sup>vii</sup>. In the year to June 2021, the number of new private rental listings fell by 120, or 24.7 per cent<sup>viii</sup>.

The Gippsland Regional Housing Network reported that there has been a decrease to rental vacancy rates over the last 12 months.

*"In February 2021 the residential vacancy rate in regional areas was 1 per cent compared to 1.7 per cent 12-months earlier; and median rent \$380 per week, compared to \$350 12-months earlier. Since the beginning of the pandemic, the cost of rental[s] has increased at the same time as there are fewer properties available to rent."<sup>x</sup>*

### What sort of Affordable Housing do we need?

South Gippsland Shire needs more affordable housing, in particular more social housing. There is evidence that identifies the following groups within the community that have the highest need:

- Older people – There is an increase of older, low income, lone-person households.
- Women and children – A higher percentage of women are represented in lone parent and low income households and for people over the age of 75 lone households. An increase in family violence incidents is impacting on housing security for women and children.
- Homeless people – An increase of homelessness with more requests for assistance to specialist homelessness service providers, who are not able to provide assistance due to a lack of affordable rental housing, crisis accommodation and social housing.

In addition, the *Healthy Communities Plan 2021 - 2022* highlighted community concern for the need for affordable housing for young people, particularly those with disabilities and young people escaping family violence<sup>x</sup>.

### *Affordable Housing for First Nations Peoples*

Affordable housing outcomes for Aboriginal and Torres Strait Islander peoples in South Gippsland should be delivered within a framework of self-determination and reconciliation.

At the last Census, there were approximately 279 Aboriginal and Torres Strait Islander people living in South Gippsland (1 per cent of the total population)<sup>3</sup>. As reported in the Victorian Aboriginal Housing and Homelessness Framework:

*“While colonial values have receded and Aboriginal people have finally assumed full citizenship, our sustained economic exclusion has left a lasting legacy of housing poverty and deprivation. In 2019, Victoria remains the site of a humanitarian crisis in Aboriginal homelessness... More than 4,000 of Victoria’s Aboriginal households (around one in five) have sought social housing through the Victorian Housing Register (VHR). One third of these are categorised by the VHR as ‘homeless with support’.”<sup>xi</sup>*

### *Priority Housing Types*

There is a lack of availability of affordable one-to-two bedroom dwellings in the South Gippsland Shire. Of the 693 applications on the VHR in March 2021, 424 were for one-bedroom dwellings. This reflects feedback from housing and service providers that there is a significant demand for single-person households<sup>xii</sup>.

### *Emergency Accommodation and Transitional Housing*

Emergency accommodation and transitional housing to support people escaping family violence, to house perpetrators of family violence or for people at risk of or experiencing homelessness is also vital. It provides a place where people can stay while they seek longer-term housing solutions.

It is important to note that additional social housing is essential for emergency and transitional housing to operate successfully so that people can move through emergency or transitional housing into safe, secure, affordable housing. Without additional social housing, people cannot exit the transitional housing preventing it from becoming available to other households in crisis.

Other types of affordable housing like affordable rental or affordable ownership may in the long run ease the pressure on social and emergency accommodation, but the key focus of this strategy is increasing emergency, transitional and social housing.

### **Where Should Affordable Housing be Located?**

The South Gippsland Shire needs more social housing across the municipality. While Korumburra, Foster and Leongatha had the highest percentage of households in rental and mortgage stress in 2016<sup>3</sup>, there is also demand in other townships including Mirboo North and Meeniyan.

On average, 1.8 per cent of dwellings in South Gippsland Shire are social housing, but many townships have no social housing. In Korumburra, social housing accounts for 4.2 per cent of dwellings and makes up 3.7 per cent of dwellings in Foster and surrounds. There are also pockets of concentration in Leongatha (3.3 per cent) (all figures based on the 2016 Census)<sup>xiii</sup>.

To ensure that affordable housing tenants have access to the services that many people need, and to avoid issues of social isolation and transport poverty, affordable housing should be prioritised:

- In townships with well-established services (health, education, shops).
- Close to the town centre to be within walking distance to services (preferably).
- Accessible to public or other affordable transport.

For South Gippsland, this means locating affordable housing in existing townships and preferably within the walkable catchment.

