

## **Submission to the National Housing and Homelessness Plan – Issues Paper**

**Submitted by Moonee Valley City Council**

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## Introduction

Moonee Valley City Council (Council) welcomes the opportunity to respond to the Issues Paper for the National Housing and Homelessness Plan. There is a strong need for a plan to strategically address key issues impacting upon the supply and accessibility of housing Nationwide.

Australia is currently experiencing what has been described as a national housing crisis<sup>1,2,3</sup>. Council is concerned that this crisis will have significant health, social and economic impacts on residents of the City of Moonee Valley, with rising housing costs forcing some into unsafe, insecure, or inappropriate housing or into homelessness. There is no doubt that we need urgent and significant change.

Council believes that access to secure, appropriate, affordable and safe housing is a human right. It is also central to supporting residents to be healthy and for communities to thrive. Our long-term strategy, *MV2040*, is premised on the basis of a 20-minute neighbourhood where a range of fundamental services are within a walkable distance of people's homes. The strategy ultimately works towards our shared vision of 'a healthy city'. Affordable housing is central to achieving this aspiration.

A National Housing and Homelessness Plan can harness the enthusiasm and efforts of all levels of government and partners across the sector to work together to respond to the urgent housing needs of our community. In responding to the Issues Paper, Council has considered some factors (such as fiscal policy) beyond its direct remit, recognising that these have contributed to the experiences of those in our community, and the cumulative effect these have on residents which impact on the actions that we can take as a local government entity.

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<sup>1</sup> Parsell & Kuskoff, 2023, [Australia's housing crisis: how did we get here and where to now? \(uq.edu.au\)](https://www.uq.edu.au)

<sup>2</sup> PEXA & Longview, 2023, [Solving the housing crisis in the future means looking to the past - PEXA](https://www.pexa.com.au)

<sup>3</sup> Tingle, 2023, [National Cabinet is turning its attention to Australia's housing crisis — and an important shift could be coming - ABC News](https://www.abc.net.au)

## About the City of Moonee Valley

Moonee Valley comprises 43 square kilometres in the inner and middle north-western suburbs of Melbourne, between four and 13 kilometres from the CBD. Approximately 123,000 reside in the municipality. This is forecast to grow to 156,000 by 2041. Moonee Valley is a diverse, primarily established residential municipality. Approximately two thirds of land in the City is dedicated to residential uses.

Almost 28 per cent of our population was born overseas. A total of 571 residents (0.5 per cent) in the 2021 census identified as Aboriginal and/or Torres Strait Islander, which has increased significantly from previous years. In addition, while the birth rate in Moonee Valley is falling, our municipality has an ageing population, with 8.2 per cent of residents aged over 75. There is expected to be a considerable increase in the population of both the 75-79 years cohort and over-85 age group in the period 2021 and 2046. The number of lone-person households is also expected to increase.

Moonee Valley is home to two large Public Housing Estates in Flemington and Ascot Vale. These estates are home to diverse communities with Somali, Arabic and Vietnamese as the top three languages spoken at home (other than English). Recent SEIFA scores from the 2021 Census highlight that these communities experience significant disadvantage as compared to other areas of Moonee Valley and Victoria.

The lack of affordable housing in Moonee Valley is of concern to Council. In Moonee Valley, only 1.6 per cent of all private rental properties are affordable for people on low incomes<sup>4</sup>. Housing stress is affecting 24.8 per cent of renters and 7.6 per cent of owners, according to the 2021 Census. Similarly, homelessness figures highlight that 465 people were considered homeless in Moonee Valley at the 2021 Census.

We define a Fair city (in the MV2040 Strategy) as one that values diversity, where everyone feels safe, is included, is healthy and has access to services and housing. This final point – access to services and housing – is central to our desire to contribute to the development of a National Housing and Homelessness Plan.

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<sup>4</sup> Low-income households are classified as those receiving Centrelink income. [Department of Families Fairness and Housing Victoria | Rental report \(dffh.vic.gov.au\)](https://www.dffh.vic.gov.au)

## GENERAL COMMENTS

### *Human Rights and tax reforms*

Council believes that fundamentally, human rights should be a key driver of a housing and homelessness response. Human rights should underpin any future housing policy as ‘everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services’<sup>5</sup>.

