

Affordable Housing Policy Review

Stakeholder and Community Engagement Report

Survey Published 8 June 2022

Whitehorse City Council acknowledges the Wurundjeri Woi Wurrung people of the Kulin Nation as the traditional owners of the land. We pay our respects to their Elders past, present and emerging. Wurundjeri connection to this land dates back more than 40,000 years, and evidence of this connection still exists today.

Table of Contents

Executive Summary **4**

Introduction **6**

What we did **6**

What we heard **6**

The role of Council in relation to affordable housing 8

Community attitudes towards affordable housing 9

Planning incentives that encourage voluntary affordable housing contributions 10

What should developers offer? 11

Barriers that might prevent diverse groups from accessing affordable housing 12

Next Steps **13**

Appendix 1 ..... **14**

Affordable Housing Policy Review Survey 14

Executive Summary

Whitehorse City Council is committed to advocating for affordable housing options within its municipality. In addition, Council has a legal obligation 'to facilitate the provision of affordable housing' under the Planning and Environment Act 1987.

Given Whitehorse's Affordable Housing Policy was created in 2010 and there have been considerable changes in the housing market since this time, including a changed policy environment, the Policy is now being reviewed.

This Stakeholder and Community Engagement Report provides a summary of the findings from the engagement phase of the policy review, including engaging with Councillors, a targeted workshop with key stakeholders and engagement with the broader community via Council's online engagement platform, Your Say Whitehorse.

Key Findings

More than half of respondents considered the lack of available affordable housing to be an issue in Whitehorse (54%), while more than 4 out of 10 respondents did not consider it an issue (46%). The main reasons why the 54% of respondents considered affordable housing an issue included changes to the housing market that have led to an increased demand for social and affordable housing (67%), an increased proportion of renters who are more susceptible to housing stress (59%) and a lack of affordable age-friendly housing for our ageing population (51%).

When asked about the role of local government in relation to affordable housing, there were strong themes around its role as a planning authority, advocating to other levels of government, as well as partnering with and facilitating the work of other stakeholders (for example building relationships with State Government and the housing sector to increase the quality and quantity of social housing).

A number of survey respondents (16.2%) also expressed an opinion that Council has no role to play in relation to affordable housing or conveyed concerns about affordable housing leading to poor quality buildings, reduced adherence to robust building codes, increased crime, greater amounts of rubbish and devaluing nearby properties.

As mentioned above, given Council has a legal obligation to facilitate the provision of affordable housing under the Planning and Environment Act 1987, this suggests Council needs to undertake further awareness raising about its role in this space and the importance of social and affordable housing e.g. ageing in place, affordable housing for key workers.

More than half of respondents 'agreed' or 'strongly agreed' that:

- Affordable housing should be encouraged in the municipality as a way of maintaining economic and social diversity (53%)
- New larger scale multi-dwelling developments should include a proportion of housing for people on low incomes and rezoning approvals (53%)
- Rezoning approvals should consider providing affordable housing, where appropriate (55%)

In terms of exploring planning incentives that Council could offer to encourage voluntary affordable housing contributions, there was general support from both developers and the general community for the use of 'approval process advantages' (for example, providing fast-

tracked application processes within set timeframes). Additional building height/floor space was also considered appealing by developers (but relative to the size/scope of the development), along with reduced car-parking requirements. Additional building height was less supported by the general community, along with reduced car parking. Community housing providers also cautioned against reduced car parking requirements as this can limit their ability to rent out the spaces.

Developers were generally supportive of a 6% affordable housing contribution and expressed a need for clear guidelines about what percentage contribution should be provided, how it should be provided (e.g. the provision of affordable housing units versus a monetary contribution) and to whom the contribution should be provided (e.g. Council or a third party).

Feedback from the local government sector was that developers should engage directly with community housing providers in the preparation of development plans and that Council should not receive any cash contribution. The direct provision of affordable housing is the preferred outcome and any monetary contribution should be transferred to a vetted third party such as a registered housing association.

