

Housing rights are human rights

Summary – Social and Affordable Housing
Strategy and Action Plan 2018–25





Contents

- Housing rights are human rights1
- What is social and affordable housing?1
- Why is affordable housing important?2
- Who requires affordable housing?2
- Snapshot of social and affordable housing need in Cardinia Shire3
- Strategy framework5
- Principles underpinning Council’s approach6
- Role of local government – land use planning role and actions6
- Strategy and action plan overview8
- Key strategies9
- Strategic focus: value sharing and negotiated planning policy 11
- Monitoring and evaluation 11
- References 12

Housing rights are human rights

**Cardinia Shire Council
recognises affordable
housing as a human right and
an important link to a liveable
neighbourhood.**

While Cardinia Shire has had significant housing growth and purchasing a dwelling is relatively more affordable in comparison to many parts of Melbourne, particularly for larger new homes, a significant and growing number of lower income and vulnerable residents lack access to appropriate, secure and affordable housing and more than 200 people are already sleeping rough (ABS homeless counts).

A variety of hidden ongoing living costs, particularly transport costs associated with lower residential densities and limited public transport access, introduce further affordability issues; many residents living in greenfield sites are at risk of mortgage and rental stress should petrol prices rise.¹

This issue is particularly challenging for younger and older people, single people, sole parent families and people with a disability or mental illness. These households can face other disadvantage in the private market that makes accessing appropriate housing even more challenging.

What is social and affordable housing?

Affordable housing is housing, including social housing that is appropriate for the housing needs of very low, low and moderate income households².

Social housing is a form of affordable housing that is either owned by the Victorian Government (public housing) or owned or controlled by a housing agency registered by the government under the *Housing Act 1983*.

References to 'affordable housing' in this document include social housing. Other forms of affordable housing are outlined in Figure 1.

Figure 1. Forms of affordable housing





Why is affordable housing important?

Access to an adequate standard of living, including housing, is foremost a human rights issue.³ Without appropriate shelter, a person's ability to live and participate in their society to their full potential is significantly decreased.

Sufficient, appropriate and adequate affordable housing has significant social and economic benefits for individuals, families, the wider community and the economy. It has been linked to households' health and wellbeing, capacity to participate in education and the workforce, rates of family violence, levels of reliance on social supports and participation in society.

Affordable housing is also needed to accommodate diversity in a community, to maintain social cohesion, and to support and sustain local economies with a range of services and businesses⁴.

Who requires affordable housing?

People across all life stages can find themselves in need of affordable housing at any time, often as a result of limited income. This may be a long-term constraint (e.g. people who are aged, disabled, face chronic ill health, single parents, or are a primary carer and thus unable to work), or a short-term issue (as a result of loss of employment, family violence or family breakdown, or short term illness or disability).

Very low and low-income households are most likely to require affordable housing. Moderate income households are also recognised as potentially requiring affordable housing, whether rental or ownership.

The Victorian Government has published income bands for greater Melbourne for households deemed to be eligible for affordable housing delivered under the Planning and Environment Act 1987 (Table 1).

Table 1. Income bands Greater Melbourne, June 2018⁵

Very low income		
Household type	Annual	Weekly
One adult	\$25,220	\$484
Two adults, no dependents	\$37,820	\$725
Family (1 – 2 adults with children)	\$52,940	\$1,015
Low income		
Household type	Annual	Weekly
One adult	\$40,340	\$774
Two adults, no dependents	\$60,520	\$1,161
Family (1 – 2 adults with children)	\$84,720	\$1,625
Moderate income		
Household type	Annual	Weekly
One adult	\$60,510	\$1,160
Two adults, no dependents	\$90,770	\$1,741
Family (1 – 2 adults with children)	\$127,080	\$2,437

When coupled with other challenges or disadvantage, low-income households may be particularly disadvantaged in the housing market and more vulnerable to homelessness.