Tax structures currently in Australia have led to a distortion of the housing market. The Grattan Institute states that ‘the interaction of a fifty per cent capital gains tax discount with negative gearing distorts investment decisions, makes housing markets more volatile and reduces home ownership’<sup>6</sup>. The Australian Housing and Urban Research Institute (AHURI) also highlights that ‘there is considerable academic and policy consensus that a range of tax-related reforms can and should be made to promote housing affordability’<sup>7</sup>. Structural changes to our tax system would help to find a better balance between housing as an investment strategy and a place to live.

### *Importance of housing for health outcomes*

It is noted that the Issues Paper references improved health outcomes and stronger and safer communities. This is supported by VicHealth research which establishes the links between housing and health to be based on three key elements: suitability, affordability and security of tenure<sup>8</sup>.

Council and the community of Moonee Valley are striving to achieve a shared vision of a healthy city: ‘In 2040, Moonee Valley is a great place to live, work and visit, strengthened by a network of 20-minute neighbourhoods. Our neighbourhoods allow all people, at all stages of life, to live locally and access most of their needs close to their home. Our neighbourhoods are beautiful, sustainable and hold strong community connections which enable citizens and the environment to be healthy and resilient’ (MV2040 Strategy).

Council supports the inclusion of health outcomes in the Issues Paper and wants to see this echoed in the final National Housing and Homelessness Plan.

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<sup>5</sup> UN, 1948, Universal Declaration of Human Rights, [Universal Declaration of Human Rights | United Nations](#)

<sup>6</sup> [Hot property: negative gearing and capital gains tax - Grattan Institute](#)

<sup>7</sup> Eccleston, R., Verdouw, J., Flanagan, K., Warren, N., Duncan, A., Ong, R., Whelan, S., and Atalay, K. (2018) *Pathways to housing tax reform*, AHURI Final Report No. 301, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/final-reports/301>, doi:10.18408/ahuri-4111001, [Pathways to housing tax reform \(ahuri.edu.au\)](#)

<sup>8</sup> VicHealth, 2011, Housing and Health Research Summary, [Housing and- Health Research-Summary web.pdf \(vichealth.vic.gov.au\)](#)

### *Role of local government*

Local government is noted as an important partner in the Issues Paper; however, Council believes local government's role is not adequately addressed. Council is confident it has a sound understanding of the needs of residents and the barriers experienced with respect to housing. In particular, Council's role in land use planning is significant.

The Planning Institute of Australia highlights the important role that planning plays in adding value beyond just enabling supply<sup>9</sup>. This includes using planning measures to improve access to the right housing, in the right locations that enable communities to have access to the services, infrastructure and transport they need to thrive. Planning also plays an important role in sustaining 'inclusive, diverse, healthy and productive communities'<sup>10</sup>, including the important role of planning in responding to climate risks, quality design of buildings and surrounding spaces and integrated with planned infrastructure and services.

## **FOCUS AREAS**

The remainder of this submission addresses each of the Issues Paper's Focus Areas and specifically addresses questions under each of these. Council has introduced these responses with bolded headings to support the readability of the submission.

### **1. Homelessness**

*How can the homelessness system more effectively respond to those at risk of, or already experiencing homelessness?*

*a. How can the homelessness system ensure those at risk of homelessness or in crisis receive appropriate support to avoid homelessness or so they are less likely to fall back into homelessness?*

*b. What actions can governments take to facilitate early intervention and preventative responses?*

<sup>9</sup> Planning Institute of Australia, 2022, the Role of Planning in Housing Position Statement

<sup>10</sup> Planning Institute of Australia, 2022, the Role of Planning in Housing Position Statement, p2

**Intersectional experiences:** Council recognises that experiences of homelessness are varied, and further work needs to be undertaken to address intersectionality and the compounding triggers of homelessness. There were 102,000 clients assisted by specialist housing services in Victoria in 2021-22, 37 per cent of all clients across Australia. Sixty per cent of those presenting were women, with 12 per cent of those clients identifying as Aboriginal and Torres Strait Islander and 33 per cent were one parent with child(ren)<sup>11</sup>.

**Recommendation/s:**

1. *Embed an intersectional understanding of the triggers of homelessness, the experiences during periods of homelessness and embed this approach in relevant planning and provision systems.*

**Role of local government:** Council is an important service for people at all ages and life stages including through the provision of maternal and child health, early childhood services, youth services and programs and services for older adults. Council also has many facilities and staff that interact with the community daily. Local government is uniquely placed to support primary prevention and early intervention into homelessness and address the diverse and varied triggers of homelessness. Council could act as a 'no wrong door' access point into more specialist service provision. However, Council does not currently have the funding or remit to undertake this work.