Gender Considerations

Survey respondents and workshop participants were asked what barriers might prevent different genders or diverse community cohorts from accessing affordable housing. This information is important because local government is now required under the Gender Equality Act 2020 to undertake a gender impact assessment on all new policies and policy reviews, as well as apply an intersectional lens, looking at the ways in which different aspects of a person's identity can expose them to overlapping forms of discrimination and marginalisation.

It was noted that access to affordable housing affects many different cohorts of people, but especially women whose earning capacity is often less due to the gender pay gap, caring responsibilities, separation or divorce, and therefore with less superannuation as they age. This feedback was reinforced by reports from homelessness services that are seeing a large proportion of women over the age of 55 accessing their services, as well as women escaping family violence.

Workshop participants discussed different approaches to address barriers to safe and secure housing and agreed it is important to apply a gender lens across all income levels (very low, low and moderate incomes) and housing outcomes, to build a stronger understanding of the local need. However workshop participants also warned Council that addressing affordable housing equity issues through the use of prescriptive targets (e.g. 10% of all new affordable housing is for 'key workers') may not be appropriate in some development contexts. It could also create additional barriers (such as finding a suitable registered housing authority to partner with) that would detract from developers entering into a voluntary agreement.

Introduction

Whitehorse City Council developed an Affordable Housing Policy in 2010 that articulates the things Council is doing, will do, or will consider doing, to support affordable housing within the municipality. There have been considerable changes in the housing market since this time, including an urgent need for increased supply of social and affordable housing in Whitehorse (research by the Eastern Affordable Housing Alliance revealed a current shortfall of 2,570 social housing dwellings in Whitehorse in 2021), together with the emergence of State Government investment and a changed policy environment, all of which contributed to Council's decision to review the Policy.

The Stakeholder and Community Engagement Report summarises key findings from the engagement phase of the policy review, which involved engaging with Councillors, a targeted workshop with key stakeholders and engagement with the broader community via Council's online engagement platform, Your Say Whitehorse. This information will be used to inform the review of Council's 2010 Affordable Housing Policy and development of an affordable housing local planning policy.

What we did

An affordable housing discussion paper was presented to Councillors at a briefing session earlier in the year, where a number of questions were posed to Councillors for consideration, as well as which stakeholders to invite to a stakeholder workshop.

The stakeholder workshop was held on 31 May 2022 to explore:

- Potential policy levers to increase the supply of social and affordable housing in the City of Whitehorse.
- Understand which planning incentives are more palatable for developers.
- Discuss the impact that these would have on diverse community groups trying to access affordable housing.

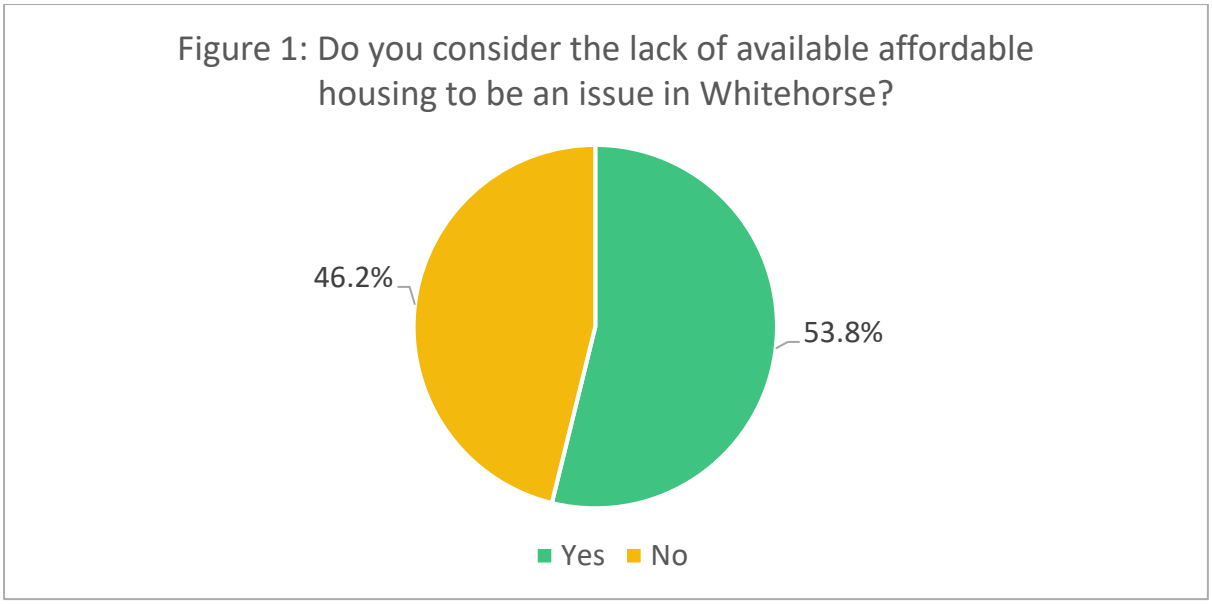
14 people attended the workshop, including representatives from the following sectors:

- Development
- Homelessness support agencies
- Community housing
- Local Government

Feedback from the broad community was sought via a survey published on Your Say Whitehorse, generating 117 responses. There was a reasonable distribution of age and gender among respondents, with the majority identifying as Whitehorse homeowners or ratepayers (86%), or members of a resident / community group (10.4%). There were 24 respondents who identified as a person from a non-English speaking background and 8 that identified as a person with a disability or impairment.

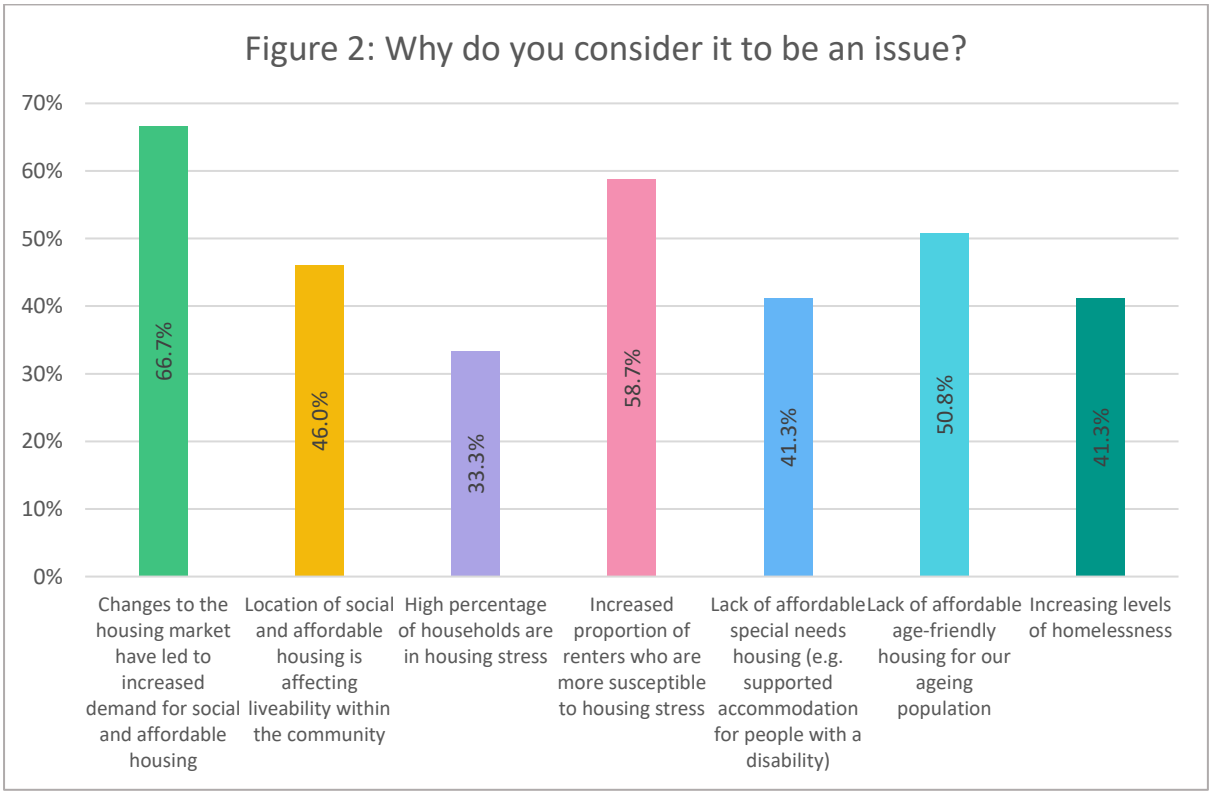
What we heard

More than half of respondents considered the lack of available affordable housing to be an issue in Whitehorse (53.8%), while more than 4 out of 10 respondents did not consider it an issue (46.2%).



For those respondents who considered affordable housing an issue, the top three most common responses were:

- Changes to the housing market have led to increased demand for social and affordable housing (66.7%)
- Increased proportion of renters who are more susceptible to housing stress (58.7%)
- Lack of affordable age-friendly housing for our ageing population (50.8%)



Other factors why it was considered an issue included the rising cost of living and increasing property prices without a commensurate increase in wages, a lack of housing diversity placing increased pressure on existing housing stock, and overseas investment limiting the supply of available rental stock. Taxation levers were also mentioned, such as negative

gearing and capital gains tax that encourage people to borrow more than they would otherwise in order to speculate on property values.

The role of Council in relation to affordable housing

Council can support and contribute to social and affordable housing in a number of ways, including through its role as a planning authority, partnering with and facilitating the work of other stakeholders (for example building relationships with State Government and the housing sector to increase the quality and quantity of social housing), and advocating to other levels of government.

Council also has a legal obligation to facilitate the provision of affordable housing under the Planning and Environment Act 1987.

Survey respondents were asked 'given local government is not the provider of social housing, what do you see is Council's role in relation to affordable housing?'

Strong themes emerged around Council's role as a planner, advocate and facilitator, each of which are discussed in more detail below. A number of survey respondents (16.2%) also expressed an opinion that Council has no role to play in relation to affordable housing or conveyed concerns about affordable housing leading to poor quality buildings, reduced adherence to robust building codes, increased crime, greater amounts of rubbish and devaluing nearby properties.

