

16 October 2023



Department of Social Services GPO Box 9820 CANBERRA ACT 2601 Via email: <u>HousingandHomelessnessPlan@dss.gov.au</u>

Dear

#### Hobsons Bay submission to National Housing and Homelessness Plan

Hobsons Bay City Council welcomes the opportunity to provide feedback on the National Housing and Homelessness Plan. Council recognises the importance of the Plan in delivering a long-overdue national approach to preventing homelessness and increasing access to safe and affordable housing. As the closest level of government to the community, local government must be a key player in this process.

Council provides the following key feedback (detail included at Attachment 1):

- we support effective and evidence-based land use planning policy with the potential to rapidly increase the supply or social and affordable housing.
- priority access should be given to funding initiatives such as the use of government-owned land for projects led by locally based affordable housing entities such as the Hobsons Bay Affordable Housing Trust
- the plan must result in increased investment in local services, coordination models and crisis accommodation to deliver more effective response to homelessness in local communities.

For further information, please contact

### Attachment 1 National Housing and Homelessness Plan

Hobsons Bay City Council submission

#### **General comments**

We understand that the Issues Paper provides the basis for a National Housing and Homelessness Plan (the Plan), which is distinct from a Commonwealth plan. We believe that the Plan should determine national priorities, informed by all three levels of government.

To date, engagement with the local government sector has been limited, and we believe the Plan can drive better engagement with Councils. Local knowledge and innovation should be recognised and supported, as councils play a key role in social housing development, in particular in the local coordination and delivery of homelessness services. A key example of council's commitment to this issue is the established of the Hobsons Bay Affordable Housing Trust and the recent resolution to transfer Council-owned land to the Trust for a social housing project (subject to government funding).

The Plan should also drive outcomes through the National Housing and Homelessness Agreement (NHHA), Housing Accord, and Housing Australia Future Fund (subject to legislation being passed). The current NHHA requires that each state develop a housing and homelessness strategy, but there has been limited consistency between states regarding outcomes or priorities. Any updated NHHA should require that all state-based strategies are developed with input from local government.

Recommendation: That the next National Housing and Homelessness Agreement requires state and territory governments to develop housing and homelessness strategies with input from local government.

#### Focus Area 2: Homelessness Services

At the time of the 2021 Census, there were 297 people experiencing homelessness in Hobsons Bay, with a further 262 people living in marginal housing.<sup>1</sup> During 2021-22, 846 Hobsons Bay residents received specialist homelessness services (SHS), down from 1,001 people in 2019-20.<sup>2</sup> Anecdotally, there also appears to have been an increase in rough sleeping in and around Council facilities in the past 12 months.

#### Local coordination

At the local level, there is often limited coordination between Specialist Homelessness Services, mainstream services, and other organisations such as local government. This means that people experiencing homelessness may not get the level and type of support they need. It also means that local government can be left to respond to a range of concerns (from other residents and Council staff) without a clear understanding of available pathways and support services.

<sup>&</sup>lt;sup>1</sup> ABS (2023) *Estimating Homelessness: Census*, <u>https://www.abs.gov.au/statistics/people/housing/estimating-homelessness-census/latest-release</u>, accessed September 2023.

<sup>&</sup>lt;sup>2</sup> AIHW (2022) Specialist homelessness services annual report 2021-22, <u>https://www.aihw.gov.au/reports/homelessness-services/specialist-homelessness-services-annual-report/contents/summary</u>, accessed September 2023.

At the same time, we know that there are models which address these limitations and promote better coordination and outcomes. For example, the 'Functional Zero' model has been effective in high-need areas such as the Cities of Port Phillip and Melbourne. Similarly, the Australian Government's Reconnect program has been effective in preventing homelessness and providing support to young people.

Local government can play a key 'backbone' role within these models, and additional resourcing is needed for councils and other community organisations to design, develop, and commence these approaches. For example, funding should be extended for the Reconnect program, taking advantage of close connections to Council-funded youth and family services. More generally, the role of local government in homelessness prevention, public health and community resilience should be recognised and supported.

# Recommendation: That the National Housing and Homelessness Plan address the need for improved local service coordination, supported by funding for local government and other organisations to develop tailored approaches to prevent and reduce the incidence of homelessness.

#### Assertive outreach

Organisations funded to provide assertive outreach are severely overstretched in Hobsons Bay and across Melbourne's west. They do their best to support people sleeping rough, along with other homelessness, housing and health services. However, it can take some time to schedule site visits, by which time people may have moved to different locations. This means that vulnerable people are not getting the support they need, and local services are faced with unrealistic expectations.

We need increased investment in assertive outreach support for people experiencing or at risk of homelessness. Community health services are increasingly engaged in assertive outreach, but there is no consistent approach across jurisdictions. We need more holistic approached to assertive outreach that address the key factors driving homelessness. This should be aligned with other supports, including early intervention, health services, and the prevention of family violence and harm from gambling, alcohol, and other drugs.