**Recommendation/s:**

2. *Develop a funding program for local governments that would support development of a nationally consistent and best practice whole-of-council approach to homelessness prevention and response protocol.*

**Draw on the expertise that is already there:** Expertise in reaching the hardly-reached and acutely vulnerable already exists within the community health and not-for-profit sectors. An excellent example was the deployment of community health roles as part of the high-risk accommodation response during COVID-19 lockdowns, allowing effective support to people in transitional housing, social housing and homelessness as a result of the relationships and trust they have already established in their communities.

**Recommendation/s:**

3. *Invest more in the sectors (such as community health and not-for-profit) that have existing significant expertise and established relationships in the spaces that address the triggers of homelessness.*

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<sup>11</sup> Australian Institute of Health and Welfare, 2022, Specialist homeless services 2021-22 Victoria, [HOU331 Factsheet Vic.pdf.aspx \(aihw.gov.au\)](https://www.aihw.gov.au/reports/13/homelessness/factsheets/13-housing-factsheet-vic)

*How can governments capture better evidence on 'hidden' or 'invisible' homelessness (e.g. couch surfing, living in a car and overcrowding)?*

**Homelessness numbers:** The Issues Paper highlights that the rate of homelessness has decreased between 2016 and 2021 (page 17), however Council cautions against using the 2021 Census as a definitive measure, as COVID-specific policies kept people at home and housed people who would otherwise have been in precarious living arrangements.

Council understands that presentations to homelessness services have increased over the last two years since the Census was undertaken<sup>12</sup>. It is understood that the cost-of-living crisis, including an increase in rents, has exacerbated housing stress in recent months leading to increased homelessness or less safe living arrangements. A recent report by Homelessness Australia highlights that in Victoria, there has been a 5.3% increase in people seeking homelessness assistance between December 2022 to March 2023 and more people are now using crisis support services<sup>13</sup>. Access to data, particularly real-time data will be key to ensuring that we are addressing the issues and making progress.

**Recommendation/s:**

4. *Undertake further work to collect current and real-time homelessness data, including working directly with support agencies who undertake outreach.*

## 2. Homelessness services

*What housing or dwelling models may need to be considered to provide appropriate options for people experiencing chronic and repeat homelessness?*

**Models of response:** Council recognises that there are different and well-researched models to support people who are homeless. Some are showing promising signs they are working to end chronic and repeat homelessness. This includes:

- **Housing First:** Housing First is a model of housing that is centred around finding permanent housing as the priority: 'Once housing is secured, a multidisciplinary team of support workers can address complex needs through services like drug and alcohol counselling or mental health

<sup>12</sup> [Homeless numbers have jumped since COVID housing efforts ended – and the problem is spreading beyond the big cities \(theconversation.com\)](https://theconversation.com/homeless-numbers-have-jumped-since-covid-housing-efforts-ended-and-the-problem-is-spreading-beyond-the-big-cities-178484)

<sup>13</sup> [Demand for Lifeline services spiking to highest ever levels amid cost-of-living crisis | Australia cost of living crisis | The Guardian](https://www.theguardian.com/australia-news/2023/mar/23/demand-for-lifeline-services-spiking-to-highest-ever-levels-amid-cost-of-living-crisis)

treatment<sup>14</sup>. Research highlights this model is highly effective in providing secure housing for people with complex needs and those considered as chronically homeless<sup>15</sup>. As part of the Housing First approach, increasing appropriate housing supply and prioritising funds for social housing is critical. Choice-based letting for example, would also give people a choice to take up an offer of housing based on suitability and location.

- **Orange Door model:** The Orange Door service model is ‘a new way for women, children and young people experiencing family violence and families in need of support with the care, wellbeing and development of children and young people, to access the services they need to be safe and supported. It does not replace existing specialist services or responses but enables a new entry point’<sup>16</sup>. The service – rolled out as part of the response to the Victorian Royal Commission into Family Violence – provides an integrated pathway that is tailored to each family member’s needs and provides an integrated service response to connect people to a wide range of supports. Applying this model to homelessness would involve a client-centred approach, reduce duplication, and help to address gaps in information and care. This model would also provide better wrap-around care coordination before and after securing housing.
- **Advance to Zero:** Advance to Zero is a client-centred service response supported by partners. The National Alliance to End Homelessness has initiated the Advance to Zero campaign, with the aim to ‘end all homelessness in Australia, starting with rough sleeping, by ensuring that when it does occur it is rare, brief one-time’<sup>17</sup>. Advance to Zero, also known as Functional Zero, is in operation in six local government areas (LGAs) in Melbourne and has been highly successful in reducing the number of people sleeping rough or homeless. The approach requires significant partner coordination and follow up with clients, but with the right investment, the outcomes are significant and positive<sup>18</sup>.

