



GLEN EIRA
CITY COUNCIL

GLEN EIRA CITY COUNCIL

SUBMISSIONS FROM GLEN EIRA CITY COUNCIL

NATIONAL HOUSING AND HOMELESSNESS PLAN – ISSUES PAPER

BENTLEIGH

BENTLEIGH EAST

BRIGHTON EAST

CARNEGIE

CAULFIELD

ELSTERNWICK

GARDENVALE

GLEN HUNTLY

MCKINNON

MURRUMBEENA

ORMOND

ST KILDA EAST

National Housing and Homelessness Plan – Issues Paper

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Executive Summary

Glen Eira City Council welcomes the opportunity to provide an alternative written submission in response to the National Homelessness and Housing Plan Issues Paper (The Issues Paper). Council is committed to advocating for initiatives which allow us to improve the liveability and meet the needs of our growing community.

Right now, there's a significant problem with not enough money and homes for people who need affordable places to live, presenting as a major social issue. Local councils are doing their best and trying to help, but they are not responsible or resourced to provide housing to the level required. Higher levels of government have the responsibility and resources but have underinvested in housing for many years, and now need to step up to ensure that more public, community and affordable housing is provided.

To help people who don't have homes or are at risk of losing their homes, we need to work together. Governments, groups that help people, and businesses all need to join forces. We should offer not just a place to live, but also support for things like mental health and finding work.

To address the pressing issue of insufficient social and affordable housing (including public housing, crisis housing, transitional housing and rooming houses), a comprehensive strategy is required. State and Federal Governments must urgently increase their investments in housing, especially in regions like Victoria where demand far outweighs the current federal commitment of \$350M. This would provide just 10,000 homes by 2029.

Housing in Glen Eira is becoming more and more unaffordable, particularly for those on low incomes. According to the Valuer-General Victoria's property sales statistics for 2022, the median house price in Glen Eira based on actual sales (1,144) was \$1,740,500 and the median unit/apartment price based on actual sales (1,850) was \$695,000. These median prices are higher than the 2022 metropolitan Melbourne medians of \$892,500 for houses (based on 55,407 sales) and \$620,000 for units/apartments (based on 35,899 sales). The disparity in median house prices in Glen Eira compared to the metropolitan median, influences housing affordability and equitable access to housing, particularly for low-income households.

Australian Bureau of Statistics data from 2021 shows that 17,995 (28 per cent) of households in Glen Eira are on low or very-low incomes. Of these, data revealed that 7,234 households (11.4 per cent) were in rental stress in Glen Eira in 2021. This includes 3,019 households in moderate rental stress (4.8 per cent) and 4,215 in severe stress (6.6 per cent). In 2021, the median weekly rent in Glen Eira was \$46 more than Greater Melbourne and there is a high proportion of rental households.

Similarly, the median monthly mortgage repayments are \$400 more than the median across Greater Melbourne, making the option of rental more affordable in Glen Eira (however still highly unaffordable). For the year ending March 2023, there were a total of 12 lettings in Glen Eira that were considered affordable, representing 0.6 per cent of all new rentals in Glen Eira, while for Metropolitan Melbourne there were 6.1 per cent¹. Anecdotally we know that many who live in Glen Eira choose to take high mortgages and rental costs in order to live in a more desirable location, despite Glen Eira becoming increasingly unaffordable for low-income households.

Glen Eira's unaffordability is compounded by the unmet demand in Glen Eira for affordable housing which is around 5,900 dwellings and this will increase to 7,500 by 2036 yet we have only 839

¹ Department of Families, Fairness and Housing (2023) Accessed at: <https://www.dffh.vic.gov.au/publications/rental-report>

locations here. Social housing accounts for just 1.2 per cent of all dwellings in Glen Eira which is significantly lower than the Melbourne average of 3 per cent.

Strategic allocation of resources is paramount, especially in regions with the most pressing demand and the lowest social housing inventory. It's crucial that funding is directed to areas where it's most needed, and programs such as the *National Housing Accord* and *Social Housing Accelerator* can help guide these decisions. Moreover, the *Big Housing Build* initiative should prioritise creating at least 50 per cent of new homes for social and affordable housing, rather than a mere 10 per cent increase.