These parameters are not a hard-and-fast rule. There may be circumstances where it is appropriate to have affordable housing further away from the town centre if residents are well supported with transport and access to services.

A strength of small local communities is that they provide informal support and networks which are invaluable to helping people but difficult to measure. Provision of affordable housing appropriately located in rural areas can support people to remain connected with their support networks (i.e. local schools, families and jobs). This is currently not reflected in affordable housing policy settings that seek to populate regional city centres and do not account for the significant social infrastructure provided in small communities that are vital to the wellbeing of individuals, families and the cohesion of the towns.



KOONWARRA

## Importance of Services that Support People Into and In Affordable Housing

South Gippsland Shire Council recognises that successful housing outcomes are not just about bricks and mortar. Many people need 'wrap around' or support services to help them:

- Navigate their way to and within the housing system.
- Secure an appropriate housing tenancy.
- Sustain their tenancy.
- Ensure their housing meets their ongoing needs, which may change over time.

With the appropriate support in place, people are better able to maintain and sustain their tenancies. This means they are more able to stay in safe, secure, affordable housing and can more fully participate in the community and the economy.

Currently, there is insufficient government funding for these services to meet the existing demand in the South Gippsland Shire. The Gippsland Regional Housing Network reported that in South Gippsland, the lack of crisis accommodation and the limited availability of affordable housing for low-income earners were causes attributed to 769 people being turned away from services in 2018 to 2019.

Council has an important role in connecting residents to the organisations that provide services. It participates in important networks with key stakeholders and continues to advocate for appropriate levels of funding for the community. There are also community and neighbourhood houses that have strong connections to local communities and provides an important role in connecting people to services.

Affordable housing is also recognised as one of the four priority areas in the *Healthy Communities Plan 2021 - 2022*.

## Affordable Housing Policy Framework

The diagram below illustrates the roles and responsibilities of the Federal and State Government, the community housing sector and the development industry in relation to affordable housing.



The Federal Government has responsibility for taxation settings and policies which influence housing affordability. In the past, the Federal Government has provided specific stimulus programs to fund affordable housing.

The State Government has primary responsibility for funding affordable housing. It is also the largest social housing landlord with more than 65,000 public housing dwellings, which includes units, apartments, townhouses and detached houses across Victoria. The recently established Homes Victoria, which sits within the Department of Families, Fairness and Housing is responsible for the management of the social housing system in Victoria.

The community housing sector owns and/or manages affordable housing, primarily social housing. They make up a growing proportion of social housing, accounting for more than 20,000 tenancies.

The current policy settings around State Government funding to the community housing sector restricts funding to the capital (up-front) cost. Operational costs are expected to be met from rental revenue – a challenge when rents are set low to be affordable for very-low income households.

The private development sector has access to finance and capital, plus the experience to deliver housing developments at a scale and efficiency that other sectors don't. While the development industry is willing to work with the community and government sector, their business model relies on certainty of costs. It can be difficult to factor in providing a subsidy or discount for affordable housing in the current voluntary environment.

## The Role for Local Government

Previously, the role for local government in relation to housing has focused on land use policy levers that facilitate housing supply and influence the location, built form and environmental sustainability of housing.

With changes to the planning legislation and increasing concern from Councils about the impact on their communities from the lack of affordable housing, more and more councils are taking up a range of roles related to affordable housing.

There is no prescribed way in which Councils must facilitate the delivery of affordable housing, but there are several relevant Acts:

- The *Local Government Act 2020*;
- The *Planning and Environment Act 1987*; and
- The *Housing Act 1983*.

### *Local Government Act*

The primary piece of legislation that guides Council's is the *Local Government Act 2020*.

Section 8 of the *Local Government Act* sets out the role of a Council as follows: "*The role of a Council is to provide good governance in its municipal district for the benefit and wellbeing of the municipal community.*"

In line with the *Local Government Act*, any role or action for affordable housing that the Council adopts needs to be undertaken in a way that demonstrates good governance and provides for the benefit and wellbeing of the community. This strategy is a document that has been delivered to reflect the requirements of the *Local Government Act*.