This suggests Council has another role to play in terms of awareness raising about the importance of social and affordable housing and the benefits it provides to the community (for example there is a strong cost benefit ratio of 2:1 when investing in social housing that it supports broader government economic objectives including lower health, justice and welfare costs).

Below is a list of the actions that were identified under each of the roles. These have been included in the report in the interest of transparency, however not all of these will necessarily be included in the revised Policy.

<u>Actions identified under the role of 'Planner':</u>

- Develop planning frameworks and local policies that promote and enable more affordable housing in Whitehorse.
- Implement affordable housing targets for new developments to ensure a percentage is affordable for purchase or rent for those on low to moderate incomes.
- Encourage large-scale developments to include an agreed level of social housing.
- Ensure appropriate zoning regulations to facilitate increased supply of affordable housing.
- Encourage greater housing diversity to cater for different housing needs.
- Ensure an even distribution of social housing across the municipality to avoid concentrated pockets of disadvantage.
- Reduce red tape that may hinder speedy implementation of new housing builds by the Victorian Government or other providers.

Actions identified under the role of 'Advocate'

- Lobby State and Federal Governments for increased investment in social and affordable housing to bolster supply.
- Raise awareness about the importance of social and affordable housing and address negative community sentiment / not in my backyard (nimbyism).
- Lobby the State Government to develop a policy on long-term rental, as an alternative to home ownership.
- Advocate for a review of the taxation settings that influence affordable housing supply (e.g. stamp duty on existing housing stock, capital gains tax and negative gearing).

Actions identified under the role of Facilitator

- Work with developers and other levels of government to include social housing in new developments and redevelopment of existing buildings.
- Ensure the availability of ongoing and accurate data regarding housing need in the City of Whitehorse.
- Identify vacant government land (local, State and Federal) that could be developed into forms of assisted housing.
- Consider short-term social housing options by using vacant building/land if appropriate.
- Partner with Community Housing Providers to develop Council owned land with a long term peppercorn lease arrangement or land transfer, purchase below market value, joint development etc.