Current Victorian planning schemes must be modified to compel developers to contribute funding or dwellings for affordable housing through mechanisms like inclusionary zone provisions. Private sector developments over a certain size must be required to provide a percentage of affordable housing.

There's an urgent need to refurbish existing social housing to provide better living conditions and to lift housing standards across the board. Significant investment is required to modernise ageing social housing infrastructure, aligning it with contemporary standards and mitigating the effects of climate change.

A multifaceted approach is necessary to address homelessness and aid vulnerable individuals. This encompasses affordable housing initiatives, social housing programs, rental assistance and targeted crisis support. The critical role of housing provision in supporting wellbeing is demonstrated by governments around the world that provide secure homes (i.e., not just emergency or transitional) to vulnerable people as means of supporting them to get their lives back on track.

Our City

The City of Glen Eira is located approximately 10 kms southeast of Melbourne's central business district, and forms part of Melbourne's inner south-east region.

The municipality covers an area of 39 square kms and includes the suburbs of Bentleigh, Bentleigh East, Carnegie, Caulfield, Caulfield East, Caulfield North, Caulfield South, Elsternwick, Gardenvale, Glen Huntly, McKinnon, Murrumbeena, Ormond and parts of Brighton East and St Kilda East.

Adjoining municipalities include the cities of Bayside, Kingston, Monash, Port Phillip and Stonnington.

Glen Eira City Council provides a wide range of services to its residents, including waste management, planning, building regulations, public parks, recreation facilities, libraries, and community services. It also works closely with local businesses and community organisations to promote economic development and social wellbeing in the area.

A snapshot of the Glen Eira community

Glen Eira's population is expected to reach 176,389 by 2036². Glen Eira is a diverse community made up of people with different backgrounds, culture, family type, age, and occupation.

There were 63,525 households in the municipality in 2021³. One third of these are couple families with children, one quarter are couples without children, and over a quarter are lone person households.

Glen Eira has an above average share of lone and group households when compared to Greater Melbourne, and an above average share of couple families with children. It also has a below average share of one-parent households, which is likely due to the relatively high rents in Glen Eira and the relatively low household incomes earned by single parents.

Compared to Metropolitan Melbourne, Glen Eira has a below average share of very low-income households, a higher share of low-income households and a similar share of moderate and higher income households. However, incomes are still slightly lower in Glen Eira than in the Inner South-east Region.

² Victoria in the future Population forecast 2019

³ ABS census 2021

Status of social and affordable housing in the City of Glen Eira

- There were 63,525 households (including homeless) in Glen Eira in 2021 with 17,955 of these (28 per cent) being on low or very low incomes.
- There is an above average share of renters and below average share of mortgagees. Both rent and mortgage payments are above average in the municipality.
- There were 7,234 households (11.4 per cent) in rental stress in Glen Eira in 2021. This includes 3,019 households in moderate rental stress (4.8 per cent) and 4,215 in severe stress (6.6 per cent).
- Those in rental stress are typically low income, lone person, single parent, and group households.
- By 2036, Glen Eira could have between 9,088 to 11,121 households in stress. The range depends on population growth and income growth, relative to rising rents.

Housing stress

The median weekly rent in Glen Eira is \$46 more than Greater Melbourne and there is a high proportion of rental households. The median monthly mortgage repayments are \$400 more than the median across Greater Melbourne. The relatively high housing costs in Glen Eira mean that some families, individuals and group households are experiencing housing stress.⁴

It is estimated that 7,234 renting households in Glen Eira are in housing stress. This includes 3,580 lone person households, 1,120 couple families without children households, and 743 couple families with children households. Households in rental stress represent 11 per cent of all 63,525 households (or one in nine) and 37 per cent of the all-renter households (more than one in three).⁵

Half of all lone person households are likely to experience housing stress – by far the most likely household type to experience stress in 2021. Couples without children are next at 15 per cent.⁶

As might be expected, the likelihood of experiencing rental stress is inversely related to the level of household income. Around 3,337 very low income and 2,246 low-income households in 2021 were experiencing rental stress in Glen Eira, with a further 1,650 moderate income households. Very low-income households are particularly likely to be in severe rental stress. Households in this category are considered at risk of homelessness.