### **Recommendation/s:**

5. *Consider a Housing First approach to preventing homelessness.*
6. *Consider applying the Orange Door model to homelessness to establish a service that ensures clear and consistent entry points and pathway navigation.*

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<sup>14</sup> AHURI, 2018, What is the Housing First model and how does it help those experiencing homelessness?, [What is the Housing First model and how does it help those experiencing homelessness? | AHURI](#)

<sup>15</sup> AHURI, 2022, Housing First: An evidence review of implementation, effectiveness and outcomes, [Housing First: An evidence review of implementation, effectiveness and outcomes | AHURI](#)

<sup>16</sup> DSS, 2021, [The Orange Door – National Plan to Reduce Violence against Women and their Children \(dss.gov.au\)](#)

<sup>17</sup> [Advance to Zero - AAEH](#)

<sup>18</sup> Launch Housing, 2023, [Melbourne Zero](#)



7. *Consider funding pilots of innovative and promising approaches, such as the Advance to Zero model.*

*In what areas of the homelessness service response are people who are experiencing or at risk of homelessness not getting the support they need?*

**Gaps in specialist Homelessness Services:** Currently the housing system is beyond capacity. Without adequate staffing levels, many people experiencing homelessness are falling through the gaps and not getting the support they require.

The Issues Paper notes that the workforce is limited and has high turnover. Further work needs to be undertaken to identify how workers will be trained and retained in the sector and how persons with lived experience of homelessness can be trained, hired, paid to work or advise.

**Recommendation/s:**

8. *In the short and medium term while housing supply is increased, expand case management at Specialist Homelessness Services so that entry point workers have the capacity to work on keeping clients housed.*
9. *Identify opportunities for further training and retention of staff in the homelessness sector. Investigate opportunities to train and hire people with lived experience to work in the sector.*

### **3. Aboriginal and Torres Strait Islander housing**

*How can governments best work with communities and the Aboriginal community-controlled housing sector to support better housing outcomes for Aboriginal and Torres Strait Islander people, including embedding the Priority Reforms of the National Agreement on Closing the Gap and promoting self-determination?*

**Mana-na worn-tyeen maar-takoort (Every Aboriginal Person Has a Home):** The Victorian Aboriginal community's Housing and Homelessness Framework (VAHHF) (developed by community, for community in 2020) sets a 20-year agenda to improve access to housing for Aboriginal people in Victoria within a generation. It includes Aboriginal housing targets and specific funding for Aboriginal community-controlled community housing.

**Recommendation/s:**

10. *Identify targets for Aboriginal housing and ensure funding for Aboriginal community-controlled community housing.*

**Appropriate housing:** Council supports the development of more homes on Country. Council also supports the assertion in the Issues Paper that appropriate housing needs to be provided to address overcrowding, including appropriately sized homes to allow families to live together.

Further work should be undertaken to upskill and support tenants to maintain their properties and avoid eviction. This could include up-skilling community to support autonomy, personal development and skill building to help foster a sense of pride in their homes. This could be through funding to Aboriginal Housing Co-Ops and Aboriginal and Torres Strait Islander Housing Organisations.

In addition, further support also needs to be provided to ensure security of tenure (including people in social housing and private rentals). This includes support and wrap-around services to keep people housed.

**Recommendation/s:**

11. *Ensure appropriate housing is delivered in the right locations (on Country).*
12. *Consider supporting to Aboriginal Housing Co-Ops and Aboriginal and Torres Strait Housing Organisations to support tenants.*
13. *Provide further support to ensure Aboriginal and Torres Strait Islander people maintain long-term secure housing, including wrap-around services.*

**Impacts of incarceration on housing:** The impact of incarceration is not identified in the Issues Paper. This includes loss of chattels, leases, broken rental records, lost bonds, abandoned properties – even for brief periods of incarceration.