Analysis of data from local service providers reveals the following groups in Cardinia Shire are disproportionately seeking assistance with housing issues:

- **women**
- **single-parent families (the majority headed by women)**
- **young people**
- **people with a history of mental illness**
- **people with a disability.**



Snapshot of social and affordable housing need in Cardinia Shire

The following key statistics highlight the pressing social and affordable housing need in Cardinia Shire and the priority areas for collective action.

Very low levels of dedicated social and affordable housing exist for lower income residents to access relative to demand.

- A minimum 4,086 households require social housing in the Southern Metro (Dandenong, Casey, Cardinia) Region ⁶.
- In 2016, there is an estimated shortfall of 2,230 dwellings affordable for lower income households in Cardinia Shire to rent.
- Only 0.9 per cent of all dwellings in Cardinia Shire are dedicated social rental housing, compared to a Greater Melbourne average of 2.6 per cent ⁷.
- An estimated 17 per cent of all new dwelling supply in Cardinia Shire is required to be affordable for lower income households in order to meet the unmet need as of 2016, and to cater for forecast population affordable housing requirements.

Homelessness is a hidden and significant issue in Cardinia Shire, impacting disproportionately on women, single people, sole parent families, younger and older residents, people with mental illness and people with a disability.

- Between 2011 and 2016, the number of people estimated to be homeless has risen by 52.8 per cent
 - 220 people were estimated to be homeless in 2016 with a further 207 people living in marginal housing
 - the rate of homelessness has increased by 20 per cent from 19.4 per 10,000 people in 2011, to 23.4 per 10,000 people in 2016
 - compared to other Victorian interface local government areas, Cardinia Shire shows the second highest increase in its rate of homelessness in the last five years (after Wyndham)
 - just over 49 per cent of homelessness occurs in Pakenham South ⁸.
- The main reasons people sought support from housing agencies and homeless service providers in Cardinia Shire between 2015 and 2017 ⁹ were
 - financial difficulties (34%)
 - family violence (24.2%)
 - housing crisis (16.2%)
- Of the people presenting to homeless service providers between July 2015 and April 2017
 - 34 per cent were people living in a single parent family (425 presentations); 92 per cent of whom were females
 - 31 per cent were people with a prior mental illness
 - 28 per cent were people living on their own
 - 20.7 per cent of services were to young people; 5 per cent of whom were homeless in the 12 months prior. ¹⁰



The private market is not delivering housing options for everyone; a lack of smaller dwellings for rent or purchase by single and couple households and a lack of appropriate housing for people with special needs exists.

- Affordability of private rental dwellings for very low households has declined significantly, from 68.4 per cent of all dwellings available for rent in 2000 to 27.9 per cent in 2017 ¹¹.
- Only two one-bedroom and 25 two-bedroom dwellings available for rent in 2017 were affordable for very low income households, with no guarantee these households could access this housing ¹².
- The majority of dwellings are detached houses comprising three or more bedrooms (82.9 per cent) ¹³ and only 10.7 per cent of dwellings (3,493) have two bedrooms or less ¹⁴.
- Almost 18 per cent (5,775 households) have only one person.
- Some 19 per cent of all low income households and 65 per cent of all low income renting households are in rental stress (2,121 households) ¹⁵.
- Just over 50 per cent of all low income households are in mortgage stress (1,736 households) ¹⁶.





Strategy framework

The provision of adequate housing is an essential human need. A human rights framework underpins the Strategy, which responds to Council’s obligations under the Victorian Charter of Human Rights and Responsibilities Act 2006¹⁷,

The strategy progresses several key Council strategies, in particular, Council’s Liveability Plan 2017–29. By addressing key liveability factors, Council aims to address health and social outcomes in the community. The Liveability Plan identifies housing as a key policy domain, with four key strategies guiding Council action. These inform the Social and Affordable Housing 2018–25 Framework (Figure 2).