Couple families with children and group households are more likely to experience rental stress in Glen Eira, when compared with other parts of Melbourne.

Unmet housing need

The need for affordable housing is likely to increase as Melbourne's population grows. The Victoria in the Future 2019 population forecast for Glen Eira predicts that the total number of households in the municipality will grow by 12,588 households in the 15 years from 2021 to 2036⁷.

⁴ ABS Census 2021

⁵ ABS Census 2021

⁶ ABS Census 2021

⁷ Victoria State Government, Victoria in the Future, <https://www.planning.vic.gov.au/guides-and-resources/data-and-insights/victoria-in-future>

The nature of population growth in Glen Eira has shaped the affordability narrative: the proportion of Glen Eira households in the very low to moderate income brackets has decreased from 2016 (all the way up to \$2,000/week for household income), while households in higher income brackets (\$2,500+) have dramatically increased overall.⁸ There has also been a large number of new residents from outside of Glen Eira: just over 30 per cent of residents lived in another LGA or overseas five years ago.⁹

SGS Economics and Planning's Housing Assistance Demand Model is outlined in [Appendix 1](#). The model forecasted how the need for affordable housing might change with this population growth. Three scenarios captured the uncertainty in predicting the housing market in the future. The base case assumes that growth in rents is 15 per cent higher than growth in incomes from the 2021 baseline.¹⁰ The optimistic scenario assumes a smaller differential between rent and income growth of five per cent, while the pessimistic scenario assumes that a differential between rent and income growth of 40 per cent.

The forecast suggests that, without any intervention, the number of households in rental stress in Glen Eira could rise from 7,234 by 36 per cent to 9,808 over the next 15 years. However, this could range from 9,088 up to 11,121 households, depending on changes in incomes and rents in the future.

Homelessness

For the purposes of this paper, people experiencing homelessness are defined as those recorded by the Australian Bureau of Statistics (ABS) across homeless operational groups. Operational groups include persons living in improvised dwellings, tents or sleeping out, as well as those in supported accommodation, temporarily staying with other households, living in boarding houses, persons in temporary lodgings, and persons living in severely crowded dwellings (Australian Bureau of Statistics, 2018).

Based on this definition, there were approximately 612 persons recorded across homeless operational groups in Glen Eira in 2021.¹¹ Further, modelling shows that this number could climb to 736 persons by 2036.

In Victoria, eligible households register for social housing through the Victorian Housing Register, administered by the Department of Families, Fairness and Housing (DFFH). The register has two categories: *priority access* which is for a range of households which are homeless, escaping family violence, have a disability, or other special needs; and a *register of interest* which is open to all other eligible households.

Applicants can identify their preference for public housing or community housing assistance and can also indicate a preferred geographic location for housing assistance.

Figure 1 shows that the total number of applications for social housing in Victoria continues to grow, having increased from 55,993 in the December quarter of 2016 to 67,120 in 2022.¹² (Note

⁸ ABS Census 2021

⁹ ABS Census 2021

¹⁰ As the 2021 Census results were affected by COVID and are therefore not entirely representative of 'normal' conditions. Rents were, relatively speaking, lower in 2021 and therefore the HADs model base case forecast assumes a deterioration of housing affordability compared to 2021

¹¹ It is worth noting that the Census undercounts the amount of homeless people due to the difficulty of collecting this data

¹² Homes Victoria (2022), Applications on the Victoria Housing Register (VHR), <https://www.homes.vic.gov.au/applications-victorian-housing-register-vhr>

that the data in the chart below does not show an evenly spread time series as data was not available for 2020, but was for 2021.)