### *Planning and Environment Act*

The *Planning and Environment Act 1987* provides a framework for the administration of the use and development of land. The *Planning and Environment Act* has an objective (Section 4.1(a)): "*to facilitate the provision of affordable housing in Victoria.*"

Through the function of controlling the use and development of land, the *Planning and Environment Act* provides Council's with a means of facilitating affordable housing through the development process.

Council planning staff can seek to negotiate affordable housing agreements through the planning system. The negotiation may be as part of a proposal to rezone land, or as part of a planning permit application. The current legislative framework requires that an affordable housing contribution must be agreed on a voluntary basis, but there is a growing appreciation that, if there is sufficient supporting policy, a Council can reasonably request an affordable housing contribution.

### *Housing Act 1983*

The *Housing Act 1983* has the broad objective, among other things, of ensuring every person in Victoria has adequate and appropriate housing at a price within his or her means. The *Housing Act*, together with the Office of the Housing Registrar, provides the framework for the establishment, compliance, and recognition of registered housing agencies – the registered not-for-profit organisations that manage affordable housing for eligible households.

Councils are not directly involved in implementing the *Housing Act*, but it is useful to understand the legislation under which public housing and community housing organisations operate.

### Links to Other Council Strategies and Plans

The facilitation of affordable housing, and the support services that enable people to find, access and sustain an affordable housing tenancy is a role that stretches across different Council departments and across different organisations within the community. For this reason, there will be aspects of the *Social and Affordable Housing Strategy* that can sit within different Council strategies and plans. These plans include:

- *Community Vision 2040.*
- *Council Plan 2022 - 2026.*
- *Municipal Public Health and Wellbeing Plan 2022 - 2025* (under development).
- *Advocacy Strategy.*

There is an opportunity to reflect the issue of affordable housing and associated support services in these documents.

If affordable housing and the associated support services comes through from the community as a key issue, the topic can be included in the Community Vision and Council Plan.

Specific actions that relate to homelessness and support services which enable people to sustain their tenancies can be built into the annual action plans that support the implementation of the *Municipal Public Health and Wellbeing Plan 2022 - 2025*.

### The Role of South Gippsland Shire Council

South Gippsland Shire Council has identified it will influence the delivery of affordable housing in the municipality through:

- Advocacy, engagement and partnerships.
- Leveraging the land use planning system to the extent practicable.
- Providing incentives and opportunities, including making Council-owned land available where appropriate.

This is described in more detail on pages 16 to 21 of this document.

## Strategic Principles

The South Gippsland Shire Council adopts the following overarching principles when seeking to facilitate the delivery of affordable housing within the municipality.

One

**Affordable housing is an essential component of cohesive and vibrant communities and should meet the diverse housing needs of the community.** It needs to be developed in-step with market housing for the benefit of future townships and communities.

Two

**Affordable housing will be located where there is, or will be, access to amenities, services and public transport.** In new development areas this presents a challenge. We will explore innovative solutions to secure the delivery of affordable housing in these locations today, while recognising that services and amenities may not arrive until tomorrow.

Three

**Services that assist people to access housing and sustain tenancies are a vital component of the affordable housing system.** We will advocate for adequate funding for these services. We will work alongside service providers as stakeholders and partners when facilitating the delivery of affordable housing and helping people sustain their tenancies.

Four

**We recognise the dispersed nature of South Gippsland townships discourages investment in social housing, and we will advocate for change in funding policy.** We want to ensure there are housing opportunities for people to remain within their communities and the support structures that provides.

Five

**We will advocate for and to key stakeholders in their delivery of affordable housing that meets the diverse needs of our residents now and into the future.** Local government can facilitate the delivery of affordable housing, but we recognise that the funding and management of affordable housing rests with the State government and community housing sector.

Six

**We advocate for innovation in the delivery of affordable housing.** We want to be leaders and encourage new ways of solving an old problem. We will facilitate the delivery of innovative affordable housing options that support positive outcomes.

Seven

**We will build our capacity and create opportunities to implement the Strategy.** We will provide staff with support and training to build their capacity. We will create opportunities to implement the Strategy and the Action Plan.



### Advocacy, Engagement and Partnerships

We cannot address the shortage of affordable housing on our own. South Gippsland Shire Council will build partnerships with service and housing organisations to advocate for sustainable levels of funding. We will engage with our community and stakeholders to illustrate the importance of affordable housing and to increase the support for affordable housing in the South Gippsland Shire.