**Recommendation/s:**

14. *Undertake further work to identify the specific experiences of incarceration and its impact on housing and put further supports in place to address these issues.*

## 4. Social housing

*What is the role of social housing for low-income Australians?*

Examples around the world highlight that social housing provides a core function of safe shelter to members of the community who may otherwise find housing difficult to access. For example, 20 per cent of properties in Sweden are social housing; in Vienna this is 40 per cent. In Moonee Valley, 3.9 per cent of dwellings are social housing. In Victoria, the figure is approximately 2.5 per cent.

Research shows that private rental properties are not affordable to people living on social support payments. Anglicare's 2023 Rental Affordability snapshot highlights that of the 45,895 rental listings only four of these were affordable for a person on jobseeker and none were affordable for a person on Youth Allowance. Less than one per cent were affordable for a person earning a full-time minimum wage<sup>19</sup>. There are 332,992 people receiving Commonwealth Rental Assistance in Victoria, with half experiencing rental stress<sup>20</sup>. Without subsidised housing, people who are living on social benefits would not be able to live in Moonee Valley.

There is significant unmet demand for social housing in Victoria. As of March 2023, there are 58,131 households awaiting social housing on the Victorian Housing Register, including 31,158 households on the priority list. Those with the highest priority face an average wait of 15 months<sup>21</sup>.

To keep up with the demand, research has highlighted that at least 6,000 new social housing properties are needed each year in Victoria for the next 10 years<sup>22</sup>. Without access to suitable, affordable and secure housing, people risk a decline in their 'identity, stability, safety, social support, sense of control and mastery over their lives, physical environments and living practices'<sup>23</sup>.

### **Recommendation/s:**

- 15. Support and finance states to invest in social housing with targets. In Victoria, the target is to be at least 6,000 new social housing per year for the next ten years to address demand. Ensure funding is better matched to areas of need across Victoria and around Australia.*

<sup>19</sup> Anglicare Australia, 2023, Rental Affordability Snapshot, [2023: Rental Affordability Snapshot - Anglicare Australia](#)

<sup>20</sup> Australian Institute of Health and Welfare, 2023, Housing Assistance in Australia 2023.

<sup>21</sup> Victorian Government, 2023, Budget Papers, No. 3 – Service Delivery, p.192, [Budget papers | Victorian Budget 23/24 | Victorian Budget](#)

<sup>22</sup> Victorian Housing Peaks Alliance, 2020, Make Social Housing Work, [Make Social Housing Work - Council to Homeless Persons website \(chp.org.au\)](#)

<sup>23</sup> VicHealth, 2011, Housing and Health Research Summary, [Housing and- Health Research-Summary web.pdf \(vichealth.vic.gov.au\)](#)

16. *Continue to prioritise fiscal policy reforms to advance affordability. This includes managing wage growth, increasing income support payments and increasing Commonwealth rent assistance and exploring options to reform this payment to better address need.*

*How can social housing providers better support people with complex needs (such as people with disability, people from culturally diverse backgrounds and people with mental health, alcohol and other drug issues)?*

**Supporting people with their tenancy:** Social housing tenants require longer term supports to work with people through the first year of their tenancy. This longer-term coordination role would ensure people are linked with relevant services such as mental health, aged care, and health services. The need for longer term support is also influenced by the current extensive wait times to access services.

There would also be immense benefit to having an onsite central access point for high-risk tenants. When there are multiple external agencies involved there can be duplication and confusion of which agency supports which process.

Further to ongoing support, initial housing set up and support is also critical including:

- ensuring all utilities are connected at the time of tenancy to prevent delays waiting for tenancy support services to become engaged.
- having access to essentials when establishing a home
- accessing local services, include welcome packs with information about local support services and support to access these.

**Recommendation/s:**

17. *Invest in dedicated long-term support for new social housing tenants.*
18. *Establish clear processes to support people in social housing included dedicated onsite support.*
19. *Ensure initial housing set ups are completed prior to tenancy including utility connections, essentials for the home and welcome packs.*

What significant issues within the social housing sector lack sufficient quality data to inform decision-making?

The Issues Paper sources data from the ABS Housing Occupancy and Costs survey. The survey has some additional data on housing that is not included in the Census, for example, multiple property ownership, but it does not provide data by local government area. More data is required at a local level to inform meaningful planning and decisions.

**Recommendation/s:**

20. *Invest in improved data collection, including for the ABS to gather more local data by local government area.*

## 5. Affordable Housing

How can governments encourage delivery and availability of affordable housing in the short, medium and long-term?