Figure 2. Social and Affordable Housing Strategy 2018–25 framework

Vision			
Cardinia Shire includes diverse, high quality, sustainable and affordable housing that is responsive to the needs of a growing and diverse community			
Goal			
Increase access to appropriate and affordable housing			
Liveability Plan housing objectives			
Support and facilitate affordable and flexible housing, which caters for different households and meets the needs of all people	Encourage diversity in housing to meet the needs of existing and future residents across all life stages, including those with specific housing requirements	Support high quality residential developments that respond to best practice in sustainability, environmental, safety and healthy by design guidelines	Identify opportunities to work with housing organisations to encourage development of sustainable community housing across the municipality.
Social and affordable housing strategy targets			
By 2025, secure five social and affordable commitments to be delivered on local government land, state government land and privately owned land	By 2025, increase the percentage of dwellings with two bedrooms or less from 10.7% to 12% of all dwellings within growth areas and strategic locations	By 2025, local research shows a measurable increase in positive community perceptions and attitudes towards social housing developments	
Actions (please see Action Plan 2018–25).			

Principles underpinning Council's approach



Role of local government – land use planning role and actions

The role of local government in supporting an increase in affordable housing is informed by legislative policies, powers and obligations. The strategy outlines actions that align to Council's role as leader and advocate, land use planner, social planner, and community developer.

Council has an important role in planning for and administering the use, protection and development of land, because we can directly influence the delivery of housing supply and general housing affordability.

Council undertakes land use planning and administration in accordance with the Planning and Environment Act 1987, the Victorian Planning Provisions (VPP) and the State Planning Policy Framework (SPPF).

The Cardinia Shire Planning Scheme sets the land use vision and objectives through a Municipal Strategic Statement (MSS) and a Local Planning Policy Framework (LPPF).

Planning Schemes in Victoria must seek to achieve the objectives of planning in Victoria as set out in Section 4(1) of the Planning and Environment Act 1987.

From 1 June 2018 a stronger legislative basis has increased obligation on local councils to give regards to affordable housing when undertaking planning as a result of the incorporation within the Act of:

- a new Objective of Planning “to facilitate the provision of affordable housing in Victoria”
- a definition of affordable housing
- a statement confirming that a Responsible Authority may enter a Section 173 Agreement with a land owner to secure an affordable housing agreement.¹⁸

These new provisions are supported by a Governor in Council Order, Ministerial Notice and Departmental Guidance that provides further clarity on the definition of affordable housing and its translation, and a framework to support voluntary negotiations between local councils and landowners.

The introduction of a specific planning objective ‘to facilitate the provision of affordable housing in Victoria’ means Council and decisions makers, including the Minister for Planning, Victorian Civil and Administrative Tribunal (VCAT) and Planning Panels Victoria (PPV), must give regard to the Act when assessing the application of planning policies and provisions.

This objective is reflected in Clause 16.01-1 in the SPPF; Integrated Housing, which has a stated Objective; ‘To promote a housing market that meets community needs’, with strategies to:

- ensure the planning system supports the appropriate quantity, quality and type of housing, including the provision of aged care facilities, supported accommodation for people with disability, rooming houses, student accommodation and social housing.
- facilitate the delivery of high quality social housing to meet the needs of Victorians.

Council is required to ensure its MSS, Local Planning Policy, Precinct Structure Plans and any other Council planning documents respond to and reflect the Act and SPPF.

In applying this policy the Victorian Government published ‘matters’ required to be considered in determining whether affordable housing will be appropriate for the housing needs of very low, low and moderate income households, as set out in Figure 3.

Figure 3. Considerations when determining housing appropriateness



Strategy and action plan overview

Cardinia Shire requires significant increase in social and affordable housing to cater for unmet household need and respond to forecast population demand.

An analysis of the evidence has established three key areas where action is urgently required.

1. Increase the supply of affordable, social and community housing, for very low and low-income households and people with specialised needs.