#### Objectives

**Objective One:** Council has strong effective strategic partnerships with stakeholders, focused on where we can achieve improved outcomes for our community.

**Objective Two:** Our advocacy and engagement increase support for, and delivery of, affordable housing and services across the whole municipality.

**Objective Three:** Strategic partnerships with State Government, housing and service providers, and developers deliver improved affordable housing outcomes for the community and individuals.

**Objective Four:** The South Gippsland Shire community understands the value of affordable housing and why the Council seeks to advocate for its inclusion in existing townships.

**Objective Five:** Council can measure their advocacy and partnership efforts and can demonstrate they have an impact on the quality of life for residents living in or near affordable housing.

#### Policies

**Policy One:** Council works in partnership with service and housing providers to deliver effective and targeted advocacy to improve funding for affordable housing and associated services in the South Gippsland Shire and surrounding municipalities.

**Policy Two:** Council engages with the South Gippsland Shire community to promote the importance of affordable housing in new and existing suburbs and townships.

#### Key Actions

- Council will identify and strengthen partnerships with strategic stakeholders to deliver a cohesive advocacy program to the State Government for funding for affordable housing and associated services in the South Gippsland Shire and the region.
- Council will advocate to the State Government to encourage the tenancy and property management of public housing to respond to local need and provide good outcomes for residents and neighbours.

## Land Use Planning System

South Gippsland Shire Council recognises that there are opportunities within the planning system to negotiate affordable housing outcomes for current and future residents. We will use all available planning scheme levers to generate more affordable housing. We will ensure the affordable housing outcomes meet the needs of current and future residents.

### Objectives

**Objective Six:** We have vibrant cohesive communities and townships that include affordable housing.

**Objective Seven:** The development industry is clear about the Council's expectations for affordable housing contributions as part of rezoning proposals and planning permit applications.

**Objective Eight:** There is sufficient policy in Council strategic documents to support affordable housing negotiations and deliver affordable housing outcomes.

**Objective Nine:** The Planning Scheme supports affordable housing negotiations and delivers Affordable Housing outcomes as part of rezoning and permit applications (see page 19).

**Objective Ten:** Affordable housing is located close to services, employment and public transport now and in the future.

### Policy

**Policy Three:** Council will require an affordable housing contribution for rezoning proposals that include residential or mixed-use component; and for planning permit applications that will create more than 30 dwellings or 30 or more residential lots.

**Policy Four:** Where Council is not the responsible authority for a rezoning or permit application, Council will determine its position on the proposed response to affordable housing and provide a formal submission to the relevant planning authority.

**Policy Five:** Council will recognise the benefit provided by affordable housing and will balance that against other planning matters when assessing planning permit applications for affordable housing

### Key Actions

- Council will undertake a Planning Scheme Amendment to incorporate the Affordable Housing Strategy into the South Gippsland Planning Scheme and include a local planning policy that outlines a purpose, clear objectives and mechanisms for delivering affordable housing outcomes and supports affordable housing negotiations (see page 19).
- Training and support will be provided to strategic and statutory planning staff to give them the skills and knowledge to successfully negotiate affordable housing contributions as part of rezoning proposals and planning permit applications.

### Land Use Planning Policy in the South Gippsland Shire

When considering proposed Planning Scheme Amendments that rezone land into a residential use it is Council policy that:

- The developer will provide 5 per cent of the net developable area for social housing.
- The landowner will enter into a S173 agreement to secure that contribution.

The contribution will be provided on the following basis:

- 5 per cent of the net developable area delivered as fully-serviced lots, or a contribution of equal value delivered as completed house and land.
- Delivered at no cost to a registered housing agency by way of transfer of title.
- For land only contributions (no dwellings), roads and utility connections to the lot must be completed and at no cost to the recipient prior to the lots being transferred.
- The affordable housing contribution is to be delivered in step with the market housing, however alternative sequencing will be considered where there can be a guaranteed delivery and there will be improved affordable housing outcomes.
- To the extent practicable, the affordable housing will be provided within walking distance of services and amenities recognising that transport costs can disproportionately impact on low-income households.