Participants in the stakeholder workshop also made reference to the following roles/actions:

- Collaborate with community housing operators and explore partnership opportunities through land use planning.
- Investigate efficiencies in planning processes to incentivise developers to deliver more affordable housing.
- Set a clear framework for developers, for example certainty around a developer contribution towards affordable housing.
- Capacity build with community in regard to attitudes and reduce the stigma attached to living in social housing or rooming houses.

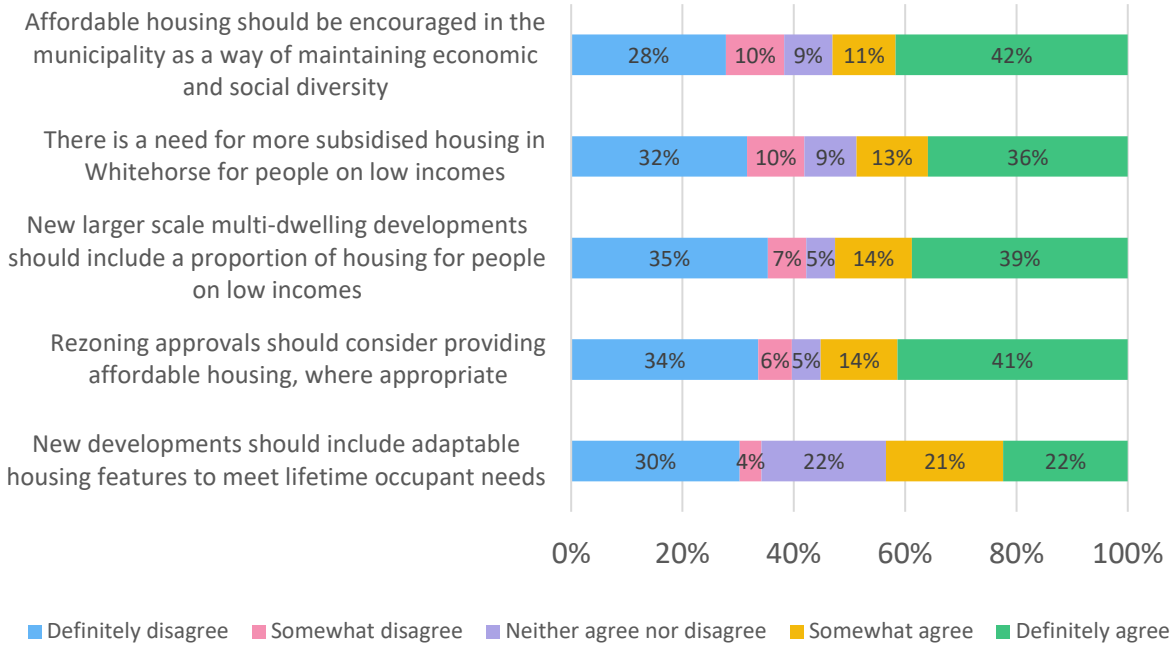
Community attitudes towards affordable housing

Respondents were asked a series of questions to gauge their attitudes towards social and affordable housing (see figure 3). Results included:

- More than half of respondents 'agreed' or 'strongly agreed' that:
    - Affordable housing should be encouraged in the municipality as a way of maintaining economic and social diversity (53%).
    - New larger scale multi-dwelling developments should include a proportion of housing for people on low incomes (53%).
    - Rezoning approvals should consider providing affordable housing, where appropriate (55%).

- Almost half of respondents ‘agreed’ or ‘strongly agreed’ that there is a need for more subsidised housing in Whitehorse for people on low incomes (49%), compared to 42% that ‘disagreed’ or ‘strongly disagreed’.
- More than 4 out of 10 respondents (43%) ‘agreed’ or ‘strongly agreed’ that new developments should include adaptable housing features to meet lifetime occupant needs, compared to 34% who ‘disagreed’ or ‘strongly disagreed’.