2. Increase the supply of affordable private rental for very low and low-income households.

3. Increase the diversity of dwelling types to respond to population demographics and needs.



Key strategies

Leader and advocate

1. Continue to partner with, and strongly advocate to, the Victorian Government for an increase in investment in social and affordable housing in the growth areas and to mandate social and affordable housing for all future residential development.
2. Explore the use of Council assets to deliver social and affordable housing development.
3. Lead the community in a discussion on affordable housing.



Land use planning

4. Update Council's MSS and LPPF to reflect recent changes to the Victorian legislation and policy. These changes are proposed to include:
 - a. updates to reflect the new objective of planning 'to facilitate the provision of affordable housing' and the definition of affordable housing
 - b. updates to the Key Issues section (21.01-3) of the MSS to include recognition that dedicated social and affordable housing is required to meet the housing needs of lower income and vulnerable households
 - c. strengthening of Objective 1 Strategies (21.03-1) of the MSS to reflect the established need for an increase in one and two-bedroom dwellings
 - d. strengthening of Objective 2 Strategies (21.03-1) of the MSS to reflect changes to the Act that introduced a new objective of planning in Victoria 'to facilitate the provision of affordable housing' and Council strategy to seek affordable housing outcomes in major rezonings and developments, with an incremental requirement to be put in place
 - e. updating of Clause 21-03-1 of the MSS 'Implementation' to reflect consideration of social and affordable housing as a consideration with reference to the Social and Affordable Housing Strategy.
5. Pro-actively support development applications and planning scheme amendments by
 - a. facilitating the involvement of registered housing agencies through the planning approval process as a priority
 - b. considering potential dispensations such as reduction in car parking, improving development yield or considering rate reductions for community housing agencies
 - c. supporting community engagement where required to address any community concerns.
6. Explicitly facilitating the provision of affordable rental housing on all developments or subdivisions where the expected total yield will be over 100 lots through seeking a minimum contribution of two per cent affordable housing (rising to 8 per cent by 2025) in the form of gifted built form to be provided to a registered housing agency.



This action is to be progressed via the issuing of a Council Statement of Intent to be provided to potential and current land owners and developers in advance of lodgement of planning applications, which will include the following for developers to refer to and respond to:

- a. reference to Victorian Planning Legislation Objectives and Definitions in relation to affordable housing
 - b. a stated minimum baseline contribution of 2 per cent that Council will seek to facilitate and secure through negotiated agreements that occur between 2018 and 2021, rising to 4 per cent for applications considered between 2022 and 2025 and 8 per cent between 2025 and 2029
 - c. rationale for the policy, with reference to the Housing Strategy and Social and Affordable Housing Strategy
 - d. principles to inform negotiations
 - e. considerations Council may take to facilitate the outcome including potential incentives.
7. Explore how Council could achieve an increase in the supply of one and two bedroom dwellings from 10.7 per cent to a minimum 12 per cent of all dwellings by 2025 to reflect household need.

This is estimated to require an additional 6.7 per cent of projected dwelling supply, or 133 dwellings per annum, to be delivered as one or two bedroom dwellings than would otherwise occur if the current dwelling typologies continued to be delivered at existing rates.

8. Undertake an audit of Council owned land to determine potential opportunities for social and affordable housing development.

Social planner and community development

9. Investigate with key stakeholders, the potential built form and management arrangements for specialist affordable housing for identified priority vulnerable household groups (such as youth, persons escaping family violence, persons with a disability) and assess opportunities to deliver housing for these households as part of the land audit process.
10. Undertake research to establish community attitudes to social and community housing. Monitor over time to determine whether support changes as a result of Council leadership and community engagement.
11. Undertake communication and engagement activities to increase community knowledge and support for affordable housing development.





Strategic focus: value sharing and negotiated planning policy

Strategy 6, to include a required minimum of 2 per cent affordable housing on private land rising to 8 per cent from 2025 is critical to achieve a minimum percentage of social housing for very low and low income households.