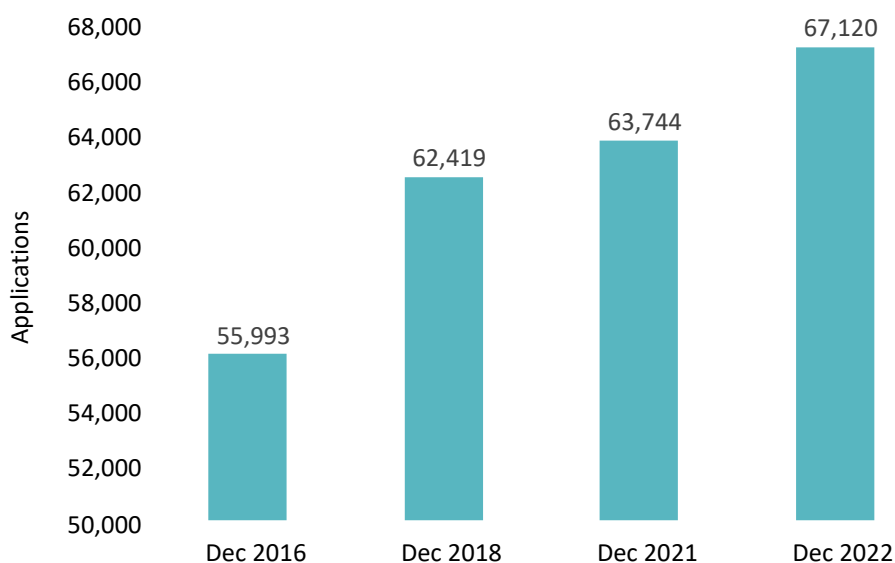


FIGURE 1 TOTAL APPLICATIONS FOR SOCIAL HOUSING IN VICTORIA¹³

Glen Eira sits in the South Division – Bayside-Peninsula (Cheltenham) of the Victorian Housing Register (see Table 1).

TABLE 1 VICTORIAN HOUSING REGISTER: BAYSIDE-PENINSULA SERVICE AREA¹⁴

Area (office)	Priority access	Register of Interest	Total
Bayside-Peninsula (Cheltenham North)	2,406	1,323	3,729

As of the latest available data, there are currently 771 social housing dwellings in Glen Eira, which is approximately 1.2 per cent of the total dwelling stock, excluding Council’s 64 independent living units (835 and 1.3 per cent including Council’s social housing stock).¹⁵ 625 of these dwellings are owned by Victorian Department of Families, Fairness and Housing, and most are medium density attached dwellings (see Table 2). Registered Housing Authorities own 146 dwellings. There has been very little change in the size of the social housing stock in recent years. As a result, the total share of social housing decreased slightly from 1.4 per cent to 1.2 per cent (Table 3).

¹³ Victorian Housing Register, Transition Report December 2018, and Homes Vic data 2023

¹⁴ Victorian Government, December 2022, available at <https://www.homes.vic.gov.au/applications-victorian-housing-register-vhr#related-links>

¹⁵ Department of Health and Human Services (DHHS), Housing Assistance Delivery Data 2020 – 21

TABLE 2 EXISTING SOCIAL HOUSING BY TYPE (2020-21)¹⁶

	House	Medium density attached	Medium density detached	Low-rise flat	High-rise flat	Movable Unit	Multiple unit facility unit	Other	Community owned	Total
Glen Eira	52	456	26	87	0	4	0	0	146	771

TABLE 3 GROWTH IN SOCIAL HOUSING IN GLEN EIRA (2014 - 2020)¹⁷

Year	Total dwelling stock	All social dwellings (DHHS and RHA)	Social as a % of stock	Dwellings owned by RHAs	RHA dwellings as a % of stock
2014	58,330	788	1.4%	170	0.29%
2015	59,037	791	1.3%	174	0.29%
2016	59,745	784	1.3%	175	0.29%
2017	60,453	779	1.3%	171	0.28%
2018	61,221	740	1.2%	133	0.22%
2019	61,989	732	1.2%	128	0.21%
2020	62,757	771	1.2%	146	0.23%

These figures do not include the 64 dwellings that are owned and managed by Council and rented to financially disadvantaged older persons.

