Item 11: Community

11.1 Affordable Housing Policy Review

REPORT BY THE MANAGER, COMMUNITY SERVICES
TO 17 JUNE 2020 ORDINARY MEETING
GOV400087, A0420252

RECOMMENDATION

That Council:

1. receive the report by the Manager, Community Services on the Affordable Housing Policy Review;

2. place the draft reviewed Affordable Housing Policy 2020 on public exhibition for 28 days; and

3. adopt the draft reviewed Affordable Housing Policy 2020 if no submissions are received.

Executive summary

The Affordable Housing Policy provides a structured approach for Council to respond to the fluctuating demands on affordable housing within the Mid-Western Region.

Disclosure of Interest

Nil.

Detailed report

This review of the Affordable Housing Policy 2016 identified negligible updating requirements as demonstrated in the attached draft reviewed policy. The policy continues to provide Council with an approach to respond to fluctuating demands on affordable housing across the region.

Community Plan implications

<table>
<thead>
<tr>
<th>Theme</th>
<th>Looking After Our Community</th>
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<tbody>
<tr>
<td>Goal</td>
<td>Meet the diverse needs of the community and create a sense of belonging</td>
</tr>
<tr>
<td>Strategy</td>
<td>Provide equitable access to a range of places and spaces for all in the community</td>
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Strategic implications

Council Strategies
Mid-Western Regional Council - Community Plan
Mid-Western Regional Council - Long Term Financial Plan
Mid-Western Regional Council - Asset Management Strategy
Mid-Western Regional Council – Building Asset Management Plan
Mid-Western Regional Council - Delivery Program and Operational Plan
Mid-Western Regional Council – Development Control Plan 2013

Council Policies
Not Applicable.

Legislation
State Environmental Planning Policy (SEPP) (Affordable Rental Housing) 2009

Financial implications
Council currently has a budget of $91,687.00 for the provision of crisis accommodation supports through local community service providers.

Associated Risks
Not Applicable.

FIONA TURNER
MANAGER, COMMUNITY SERVICES

SIMON JONES
DIRECTOR COMMUNITY

2 June 2020

Attachments: 1. POLICY - DRAFT.1 - Affordable housing 200303.

APPROVED FOR SUBMISSION:

BRAD CAM
GENERAL MANAGER
Objective

- To commit Mid-Western Regional Council to the investigation and delivery of quality solutions to Affordable Housing in the region.
- To outline the demand for affordable housing
- To ensure that available funding opportunities are investigated for the provision of affordable housing in the Mid-Western Region.
- To reference best practice for the provision of affordable housing solutions
- To provide a policy framework that will focus on the establishment of partnerships with local stakeholders
- To outline a regime for the ongoing monitoring of housing and land supply.

Legislative requirements

State Environmental Planning Policy (SEPP) (Affordable Rental Housing) 2009

Related policies and plans

- Mid-Western Regional Council - Community Plan
- Mid-Western Regional Council - Long Term Financial Plan
- Mid-Western Regional Council - Asset Management Strategy
- Mid-Western Regional Council – Building Asset Management Plan
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Policy

Demand for affordable housing

The national definition of affordable housing agreed by Australian housing, planning and local government ministers is “Housing that is appropriate for the needs of a range of very low, low and moderate-income households, priced to ensure households are able to meet other essential basic living costs”.

The significant growth in the property market in the Mid-Western Region is driven largely by the expansion of mining activities as well as other new developments. The increased number of new
residents to town to take up mining positions and increase in short term contractors can place significant demands on the availability of rental accommodation in the Region.

Housing Affordability – long term trends suggest capital growth across the region of 6 percent to 8 percent, which is not only higher than other regional centres but consistent with some metropolitan regions.

Rental Affordability – has, at times, proven volatile and has seen in a 12 month period extreme shortages and therefore high rental price increases, followed by an easing of those shortages and prices within a 3 month period. This has a direct correlation to the number of short term contractors in the region at any given time.

Public Housing - Housing Plus is the local social housing provider in the Mid-Western LGA. They are focused on providing affordable long-term accommodation options; in addition, Housing Plus provides crisis accommodation in partnership with Baradocs. In 2018-2020 Housing Plus managed 347 properties in Mid-Western Region (including approx 35-33 in Guignong and 40-50 in Kaninde area).

Crisis Accommodation - is offered through a number of agencies in the Mid-Western LGA. At least three properties operate in a partnership arrangement between Baradocs (assessment and case management) and Housing Plus (property management). Crisis housing is also provided through motels. Demand far exceeds supply in this area of the housing market.

Projects partnering with stakeholders

Any project investigated by Mid-Western Regional Council will require the assistance and expertise that welfare organisations, housing suppliers and developers can provide. The focus when developing any project plan will be on drawing on the expertise of these organisations to deliver the most appropriate solutions for the region. Joint initiatives that may be delivered for the Mid-Western Region include:

- Domestic violence and crisis accommodation initiatives
- Flexibility in planning controls
- Development initiatives
- Use of Council land
- Community land trusts
- Lobbying

Mid-Western Regional Council may consider a Joint Venture with Community Housing Providers, Developers and/or other interested stakeholders to bring together key components such as land, funding, development expertise and skills. Community Housing Providers can also manage affordable housing properties on behalf of organisations, individuals and/or consortiums.

Funding opportunities

The funding opportunities provided below will be investigated as each funding round is opened, and a cost/benefit analysis prepared for funding options considered to have merit.
Regional Development Australia Fund (RDAF) - The (RDAF) initiative brings together all levels of government to support the development of sustainable infrastructure and services across regional Australia. Almost $1 billion has been allocated to the program. The program funds capital infrastructure projects which are identified as priorities by local communities.

Mid-Western Regional Council - Council may consider the funding of a preferred project under the review of the Community Plan, Delivery and Operational Plan. The consideration of any project will be assessed against the other competing priorities of Council.

Best Practice

The NSW Centre for Affordable Housing (CAH) is a business division within Housing NSW which aims to achieve:

- affordability for residents
- financial viability for developers and managers
- responsiveness to community needs, and
- a more flexible approach to development and management without compromise on design or amenity.

The CAH’s ‘NSW Local Government Affordable Housing Kit’ will be referenced when assessing any affordable housing measure being considered.

Monitoring

The rental and housing supply market has potential to be very volatile. The supply of housing has a direct impact on housing affordability and rent levels. A quarterly report will be provided to Council, and published on Council’s website, which will monitor land, housing and rental supply, and detail the following:

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<tr>
<th>MEASURE</th>
<th>SOURCE</th>
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<tbody>
<tr>
<td>Establish a baseline of the number of vacant residential lot per town.</td>
<td>Field Survey and Council Records</td>
</tr>
<tr>
<td>The number of residential lots approved as development applications</td>
<td>Council Records</td>
</tr>
<tr>
<td>The number of residential lots at tender stages per town.</td>
<td>Council Records</td>
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<tr>
<td>The number of construction certificates approved for dwellings per</td>
<td>Council Records</td>
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<td>town.</td>
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<tr>
<td>Median rental rates for each town</td>
<td>3rd Party Data Subscription (RP Data)</td>
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<td>No. of rental properties available for each town</td>
<td>3rd Party Data Subscription (RP Data)</td>
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<tr>
<td>Median property prices for each town</td>
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