When considering planning permit applications for 30 or more dwellings or residential lots it is Council policy that:

- The developer will provide 3 per cent of the net developable area for social housing.
- The landowner will enter into a S173 agreement to secure that contribution.

The contribution will be provided on the following basis:

- 3 per cent of the net developable area provided as fully serviced lots, or a contribution of equal value delivered as completed house and land for social housing.
- Delivered at no cost to a registered housing agency by way of transfer of title.
- The affordable housing contribution is to be delivered in step with the market housing, however alternative sequencing will be considered where there can be a guaranteed delivery and there will be improved affordable housing outcomes.

### Incentives and Opportunities

While Council cannot deliver or subsidise the amount of affordable housing that is required to meet demand in the South Gippsland Shire, we can encourage organisations to invest in social housing in our municipality.

#### *Objectives*

**Objective 11:** Council encourages investment in social housing in the municipality by providing financial incentives in specific circumstances.

**Objective 12:** Council uses its land and building assets to provide opportunities for affordable housing where it can be demonstrated that there is sufficient value to the community to do so.

**Objective 13:** The policy and incentive framework created South Gippsland Shire Council encourages registered housing agencies to deliver affordable housing in the municipality.

#### *Policies*

**Policy Six:** Council will offer financial incentives e.g. discounted rates for registered housing agencies that develop new social housing in South Gippsland Shire.

**Policy Seven:** Council will seek opportunities to co-locate affordable housing in the design and development of Council buildings through 'air rights' or other mechanisms.

**Policy Eight:** Council will make Council-owned land available for the delivery of affordable housing in line with the decision framework on page 21.

#### *Key Actions*

- When considering a change of use or development of Council assets, Council will consider whether it is appropriate to be used for affordable housing.
- Council will review Council-owned land in the municipality and assess its sustainability for affordable housing.
- Council will prepare a process for how affordable housing will be considered when developing Council assets, such as air-rights over community facilities.

*Framework for Assessing Council Land for Affordable Housing*

When determining whether a Council-owned site should be made available for affordable housing, officers will consider and provide an assessment of the following factors before making a recommendation to Council.

	<b>Consideration</b>
<b>Demand</b>	Is there demand for affordable housing in this location?
<b>Location</b>	Is the site within a township?
<b>Intended use</b>	Has the site been earmarked for a (or an existing) Council use, building or service and identified in a Council Strategy, Plan or Report? Could that service or asset be co-located with affordable housing?
<b>Budget</b>	Is the site expected to deliver revenue from the sale of the site which has been included in the Council budget and capital works plan?
<b>Site characteristics</b>	Is the site of a suitable size and topography that would make construction of affordable housing possible and cost effective?
<b>Planning</b>	Is the site appropriately zoned for residential use and development?
<b>Neighbourhood</b>	Is the site within an area with a high concentration of existing affordable housing e.g. more than 30 per cent of dwellings in the neighbourhood? If so, it may not be appropriate to add more affordable housing.
<b>Development viability</b>	Is the site constrained by anything else that makes residential use and development more expensive (e.g. ground contamination, extensive drainage or infrastructure requirements, heritage factors).
<b>Delivery mechanism</b>	Could affordable housing be delivered on site through a ground lease, or would it require transfer of title?
<b>Exceptional circumstances</b>	Are there any other associated with circumstances that mean Council should consider the site (e.g. grant contingent on site usage, earmarked revenue secured elsewhere, potential to include private market housing, others?).

## A Community-Based Affordable Housing Solution

While Council can facilitate Affordable Housing through the mechanisms outlined in this strategy, a community-led and delivered response that sits apart from the requirements associated with government grant funding and policy can be more responsive to local need.

Linton Court is a great example of this. It is a community-based not-for-profit retirement village in Foster. It provides affordable independent living for people over the age of 55. The village currently has 25 one- and two-bedroom units, with preference given to local people or people with a connection to the local community.

Linton Court is a registered charity administered by a Board of local volunteers and village residents. Residents are encouraged to be involved in decision making and there is a strong sense of ownership and community. The management and most of the maintenance is also done on a voluntary basis by local people.



## Evaluation and Monitoring

The Affordable Housing Strategy is supported by an Action Plan. The Action Plan has been designed to allow staff to monitor and report on the actions. Actions from the Plan will be incorporated into the organisational business planning and will be updated annually.