When considering the number of households experiencing housing/rental stress and the social housing stock, there is a clear gap between demand and supply that indicates a significant issue for all levels of government and providers of housing.

Council's role

It is not the role of local government to invest in the provision of social and affordable housing, this is the responsibility of the State and Federal Governments. Council will not be investing in social and affordable housing outside our existing commitments. Council provides low-cost rental accommodation for financially disadvantaged older persons in municipality. There are 64 independent living units across four sites in Bentleigh, Carnegie and Caulfield South. These units consist of bedsitters and one-bedroom accommodation.

Local government plays an important role in advocacy across a range of social, economic, and legislative issues. Affordable housing clearly sits within this responsibility. Glen Eira City Council identified social and affordable housing as a key advocacy priority for 2023-24¹⁸.

¹⁶ Housing Assistance, Additional Service Delivery Data 2020-21, Department of Families, Fairness and Housing

¹⁷ Service Delivery Data 2020-21, Department of Health and Human Services

¹⁸ Glen Eira City Council Priority Advocacy Projects 2023-24

<https://www.gleneira.vic.gov.au/media/14698/advocacy-priority-projects-for-2023-2024.pdf>

Through its partnerships with councils and stakeholders in the housing industry, Council can build strong arguments to advocate for change of legislation and government policy, increased resourcing, and direct investment by government to increase the supply of social and affordable housing in Glen Eira and across Melbourne and Victoria.

Council’s Social and Affordable Housing Strategy 2019-23 focuses on four key themes to enable Council to support increased supply of social and affordable housing.

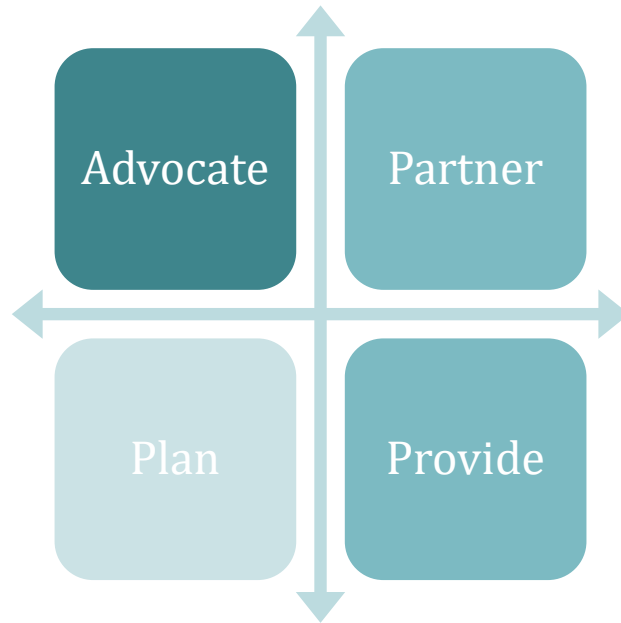


FIGURE 2 LOCAL GOVERNMENTS’ ROLE IN THE DELIVERY OF SOCIAL AND AFFORDABLE HOUSING

Using this framework, Glen Eira identified specific strategies and actions under each theme on an annual basis to pursue outcomes for social and affordable housing.

Our Position

There is a significant housing crisis in Victoria, with increasing levels of homelessness and housing insecurity. Significant population growth, cost of living pressures and a strong property market are creating a housing crisis with long-term pressure on housing affordability. More Victorians than ever are on waiting lists for public and community housing, reflecting increasing homelessness, housing insecurity and lack of housing supply, particularly of public and low-income housing.

Council's Statement of Commitment to Affordable Housing

1. Understanding the needs of our community, particularly the most vulnerable and advocating for public, social, and affordable housing to the State Government, Federal Government, Municipal Association of Victoria, Australian Local Government Association and Victorian Local Government Association to meet the needs of our community.
2. Taking a whole-of-Council approach to supporting Glen Eira residents experiencing housing stress and homelessness and partnering with housing associations and providers where appropriate to identify opportunities to expand the overall supply of social and affordable housing in Glen Eira.
3. Using our influence to reform and improve the quantity, quality and type of social and affordable housing including community housing, public housing, crisis housing, transitional housing and rooming house policy and funding at all levels of government.
4. Advocating in collaboration with other councils and peak local government bodies to the Victorian Government for planning provisions that better facilitate affordable housing, including inclusionary zoning which makes it compulsory for new residential and mixed-use developments to include a proportion of affordable housing dwellings including social and community housing.
5. Continuing to negotiate for affordable housing opportunities through the rezoning process for strategic sites and other major developments in Glen Eira.