Figure 3: Attitudes towards affordable housing

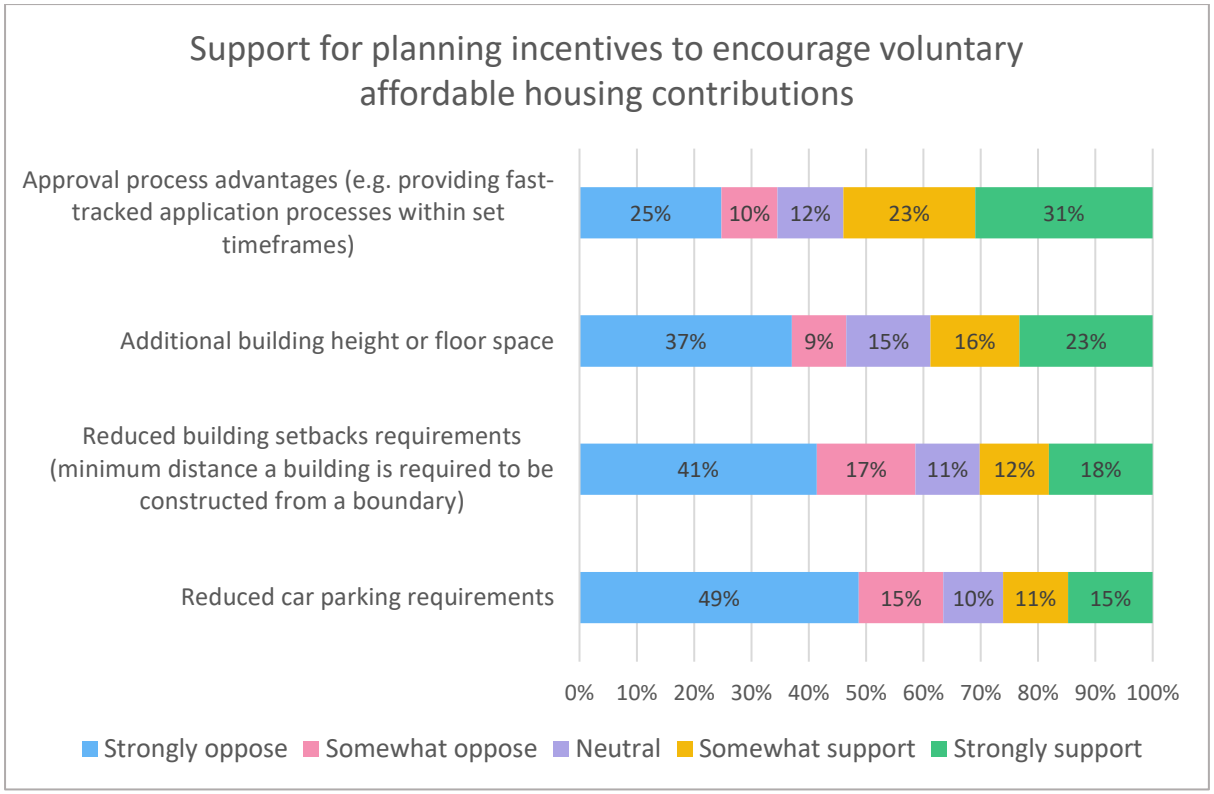


Planning incentives that encourage voluntary affordable housing contributions

Survey respondents were asked about various planning incentives that Council could offer to developers in exchange for delivering affordable housing outcomes.

The incentive with the greatest level of support was ‘approval process advantages (e.g. providing fast-tracked application processes within set timeframes)’ with 54% of respondents ‘agreeing’ or ‘strongly agreeing’.

There was a higher proportion of respondents that ‘disagreed’ or ‘strongly disagreed’ with ‘additional building height or floor space’ (47% compared to 39% support), ‘reduced building setbacks requirements (minimum distance a building is required to be constructed from a boundary)’ (59% compared to 30% support) and ‘reduced car parking requirements’ (59% compared to 30% support).



Participants in the stakeholder workshop were also asked about which planning incentives Council should consider, whether any of the incentive mechanisms would not be considered acceptable and if there were any other incentives or policy levers that Council should consider.