In adopting this strategy, Council acknowledges that addressing the overall affordable housing need of 2,547 dwellings (2016 level of need) requires collective government action in partnership with the private and not-for-profit sectors.

A range of investments and actions, particularly by Australian and Victorian governments is required to meet the total supply gap. The Victorian Government identifies planning as one tool that can contribute to meeting affordable housing supply requirements; this is a recognised objective of planning. Council will actively use this tool to support affordable housing supply.

For the private sector to contribute towards meeting the affordable housing supply requirement, development must be viable without passing associated costs on to the market or creating delays to development progressing. Advanced notification and clarity in relation to requirements is critical to ensure this does not occur.

Information outlining these expectations further is available in Council's *Statement of Intent to Negotiate Affordable Housing Outcomes on Privately Owned Land*.

Monitoring and evaluation

The Affordable Housing Action Plan will be reviewed in 2021 to ensure Council is on track to achieve targets and to update actions responding to changing Australian and Victorian policy context, new or emerging issues or opportunities.

The Action Plan will be further evaluated in 2025, using these indicators to measure targets:

- the number of commitments secured to deliver affordable housing on privately owned or government owned land
- the number and percentage increase in single and 2-bedroom dwellings
- the level of community acceptance of social and affordable housing.



References

¹ Cardinia Shire Council (2017) Strategic Directions Paper, For development of the Municipal Public Health and Wellbeing Plan, October 2017

² Victorian Planning and Environment Act 1987

³ ICESCR, Article 11 quoted in statement from <http://www.humanrights.gov.au/our-work/rights-and-freedoms/projects/housing-homelessness-and-human-rights>

⁴ Cardinia Shire Council (2017) Liveability Plan 2017-29, referencing Melbourne School of Design - Transforming Housing. Affordable Housing for All. Melbourne: Faculty of Architecture, Building and Planning, University of Melbourne; 2016.

⁵ Government of Victoria, Government Gazette, 31 May 2018

⁶ Department of Health and Human Services (2018) Victorian Housing Register, Total number of social housing applicants on the Victorian Housing Register - March 2018

⁷ ID Consulting – ID Profile (2018) <https://profile.id.com/Cardinia/>

⁸ ABS (2018) 2049.0 - Census of Population and Housing: Estimating homelessness, 2016, <http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/2049.02016?OpenDocument>, Accessed 27 May 2018

⁹ Judith Stubbs and Associates (2017), The Nature and Extent of Homelessness, Risk of homelessness and Financial Vulnerability: Cardinia Shire,

¹⁰ Judith Stubbs and Associates (2017), *ibid*

¹¹ DHHS Rental Report (2018) Affordability over time, Author's analysis of time series

¹² DHHS Rental Report

¹³ ID Consulting – ID Profile (2018), Percentage of dwellings comprising of three, four and five or more bedrooms as at 2016 <https://profile.id.com/Cardinia/>

¹⁴ ID Consulting - ID Profile (2018), Percentage of dwellings comprising of one and two bedrooms as at 2016 <https://profile.id.com/Cardinia/>

¹⁵ ID Consulting – Social Atlas, (2018), Households in bottom 40 per cent of incomes in Rental Stress as at 2016, Cardinia Shire, <https://atlas.id.com.au/cardinia>

¹⁶ ID Consulting – Social Atlas, (2018), Households in bottom 40 per cent of incomes Mortgage Stress as at 2016, Cardinia Shire <https://atlas.id.com.au/cardinia>

¹⁷ <http://www.humanrights.gov.au/our-work/rights-and-freedoms/projects/housing-homelessness-and-human-rights>

¹⁷ Judith Stubbs and Associates (2017), The Nature and Extent of Homelessness, Risk of homelessness and Financial Vulnerability: Cardinia Shire, June 2017 page 1

¹⁸ Parliament of Victoria (2017) Planning and Building Legislation Amendment (Housing Affordability and Other Matters) Act 2017, Assented to 26 September 2017







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