FIGURE 3 GLEN EIRA CITY COUNCIL'S STATEMENT OF COMMITMENT TO AFFORDABLE HOUSING¹⁹

Our Advocacy

The current investment by State and Federal Governments in social and affordable housing is insufficient for the current and growing crisis. To address this crisis, other levels of government must increase the supply and funding for social and affordable housing in the region. *The Big Housing Build* is a step in the right direction, but there are concerns about its implementation, especially the bypassing of Council processes and community input and the very low amount of low-income housing it will provide.

What we need

- A sustainable, long-term pipeline of State and Federal investment in social and affordable housing, noting the unmet need for social and affordable housing in Victoria alone has been estimated to be in the order of 75,000 to 100,000 households, while the Australian Government's \$350M investment in its October 2022–2023 Budget will only deliver 10,000 additional homes by 2029.
- The Australian Government's investment in the National Housing Accord and Social Housing Accelerator to prioritise securing land and constructing housing in municipalities with the highest demand for social and affordable housing and lowest percentage of available social housing stock.

¹⁹ Ordinary Council Meeting Minutes 13 June 2023,
https://www.gleneira.vic.gov.au/media/14342/co_13062023_min_1103.pdf

- Older women experiencing homelessness has become increasingly widespread, growing by over 30 per cent between 2011 and 2016 to about 6,900 older women according to the *Australian Bureau of Statistics 2012 and 2018*. The shortage of public and affordable housing and the ageing population has contributed to the rising number of older people experiencing homelessness generally, lower lifetime earnings and savings is also a key contributory factor to many older women’s experiences of homelessness.
- An uplift in social and affordable dwellings by a minimum of 50 per cent on Big Housing Build projects. The minor 10 per cent uplift in social and affordable housing provided on Big Housing Build sites is a failure to maximise the significant opportunities created by the program.
- Change to Victoria’s planning schemes to include new mandatory criteria for developers to contribute funding and/or dwellings for affordable housing through the inclusionary zone provisions and *Homes for Homes*, or similar contribution programs where inclusionary zone provision doesn’t apply.
- A requirement for any *Big Housing Build* development to adhere to relevant planning controls associated with building heights, setbacks, and other controls.
- The Victorian Housing Statement announced on 20 September 2023 falls disappointingly short in not delivering a mandatory inclusionary zoning scheme. Mandatory inclusionary zoning would ensure that as our cities grow, provision of social and affordable housing remains in step with this growth. Unfortunately, a voluntary system provides no certainty of an increase in social and affordable housing.
- Upfront consideration of the impact on existing infrastructure from increased density created by *Big Housing Build* investments and the resulting uplift in site values, to ensure community and infrastructure needs are addressed.
- Direct government investment and subsidies to require a percentage of social and/or affordable housing in larger private developments.
- Government funding made available to local government as well as the community housing sector, for the redevelopment of social housing sites.
- Significant investment in ageing social housing stock to deliver contemporary housing solutions.
- Funding to address the lack of available sites in Glen Eira and seek alternatives including at ‘value capture’ developments generated by opportunities created by level crossing removal or other State property acquisitions, noting that social housing only accounts for 1.2 per cent of all dwellings in Glen Eira which is significantly lower than the Melbourne average of three per cent, as outlined in [Appendix 1](#), the estimated current unmet need for affordable housing in Glen Eira is 7,234 dwellings.

Community benefit

Social and affordable housing developments contribute to improved social inclusion, mobility, and access to jobs. This is a key element of maintaining income equality and sustainable economic growth.