The consensus from developers was that 'approval process advantages' was the most appealing incentive and that this could entail reviewing and streamlining processes, for example, establishing a priority planning officer or having a dedicated concierge approach to large-scale developments. Additional building height/floor space was also considered appealing (but relative to the size/scope of the development), along with reduced car-parking requirements.

Workshop participants from the community housing and homelessness sectors were also supportive of 'approval process advantages', but raised concerns about reduced car-parking (as this can limit their ability to rent out the spaces) and there was mixed support for reducing setbacks, with some concerns about footpath access and its impact on neighbourhood aesthetics.

What should developers offer?

Workshop participants were asked to think about what developers should be offering in the affordable housing space. As an example, the Draft Box Hill Structure Plan (which Council resolved to seek authorisation from the Minister for Planning to incorporate into the Whitehorse Planning Scheme) includes an action to incorporate an affordable housing contribution of at least 6% in various precincts in the Box Hill Metropolitan Activity Centre.

Developers were generally supportive of a 6% affordable housing contribution but expressed a need for clear guidelines around what percentage contribution should be provided, how it

should be provided (e.g. the provision of affordable housing units versus a monetary contribution) and to whom the contribution should be provided (e.g. Council or a third party). Developer support for an affordable housing contribution was also made on the proviso that negotiations occur early in the planning application process with Council.

The community housing sector recommended a higher affordable housing contribution (10%), with a commitment to appropriate design that is both accessible and sustainable (low maintenance).

Feedback from the local government sector was that developers should engage directly with community housing providers in preparation for development plans being submitted and that Council should not receive any cash contribution, the direct provision of affordable housing is preferred and any monetary contribution should be transferred to a vetted third party such as a registered housing association.

Barriers that might prevent different genders or diverse community groups from accessing affordable housing

Survey respondents were asked what barriers might prevent different genders or diverse community cohorts from accessing affordable housing. This information is especially important because local government is now required under the Gender Equality Act 2020 to undertake a gender impact assessment on all new policies and policy reviews, as well as apply an intersectional lens, looking at the ways in which different aspects of a person's identity can expose them to overlapping forms of discrimination and marginalisation. For example aspects such as gender, ethnicity and cultural background, language, socioeconomic status, disability, sexual orientation, religion, age, geographic location or visa status.

It was noted by a several respondents that access to affordable housing affects many different community groups of people, but especially women whose earning capacity is often less due to the gender pay gap, caring responsibilities, separation or divorce, and therefore with less superannuation as they age. This feedback was reinforced by reports from homelessness services that are seeing a large proportion of women over the age of 55 accessing their services, as well as women escaping family violence.

Another group often mentioned was people with a lived experience of mental illness, who are unlikely to be able to afford or sustain a tenancy without the right supports in place. Some of the other barriers identified were:

- The cost of living, inadequate deposits and insecure work.
- Communication and language barriers that inhibit access (e.g. application processes).
- Lack of knowledge about where to find housing, the criteria to access affordable housing etc.
- Discrimination from real estate providers and property owners.
- Perceptions of safety (particularly for women and those escaping from family violence).
- A lack of housing options/diversity, particularly in areas where there are existing supports and services (health, community, education, childcare).
- Lack of support agencies with the right knowledge to assist applicants.
- Tenure and length of rent options.

- Onerous application processes, with high wait times.
- People with increased support needs, those with chronic ill health, a disability and physical access requirements.
- Household characteristics, for example being a single person or single parent.
- Community attitudes that affordable housing may reduce the value of nearby homes and lead to an increase in crime rates.
- Investors and international buyers pushing up housing prices.
- The competitive nature of the private rental market due to high demand, ability to attend numerous inspections etc.

Workshop participants discussed different approaches to addressing these barriers and agreed it is important to apply a gender lens across all income levels (very low, low and moderate incomes) and housing outcomes, to build a stronger understanding of the local need. However workshop participants also warned Council that addressing affordable housing equity issues through the use of prescriptive targets (e.g. 10% of all new affordable housing is for 'key workers') may not be appropriate in some development contexts. It could also create additional barriers (such as finding a suitable registered housing authority to partner with) that would detract from developers entering into a voluntary agreement.