The strategy will be reviewed in four years' time and as part of that review, there will be updated data and analysis of the amount of affordable housing in the municipality.

## References



- <sup>i</sup> .id South Gippsland Housing Monitor, <https://housing.id.com.au/south-gippsland/stress-and-need#how-many-households-are-in-need-of-affordable-housing>, sourcing Australian Bureau of Statistics Census 2016, extrapolated to 2022 population forecasts for households in South Gippsland Shire (forecast.id, <https://forecast.id.com.au/southgippsland>)
- <sup>ii</sup> Department of Health and Human Services (October 2020), *Housing Assistance Additional Service Delivery Data 2019-20*
- <sup>iii</sup> atlas.id. *Population profile for South Gippsland Shire*, <https://atlas.id.com.au/southgippsland>, citing Australian Bureau of Statistics Census 2016
- <sup>iv</sup> Housing Victoria, 2021, *Social and Public Housing Dwellings by LGA*
- <sup>v</sup> Housing Victoria 2021, *Victorian Housing Register and transfer list by local area*, <https://www.housing.vic.gov.au/victorian-housing-register>
- <sup>vi</sup> Hornsby & Co., *South Gippsland Housing Needs Analysis*, September 2021
- <sup>vii</sup> .id South Gippsland Housing Monitor, *How much affordable housing is available to rent in South Gippsland Shire*, <https://housing.id.com.au/south-gippsland/affordability-and-availability#where-is-affordable-housing-available-to-rent>, citing PropTrack (REA group housing listings, updated twice annually)
- <sup>viii</sup> Victorian Department of Families, Fairness and Housing, *Rental Report statistics*, <https://www.dffh.vic.gov.au/publications/rental-report>
- <sup>ix</sup> Gippsland Housing Network, April 2021, *Establishing a 10 year Strategy for Social and Affordable Housing*
- <sup>x</sup> South Gippsland Shire Council, *Healthy Communities Plan 2021-2022*, [https://www.southgippsland.vic.gov.au/downloads/file/4017/healthy\\_communities\\_plan\\_2021](https://www.southgippsland.vic.gov.au/downloads/file/4017/healthy_communities_plan_2021)
- <sup>xi</sup> Aboriginal Housing Victoria, 2020, *Mana-na woorn-tyeen maar-takoort, Every Aboriginal Person has a Home. The Victorian Aboriginal Housing and Homelessness Framework*, <https://vahhf.org.au>
- <sup>xii</sup> Housing Victoria, *Victorian Housing Register*, March 2021
- <sup>xiii</sup> atlas.id, *Housing Tenure in South Gippsland Shire*, citing ABS Census 2016, <https://atlas.id.com.au/southgippsland>



# Action Plan



The Action Plan will be a separate document that will set out actions, responsibilities, resourcing and time-frames. The timing is expressed as either immediate/short-term (initiate in years one to two), medium (initiate in years two to three) or long-term (initiate year four plus). Some actions will be ongoing. This Action Plan will inform annual implementation plans which will include the details of the tasks required to achieve these actions and evaluation measures.

	Action	Timing	Output	Outcome Measure
<b>Advocacy, Engagement, Partnerships</b>				
1	Deliver an advocacy program to State and Federal Governments seeking funding for housing and services, policy reform and the use of surplus government land for affordable housing.	Immediate – ongoing	Advocacy material developed. Regular engagement with government agencies and Members of Parliament.	Project/s funded or committed. Policy reform delivered or commitment.
2	Deliver a community engagement program and resources to build community support for affordable housing.	Immediate – ongoing	Engagement material developed and promoted.	Increased community awareness / support for the need for affordable housing. Reduced community opposition to affordable housing proposals / planning applications.
3	Council will advocate to the State Government to encourage the tenancy and property management of public housing to respond to local need and provide good outcomes for residents and neighbours.	Immediate – ongoing	Regular engagement with Housing Victoria.	Local public housing residents have increased satisfaction with tenancy management. Evidence that tenant selection responds to local housing needs.
4	Work with community housing organisations and service providers to identify the housing and related service needs of specific cohorts including participation in the Inner-Gippsland Local Area Service Network (LASN).	Immediate – ongoing	Local evidence developed on the housing and service needs of specific cohorts. Council attendance at LASN Meetings.	Stakeholders have access to up-to-date evidence on the local affordable housing and service needs of priority cohorts. Council's involvement at LASN meetings results in greater information sharing and the initiation of new projects or improved project outcomes.