**Mandatory affordable housing contributions:** Mandatory affordable housing contributions have successfully been used around the world and in some jurisdictions across Australia (SA, ACT and parts of NSW). Council believes that mandatory contributions towards affordable housing as part of new development over a certain size (e.g. ten dwellings or more) can be used as a powerful lever to deliver affordable housing in inner areas of capital cities where very low, low- and moderate-income households currently do not have access to affordable housing.

Research undertaken by SGS has highlighted some of the specific economic benefits of inclusionary zoning: for 'every \$1 invested in affordable housing, the community benefited by \$3 through retention of workers in their jobs, educational benefits, health cost savings, reduced family violence and reduced crime'<sup>24</sup>.

Current voluntary provisions in place in Victoria are failing to result in the required yield of affordable housing, despite the significant effort. The Planning Institute of Australia Vic Social and Affordable Housing Policy Position Paper (updated 2023) also notes that:

*“As well as potential inconsistency across the State, current approaches that rely on voluntary section 173 agreements have been criticised for being resource-intensive, producing only a trickle of homes for the considerable effort going into policy development and negotiated implementation.”<sup>25</sup>*

<sup>24</sup> SGS, 2019, Housing capacity and needs analysis, draft summary report [Housing capacity and needs analysis: draft summary report \(melbourne.vic.gov.au\)](#)

<sup>25</sup> PIA Vic, 2023, Social and Affordable Housing Policy Position Paper (updated 2023), [12359 \(planning.org.au\)](#)

The National Planning Reform Blueprint released as part of the National Cabinet's Working Together To Deliver Better includes 'consideration of the phased introduction of inclusionary zoning and planning to support permanent affordable, social and specialist housing in ways that do not add to construction costs'.<sup>26</sup> Council strongly supports the introduction of mandatory inclusionary zoning to provide certainty.

**Recommendation/s:**

21. *Reform the planning system to include mandatory affordable housing contributions as part of new developments over a certain size (e.g. 10 dwellings or more).*

**6. Housing costs, home ownership and the rental market in Australia**

*How can the use and release of land encourage residential growth in well located areas (i.e. close to infrastructure, jobs and services, and resilient to natural hazards) in the short, medium and long-term?*

**Houses needs to be in the right locations:** Housing needs to be well-designed, built in the right locations close to employment opportunities and have appropriate local infrastructure to accommodate new residents to support people to be healthy. Local governments play an important role in planning, including assessing planning applications and allowing for community input. Local government has intimate knowledge of the communities they support.

The Planning System has been identified by some as the barrier to supply in that it hinders development through lengthy planning application processes. Contrary to this, the Municipal Association of Victoria (MAV) has identified that since 2018 council-led planning processes across metropolitan Melbourne have approved 96% of multi-unit applications to a value of over \$7 billion, while maintaining a high degree of community input. This highlights that the vast majority of applications have been approved while still allowing for community to have a say on planning decisions that may impact their neighbourhoods and liveability.

**Recommendation/s:**

22. *Work with the Australian Local Government Association and State Governments to ensure that local government continues to have a central role in approving development applications in local communities.*

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<sup>26</sup> [Meeting of National Cabinet - Working together to deliver better housing outcomes | Prime Minister of Australia \(pm.gov.au\)](https://www.pm.gov.au/news/press-releases/2020/06/24/Meeting-of-National-Cabinet-Working-together-to-deliver-better-housing-outcomes)

**Diverse housing:** Housing diversity is very important to meet the varied needs of the population to support thriving communities. At present, apartments are the preferred dwelling type for developments in the inner city and larger homes on the urban fringe. There is a missing middle that needs more consideration and attention from developers to achieve the diversity that is required.

**Recommendation/s:**

23. *Encourage greater housing diversity through better incentives for developers to build housing that addresses needs.*
24. *Undertake research to better understand spatial patterns of supply, demand and affordability to better respond to need.*

*How can the utilisation of existing properties be improved? How can governments incentivise improved utilisation of existing properties?*

**Vacant land and properties:** The 2021 Census identified that 10 per cent of properties in Moonee Valley are vacant (as compared to 11 per cent in Victoria). Again, it is important to note that the 2021 Census results should not be considered conclusive, due to the impact of COVID-related housing trends and impacts. Nonetheless, more needs to be done to encourage this vacant land or dwellings to be converted into suitable accommodation. Land banking (also known as land hoarding) is where developers withhold land from development for future gains. Research highlights that this activity is routinely undertaken. Across Australia, these land banks hold 13 years of new supply with 'nine years of landbanks held in housing subdivisions that are approved and already for sale meaning planning delays are not the reason landbanks are held'<sup>27</sup>. The Municipal Association of Victoria also notes that 'land banking has not only occurred on Melbourne's urban fringe, inner-city brownfield sites are also vacant, with developers holding onto vacant land or permit-approved developments to await more ideal market conditions'<sup>28</sup>.