### Recommendation: That the National Housing and Homelessness Plan provide direction on the assertive outreach and other supports to prevent homelessness, complemented by increased investment in local services.

#### Crisis accommodation

Crisis accommodation has been in crisis in Melbourne's west (including Hobsons Bay) for several years. In 2019, the Northern and Western Homelessness Local Area Services Networks (LASN) published its landmark *Crisis in Crisis* report, which found significant undersupply of government-funded beds and a prevalence of 'high-cost poor quality emergency accommodation'.<sup>3</sup> This means that clients (and services) are forced to choose between inadequate crisis accommodation (such as rundown hotels, caravan parks or rooming houses with limited support) or remaining homeless or living in overcrowded housing.

<sup>&</sup>lt;sup>3</sup> Northern and Western Homelessness Networks (2019) A Crisis in Crisis: The appalling state of emergency accommodation in Melbourne's north and west, <u>https://apo.org.au/node/222746</u>, accessed September 2023.

Urgent investment is required in crisis accommodation facilities and dedicated 'wrap-around' services. Investment in crisis housing needs to be targeted, innovative and appropriate for different cohorts. For example, support should be provided for Youth Foyer models linked to educational facilities, crisis housing for people experiencing family violence, and crisis housing for women over 55 years of age. In its negotiation with state and territory governments on the new National Housing and Homelessness Agreement, the Commonwealth Government also needs to ensure liveable minimum standards for crisis accommodation and transition to long-term accommodation.

## Recommendation: That the National Housing and Homelessness Plan prioritise improvements to crisis accommodation, supported by urgent investment and development of liveable minimum standards through new National Housing and Homelessness Agreement.

#### Family Violence

Family and domestic violence is the leading cause of homelessness for women and children.<sup>4</sup> Early intervention into preventing homelessness is critical to ending homelessness and local government plays a key role. In Victoria, almost half of the women who seek support from homelessness services identify family and domestic violence as the main reason they are presenting for support.

Local governments, due to the strong community connections, are vital in early intervention and prevention of family violence. Primary prevention needs to be linked to the broader system of early intervention and crisis response, including having protocols in place to appropriately respond to staff and residents who disclose they are experiencing or perpetrating violence., Engaging internal and external specialists in primary prevention also ensures that initiatives are aligned with contemporary evidence.<sup>5</sup>

Recommendation: That the National Housing and Homelessness Plan recognise family and domestic violence as the leading cause of homelessness for women and the role local government plays in early prevention, with specialist training and roles within local government to be supported by increased investment and recognition in the Plan.

#### Focus Area 4: Social Housing

Hobsons Bay City Council has a long-standing commitment to encouraging and supporting increased local supply of social and affordable housing. This is demonstrated through Council's financial investment in purchasing a disused school site in 2014 for the purpose of open space and affordable housing. A new community park has been developed on the site and the affordable housing project is fully scoped, including extensive community consultation and the development of detailed Council-endorsed design guidelines. Council is keenly awaiting the announcement of funding, and once government funding has been secured, this project is proposed to provide 67 social housing homes for local eligible residents.

More broadly, the local government sector has a proud history of developing innovative social housing models to provide secure, long term, affordable housing for its communities. To this end, Council established the Hobson Bay Affordable Housing Trust in June 2020 as

<sup>&</sup>lt;sup>4</sup> Council to Homeless Person 2022

<sup>&</sup>lt;sup>5</sup> Department of Family, Fairness and Housing (2023) *Local Government guide for preventing family violence and all forms of violence against women*, <u>https://www.mav.asn.au/what-we-do/policy-advocacy/social-community/family-violence-prevention/preventing-family-violence-guide</u>, accessed September 2023.

the vehicle to grow and deliver more affordable housing for low-income residents and people with a connection to Hobsons Bay.

The Trust is a stand-alone entity, registered with the Australian Charities and Not-for-profits Commission, and has Deductible Gift Recipient status. Council is the Appointor and has partnered with a Registered Housing Association who act as the Trustee. Council is proactively working with developers to secure Affordable Housing Contributions for the Trust. The Trust model positions Council to be able to deliver housing for the local community in a streamlined and efficient manner. As well as committing a site for a social housing project, Council is reviewing current land holdings for future social housing developments.

Council calls on the State and Federal governments to commit to making its surplus and underutilised land available for social housing developments. This could be through a range of instruments, such as Ground Lease Model<sup>6</sup>, or through the transfer and sale of land. Additionally, it could be for either permanent housing or for short term models that house relocatable small houses, such as the Harris Transportable Housing project.<sup>7</sup>

Recommendation: That the National Housing and Homelessness Plan recognise and support local government's key role in developing social and affordable housing, including by prioritising funding and access to state and federal land for projects led by locally based entities (such as the Hobsons Bay Affordable Housing Trust) which provide nimble and fasttracked mechanisms to deliver much-needed local supply.