	<b>Action</b>	<b>Timing</b>	<b>Output</b>	<b>Outcome Measure</b>
5	Train and resource staff on referral pathways for people experiencing / at risk of housing insecurity and how to respond to people experiencing primary homelessness (sleeping rough).	Short-term – ongoing	Training and resources delivered.	Increase in staff capacity to respond to these matters.
6	Identify and strengthen partnerships with the development industry and community housing sectors, peak bodies, governments to deliver more affordable housing.	Short-term – ongoing	Council is actively supporting and participating in local networks to foster partnerships.	Affordable housing project/s initiated / facilitated through associated partnerships.
7	Work in partnership with business, industry bodies and government agencies investigating issues and opportunities around access to affordable housing for key workers with low-moderate household incomes.	Short – Medium term	Research undertaken and shared with stakeholders.  Council is involved in a project/s that address the shortage of key worker accommodation.	Evidence of increased availability of key worker accommodation for low-moderate households.
<b>Land Use Planning System</b>				
8	Undertake a Planning Scheme Amendment to incorporate the Affordable Housing Strategy and include supporting policy in the Planning Scheme.	Medium – Long term	Planning Scheme Amendment complete.	Evidence that Planning Scheme has been used to support affordable housing negotiations and outcomes.
9	Deliver a training / mentoring program with staff for strategic and statutory planning staff to enable them to successfully negotiate Affordable Housing contributions.	Short-term	Training and resources delivered.  Training included in induction for new planning staff.	Increase in staff skills.  Evidence of successful negotiations processes.
10	Bring in affordable housing expertise for specific rezoning or permit applications to assist with evidence and negotiations.	As required – ongoing	Negotiations undertaken on rezoning or permit applications.	Agreements secured to facilitate increased and diverse affordable housing provision.

Action	Timing	Output	Outcome Measure	
<b>Incentives and Opportunities</b>				
11	When considering a change of use or development of Council land, Council will consider whether it is appropriate to be used for affordable housing.	Short-term – ongoing	Evidence that Council land developments have included consideration of affordable housing.	Council contributes appropriate land for affordable housing as opportunities arise.
12	Council will review Council-owned land in the municipality and assess its suitability for affordable housing.	Short – medium term	Review complete outcomes reported to Council.	Council initiate consideration of contributing suitable Council-land for affordable housing if options are identified.
13	Prepare practice notes on how affordable housing will be considered when developing Council assets, such as air-rights over community facilities.	Medium-term	Practice notes developed.	Guidelines are integrated into the process of developing Council assets.  Projects initiated / delivered.
<b>Implementation, Evaluation and Monitoring</b>				
14	Establish a social and affordable housing reference group.	Short-term ongoing	Membership and terms of reference established and meet regularly over the Strategy period.	The reference group have active involvement in advising the implementation of the Strategy.
15	Establish regular, planned engagement with community-based groups to support the implementation of this strategy.	Short-term ongoing	Evidence of meeting / forums held in local community settings.	Community members have active involvement in supporting the implementation of the Strategy.
16	Update the Strategy and housing needs assessment following the release of the 2021 Census data.	Short-term	Data in the Strategy is current and updated as required.	Current data and evidence has been used to support affordable housing activities.
17	Evaluate and monitor the outcomes of Council's affordable housing activities.	Short-term	Evaluation Framework developed.  Annual review of implementation plan complete.	The Action Plan is reviewed and improved to support effective implementation.

SOUTH GIPPSLAND SHIRE COUNCIL

9 Smith Street (Private Bag 4) Leongatha VIC 3953  
Phone: 5662 9200 Fax: 5662 3754  
Email: [council@southgippsland.vic.gov.au](mailto:council@southgippsland.vic.gov.au)  
Website: [www.southgippsland.vic.gov.au](http://www.southgippsland.vic.gov.au)  
Facebook: [www.facebook.com/southgippslandshirecouncil](http://www.facebook.com/southgippslandshirecouncil)