**Recommendation/s:**

25. *Identify and implement incentives to address the issue of land banking.*

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<sup>27</sup> Murry, C, 2019, Time is money: How landbanking constrains housing supply, [delivery.php \(ssrn.com\)](#)

<sup>28</sup> MAV, 2023, Inquiry Into The Rental And Housing Affordability Crisis In Victoria

*How can flexibility, accessibility (particularly in the physical environment), affordability and security be improved in the rental private market, particularly for low-income earners?*

**Rental rights:** Council welcomes recent announcements at National Cabinet for a 'Better Deal for Renters' including phasing in minimum standards for rental properties and considering options for better regulation of short-term rental accommodation. With a high number of renters across our community (nearly 28 per cent of the Moonee Valley community rent, with nearly 25 per cent of those experiencing rental stress), tenant protection is important for community members to have access to affordable, secure and appropriate housing. Recent announcements as part of Victoria's Housing Statement will also help to further strengthen renter protections and encourage renting as a viable long-term option. Build to Rent initiatives have been shown to be a 'tenant-friendly' solution that encourages investment in long-term rental stock<sup>29</sup>. Providing incentives for secure long-term rentals could also support people to have access to tenure security in the private rental market.

Further work also needs to be undertaken to understand the effectiveness of soft rental controls, such as those matched to the Consumer Price Index. With rents increasing astronomically, there are opportunities to ensure that renters are protected from excessive rent increases.

**Recommendation/s:**

26. *Strengthen tenancy protection laws as per the National Cabinet's 'Better Deal for Renters' announcement.*
27. *Invest and support initiatives that prioritise rental stock as viable, sustainable and long-term housing such as Build to Rent initiatives.*
28. *Explore incentives to encourage private secure long-term rental opportunities.*
29. *Work with State Governments and Territories to identify how to control rent increases – for example, look at soft rental controls such as rent increases that are in line with Consumer Price Index.*

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<sup>29</sup> AHURI, 2023, What is 'Build to rent'?, [What is 'Build to rent'? | AHURI](#)



## 7. Planning, zoning and development

*To what extent is the supply, affordability and diversity of houses affected by planning and zoning regulations and administrative processes?*

**Planning system reforms:** Council acknowledges there are some challenges with the current planning system and welcomes opportunities to work with the State Government to address these. The Municipal Association of Victoria has highlighted that these challenges include:

- The additional resources required to assess incomplete applications,
- the complex process to amend planning schemes, and
- the resources required to pursue enforcement.

### **Recommendation/s:**

30. *Work with the State Government to undertake planning reforms to;*
  - a. *Allow Councils to make planning scheme amendments easier*
  - b. *Resource Councils to pursue enforcement*
  - c. *Require high-quality and complete planning applications.*

**Incentives for developers:** Council believes incentives for developers would encourage greater investment in affordable housing. As previously noted, Council is advocating for mandatory affordable housing contributions, such as inclusionary zoning. In addition to this, Floor Area Uplift could be considered at key strategic sites as an additional voluntary option to incentivise developers to go above their floor area ratio if they include affordable housing in their development or contribute towards affordable housing.

### **Recommendation/s:**

31. *Consider additional incentives on top of any mandatory requirements that further incentivise developers to build affordable housing stock.*

## 8. The Impact of Climate Change and Disasters on Housing Security, Sustainability and Health

*General comments*

**Impacts from climate are being felt now:** The language around climate change in the Issues Paper could be strengthened. The Issues Paper refers to the ‘future’ in its language when talking about climate change. It is commonly accepted that climate change is happening now. In the City of Moonee Valley and neighbouring City of Maribyrnong, a recent significant flood event can be linked (at least in part) to climate change factors. This extreme weather event affected 47 homes in a retirement village in Avondale Heights<sup>30</sup>. According to the most recent SEIFA data, Avondale Heights is one of the least socioeconomically advantaged neighbourhoods in Moonee Valley.