Responses to Guided Questions

How can governments and community service providers reduce homelessness and/or support people who may be at risk of becoming homeless in Australia?

State and Federal Governments must prioritise the Housing First approach, which requires a comprehensive and well-coordinated effort to allocate resources to funding for housing subsidies, create affordable housing units, rehabilitate existing social and affordable housing, and expedite development on vacant properties or underutilised state-owned land. State Governments must make changes to planning schemes to include new mandatory criteria for developers to contribute funding and/or dwellings for affordable housing through the inclusionary zone provisions and Homes for Homes, or similar contribution programs where inclusionary zone provision doesn't apply.

All levels of government play a critical role in identifying and supporting people who are experiencing or at risk of becoming homeless. Glen Eira City Council recognises its role in advocacy and information provision, as outlined on Council's website [Homelessness support - Glen Eira City Council | Glen Eira City Council](#). There is a range of services in Glen Eira that offer homelessness support, from housing to financial help and referrals. Some organisations offer short-term or crisis housing, while others can help people stay where they are currently living.

Reducing homelessness and supporting individuals at risk of becoming homeless requires a comprehensive and multifaceted approach that addresses both the root causes of homelessness and the immediate needs of vulnerable individuals. There is a range of diverse and complex factors that influence a person becoming homeless. Public housing strategies must include affordable housing initiatives, social housing programs, rental assistance programs and youth homeless programs.

A combination of enhanced and early intervention, including targeted crisis and mental health supports, is required to reduce homelessness and/or support people who may be at risk of becoming homeless. Programs that provide targeted support to those at risk or those that need help to transition to stable housing are essential. This may include employment assistance, addiction treatment and access to medical care.

Importantly, an integrated approach is required to draw on intelligence and resources across both State and Federal Governments and community service providers. Fostering collaborations can significantly improve outcomes for the homeless, for example, where government agencies provide funding, non-profits offer services, and businesses provide employment opportunities. Collaboration enables a holistic approach where various providers can address the interconnected challenges that respond to the complex profile of each person. A blanket approach to addressing homelessness is largely ineffective in meeting the nuanced needs of individuals.

Innovative approaches to bring together new ideas must include community engagement. Involving community groups helps build a sense of ownership and investment in solving homelessness. Community members can provide valuable insight and local knowledge that may contribute to effective solutions.

How can governments, across all levels, best work with communities to support better housing outcomes for Aboriginal and Torres Strait Islander people?

It is integral that the Federal Government meaningfully includes Aboriginal and Torres Strait Islander Peoples to inform the development of the National Housing and Homelessness Plan. Whether or not there is a separate plan produced by Federal Government as part of this Plan, the central Plan for all Australians needs to reflect and be inclusive of the housing needs of Aboriginal

and Torres Strait Islander people to achieve The National Closing the Gap target of 88 per cent of Aboriginal and Torres Strait Islander people living in appropriately sized housing by 2031.

Governments should approach indigenous housing issues with cultural sensitivity and respect. Understanding and acknowledging the unique cultural needs and aspirations of Aboriginal and Torres Strait Islander people is crucial. Engaging with indigenous elders, community leaders and cultural experts is essential to ensure that housing initiatives, planning, design and decision-making aligns with the specific needs and preferences of each local community.

As identified in The Issues Paper, Aboriginal and Torres Strait Islander people experience significantly poorer homelessness and housing outcomes when compared to other Australians.

First Nations people experience disadvantage across many aspects of life, not just in relation to homelessness and housing. All levels of government must address this through more meaningful opportunities to increase self-determination and autonomy for Aboriginal and Torres Strait Islander people.

At its 15 August 2023²⁰ Ordinary Council Meeting, Glen Eira City Council publicly supported a constitutionally enshrined Voice to Parliament for First Nations peoples, and a 'yes' vote in the upcoming referendum. The Voice is a positive step forward in achieving greater equality. It will enable Aboriginal and Torres Strait Islander communities to have their say to government on the policies and decisions that affect them. We believe communities thrive when they control their own destiny.