Next Steps

Council officers will now commence the development of a revised Whitehorse Affordable Housing Policy and draft Affordable Housing Local Planning Policy which will be informed by the findings from this engagement report.

Once both draft policies have been prepared, they will be presented to Council for feedback and approval will be sought to place both documents on Your Say Whitehorse for further community consultation. Any feedback/input will addressed by Council officers in a revised version of both policies before final endorsement is sought from Council.

Appendix 1

Affordable Housing Policy Review Survey

1. Do you consider the lack of available affordable housing to be an issue in Whitehorse?
   - ☐ Yes
   - ☐ No

2. Why do you consider it to be an issue? (tick any that apply) (only appears if Q1 = Yes)
   - ☐ Changes to the housing market have led to increased demand for social and affordable housing
   - ☐ Location of social and affordable housing is affecting liveability within the community
   - ☐ High percentage of households are in housing stress
   - ☐ Increased proportion of renters who are more susceptible to housing stress
   - ☐ Lack of affordable special needs housing (e.g. supported accommodation for people with a disability)
   - ☐ Lack of affordable age-friendly housing for our ageing population
   - ☐ Increasing levels of homelessness
   - ☐ Other (please specify) _____

3. Given local government is not the provider of social housing, what do you see is Council's role in relation to affordable housing?

4. To what extent do you agree with the following statements:

	Definitely agree	Somewhat agree	Neither agree nor disagree	Somewhat disagree	Definitely disagree
Affordable housing should be encouraged in the municipality as a way of maintaining economic and social diversity	☐	☐	☐	☐	☐
There is a need for more subsidised housing in Whitehorse for people on low incomes	☐	☐	☐	☐	☐
New larger scale multi-dwelling developments should include a proportion of housing for people on low incomes	☐	☐	☐	☐	☐
Rezoning approvals should consider providing affordable housing, where appropriate	☐	☐	☐	☐	☐
New developments should include adaptable housing features to meet lifetime occupant needs	☐	☐	☐	☐	☐

6. Council can offer developers planning incentives to encourage voluntary affordable housing contributions (however developers are still required to comply with other planning/building requirements).

   Please indicate your level of support for the following planning incentives:

	Strongly support	Somewhat support	Neutral	Somewhat oppose	Strongly oppose
Approval process advantages (e.g. providing fast-tracked application processes within set timeframes)	☐	☐	☐	☐	☐
Additional building height or floor space	☐	☐	☐	☐	☐
Reduced building setbacks requirements (minimum distance a building is required to be constructed from a boundary)	☐	☐	☐	☐	☐
Reduced car parking requirements	☐	☐	☐	☐	☐

7. What barriers might prevent different genders or diverse community groups from accessing affordable housing?

   _____
   _____
   _____

8. Do you have any other feedback about social or affordable housing in Whitehorse?

   _____
   _____
   _____

Tell us a little about you

The following questions will help Council know we are hearing from a representative sample.

9. What is your age group?
   - ☐ 12-17
   - ☐ 18-24
   - ☐ 25-34
   - ☐ 35-44
   - ☐ 45-54
   - ☐ 55-64
   - ☐ 65-74
   - ☐ 75+

10. What is your gender?
- ☐ Male
- ☐ Female
- ☐ Non-binary
- ☐ I would prefer not to say

11. What is your suburb?

_____

12. Do you identify as any of the following?
- ☐ Whitehorse homeowner/ratepayer
- ☐ Whitehorse tenant
- ☐ Visitor to Whitehorse but live outside the area
- ☐ Own/operate a business in Whitehorse
- ☐ Member of a Resident / Community Group

13. Do you identify as any of the following?
- ☐ A person with a disability or impairment
- ☐ An Aboriginal or Torres Strait Islander person
- ☐ A person with a non-English speaking background
- ☐ I would prefer not to say
- ☐ None of the above

14. Which country were you born in?

_____

15. What is the main language you speak at home?

_____