### **Recommendation/s:**

32. *Include language in the final National Housing and Homelessness Plan that acknowledges the impacts of climate change are currently being felt, i.e. ‘Australia is experiencing’ rather than ‘Australia will experience’ and ‘this will continue’ rather than ‘this is expected to continue’.*

*How can governments better encourage the uptake of energy efficient housing modifications and design?*

**Sustainable housing:** Poor quality housing is identified as a key risk of vulnerability to climate change. This lack of appropriate housing impacts our most vulnerable<sup>31</sup>. Those groups most at risk from climate change impacts in Greater Melbourne include:

- People who are homeless, especially those sleeping rough
- People living in rooming houses, transitional accommodation, cars, caravans, tents, or insecure housing
- People living in public or private social housing<sup>32</sup>.

<sup>30</sup> [Maribyrnong River flood: How the west was let down \(theage.com.au\)](https://www.theage.com.au/news/maribyrnong-river-flood-how-the-west-was-let-down-20220111)

<sup>31</sup> IPCC, Summary for Policymakers. In: Climate Change 2022: Impacts, Adaptation and Vulnerability. Contribution of Working Group II to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change, [Summary for Policymakers — Global Warming of 1.5 °C \(ipcc.ch\)](https://www.ipcc.ch/report/sixth-assessment-report-working-group-ii/)

<sup>32</sup> Jesuit Social Services, 2022, Mobilising Climate Just and Resilient Communities in Melbourne’s West Collaborative Action Plan, [Full-report Centre-for-Just-Places Collaborative-Action-Plan.pdf \(jss.org.au\)](https://www.jss.org.au/wp-content/uploads/2022/07/Full-report-Centre-for-Just-Places-Collaborative-Action-Plan.pdf)

The Issues Paper notes that the '*costs involved with the regular maintenance and retrofitting of social housing, along with limited resources or broader supply chain issues, mean that not all social housing stock is able to adequately protect against climate impacts*'. Flemington Housing Estate is not fitted with air conditioning and temperatures reach extremes on hot days. These conditions have been known to force residents to leave on hot days, with multiple examples of people sleeping in the stairwells and neighbouring park as cooler options. Council welcomes the recent announcement as part of Victoria's Housing Statement to redevelop the high-rise towers at Flemington. However, Council also urges the Victorian Government to increase the percentage of public housing on the estate and work closely with those impacted. Council also urges the Victorian Government to ensure any new public housing is of a high quality and is thermally comfortable to avoid health impacts and increased hospitalisation from extreme heat as well as cold and damp.

**Supporting low-income households to move off gas:** One of the actions in Council's MV2040 Action Plan: Green is that we will 'develop a proposal for how local government can support low income households to move off gas'. We would embrace the opportunity to work with other levels of government to advance this target. We welcome the Victorian Government's announcement that all new developments will be banned from connecting to gas from 1 January 2024<sup>33</sup>.

**Elevate environmentally sustainable design (ESD) standards:** Council is also part of a group planning scheme amendment with 23 other Victorian councils to elevate environmentally sustainable design (ESD) standards in the participating councils' planning schemes. These elevated ESD standards will reduce energy and water bills, and ensure that better indoor environmental quality (natural light and ventilation) as well as better temperature control is achieved for new builds that trigger a planning permit. The 24 councils are currently waiting for the Victorian Minister for Planning to grant authorisation to formally prepare this group planning scheme amendment. The Victorian Government's announcement that all new developments (that trigger a planning permit) will be banned from connecting to gas from 1 January 2024 complements this group planning scheme amendment, but Council would welcome a formal response to the request for authorisation that was made in July 2022.

#### **Recommendation/s:**

33. *Work with State Governments to identify ways to fast-track improvements to the thermal performance of existing social housing.*
34. *Identify ways for better self-advocacy for public housing tenants including to respond to climate risks and for improved maintenance.*

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<sup>33</sup> [Victoria to ban gas connections in new homes \(theage.com.au\)](https://theage.com.au)

35. *Ensure new social housing is built to the highest possible energy efficiency standard.*
36. *Work with State Governments to elevate environmentally sustainable design (ESD) standards in local planning schemes.*

## **CONCLUSION**

We thank the Department of Social Services for the opportunity to provide a submission in response to the National Housing and Homelessness Plan – Issues Paper.

Appropriate, affordable and secure housing is urgently need. We call on the National Government to work across all levels of government and with partners to take bold action to address these pressing challenges.

Should you wish to discuss any of these matters further, please contact:

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