#### Focus Area 6: Planning, zoning and development

#### Role of local government

Along with state and territory governments, local government plays a critical role in land use planning and regulation. It is responsible for developing and implementing land use plans at the local level and for processing most development proposals. We are also keenly aware of the challenges of balancing regulation and local consultation, with the need to make timely decisions and minimise complexity and cost.

However, we are concerned that state and federal governments have sought to reduce the role of local government in decision making. Recent announcements from Victorian Government<sup>8</sup> and National Cabinet<sup>9</sup> indicate a move to concentrating decision making within state government agencies. While we acknowledge the need to streamline processes, this should not come at the expense of good housing outcomes, local government and the communities we represent. Rather, we suggest that state and federal governments continue to work closely with local government to enable faster delivery times.

<sup>&</sup>lt;sup>6</sup> Homes Victoria (n.d.) Ground Lease Model, <u>https://www.homes.vic.gov.au/ground-lease-model</u>, accessed September 2023.

<sup>&</sup>lt;sup>7</sup> Launch Housing (n.d.) Harris Transportable Housing, <u>https://www.launchhousing.org.au/harris-transportable-housing-project</u>, accessed September 2023.

<sup>&</sup>lt;sup>8</sup> The Age (2023) 'Andrews confirms major planning reforms but Councils fear being shut out of decisions', <u>https://www.theage.com.au/national/victoria/andrews-confirms-major-planning-reforms-but-councils-fear-being-shut-out-of-decisions-20230420-p5d21g.html</u>, accessed September 2023.

<sup>&</sup>lt;sup>9</sup> Australian Government (2023) Meeting of National Cabinet – Working Together to Deliver Better Housing Outcomes: Media Release, 16 August 2023, <u>https://www.pm.gov.au/media/meeting-national-cabinet-working-together-deliver-better-housing-outcomes</u>, accessed September 2023.

Through the National Housing and Homelessness Plan, we encourage state and federal governments to provide targeted funding to local government to enhance planning and processing capacity, as well as supporting Council to build its skills and capabilities. The Plan also provides an opportunity to address and prevent policy conflicts (such as the application of the Windfall Gains Tax to Council-owned land proposed to be used for social and affordable housing) which are likely to have negative unintended consequences for efforts to increase local supply.

Recommendation: That the National Housing and Homelessness Plan fully recognise and support local government as a respected partner and valuable contributor in the development, administration and continuous improvement of land-use planning and regulation, including efforts to streamline assessment and prevent unintended policy consequences.

#### Planning policy

The current process of securing voluntary affordable housing contributions via the Victorian planning system creates uncertainty for landowners, developers, and the community.<sup>10</sup> Research has found consistent mandatory contributions to be the preferred policy approach amongst all stakeholders, including private developers and finance, local government, and non-profit providers.<sup>11</sup> The current voluntary approach is time-consuming and costly for local government, and a key barrier to the rapid delivery of social and affordable housing.

Mandatory provision via the planning system will increase certainty and contribute to faster timeframes for permit assessment and approvals. Council has supported inclusionary zoning for several years, strengthened through its Housing Strategy 2019, which recommended that Council continue to advocate to the Victorian government for 'Inclusionary Zoning' to increase affordable housing supply rather than relying on voluntary agreements.<sup>12</sup>

We are encouraged that the National Planning Reform Blueprint (endorsed by National Cabinet in August 2023) includes 'consideration of the phased introduction of inclusionary zoning and planning'. This approach will increase certainty for all stakeholders and allow local government to administer the planning system more efficiently with better outcomes. It also recognises the strong willingness within local government to build supply, as evidenced by the establishment of the Hobsons Bay Affordable Housing Trust and recent Council resolution to transfer Council-owned land to the Trust (subject to government funding).

# Recommendation: That the National Housing and Homelessness Plan encourage effective and evidence-based land use planning policy with the potential to rapidly increase the supply of social and affordable housing, to be developed and implemented in partnership with local government.

<sup>&</sup>lt;sup>10</sup> Municipal Association of Victoria (2019) *Submission to Ministerial Advisory Committee on Planning Mechanisms for Affordable Housing*, accessed September 2023.

<sup>&</sup>lt;sup>11</sup> Katrina Raynor, Georgia Warren-Myers and Matthew Palm (2020) 'Confusing and not delivering enough: developers and councils want new affordable housing rules', <u>https://findanexpert.unimelb.edu.au/news/12508-%27confusing-and-not-delivering-enough%27---developers-and-councils-want-new-affordable-housing-rules</u>, accessed September 2023.

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