As outlined in our Reconciliation Action Plan March 2022-March 2024 Innovate, we proudly support the *Uluru Statement from the Heart*. We are committed to supporting truth-telling as an important step on the path to reconciliation. The *Uluru Statement from the Heart* invites us to walk with Aboriginal and Torres Strait Islander people on the journey to a better Australia.

How can all levels of governments, along with housing organisations, institutional investors, not-for-profits, and private industry, improve access to social housing, which includes public housing and community housing?

State and Federal Government funding must also be made available to local government for the redevelopment of social housing sites such as Council's independent living units. Significant investment is needed to address ageing housing stock and delivering contemporary housing solutions, particularly upgrades to assist Councils to mitigate the impacts of climate change. Housing stock and associated infrastructure are vulnerable to climate change and there is the need for a proactive approach to mitigate these environmental changes.

There is a need for State and Federal Government to introduce policies to improve social housing supply. Although the State Government abandoned its proposed Social and Affordable Housing Contribution prior to the election in 2022, the underlying principle remains potent. This approach stands as a valuable strategy to increasing housing supply. Local government in Victoria has advocated to the State Government to introduce policies and planning controls that require a contribution for social and/or affordable housing as part of new developments. This would help to fund investment in social and affordable housing across the state.

Equitable access to social housing will be optimised by each level of government leveraging its sphere of influence, while working in genuine partnership with industry and community

²⁰ Glen Eira City Council Ordinary Council Meeting 15 August 2023,
https://www.gleneira.vic.gov.au/media/14814/co_15082023_min_1106.pdf

representatives. Access to social housing has many complexities that requires a collaborative approach in terms of advocacy, planning and partnerships.

Council sees its role as advocating for its community to the State and Federal Governments to invest (land and cash) in social housing. Both State and Federal Governments must use tax revenues and borrowing to fund expansion of government-owned social and affordable housing. Both levels of government have made recent commitments to this investment and Council is advocating for some of this investment to be focussed on sites located in Glen Eira and the region in partnership with community providers.

Glen Eira's stock of social housing is significantly lower than the Melbourne average. The current investment in social housing is insufficient and heavily reliant on Council investment. This reliance on Council investment alone is insufficient, so other levels of government need to create sustainable, long-term pipelines of social housing options. State and Federal investment is essential to prioritise securing land and constructing housing in municipalities with the highest demand for social housing and the lowest percentage of available social housing stock.

Council aims to encourage provision of social housing by advocating to the State Government for broader state-wide planning changes and by including social and affordable housing when major rezoning proposals are being considered.

Rezoning of land can increase land value and enable new development. Where additional land value is created through rezoning decisions, Council will seek to capture part of this value to benefit the broader community. This can include open space provision, infrastructure, and the integration of social and affordable housing into new housing developments. Similarly, Council advocates for appropriate State Government sites to be utilised for social and affordable housing.

Negotiating individual planning agreements for additional social and affordable housing is problematic and difficult to achieve. While the Victorian Planning and Environment Act does allow Councils to try to negotiate for social and affordable housing in new developments where a planning permit is required, this is difficult to achieve without compromising other community values.

A commitment to long-term government initiatives aimed at increasing the supply of affordable and social housing can stimulate the construction of new affordable rental properties and increase the supply of affordable housing for those who need it most. Federal Government subsidies have been used to bridge the 'return gap' between market rents and low rents that are affordable to moderate and lower-income households. The National Rental Affordability Scheme, initiated by the Commonwealth following the 2008 Global Financial Crisis, is an example of this type of arrangement. This arrangement concludes in 2026. These types of incentives can have a positive impact on housing affordability.

Most new social housing is developed and managed by not-for-profit Registered Housing Agencies (RHAs) who are regulated by the State Government. RHAs can receive government housing grants and are able to borrow to build social housing for needy households over the long term. Whilst councils can play a role in functioning as an RHA, many councils are not able to do this. Managing social housing requires specific expertise, resources, and funding that many councils face limitations in providing. Councils need practical support to collaborate with existing RHAs, rather than attempting to manage housing programs on their own.

Council has engaged in sector forums and initiated relationships with several housing providers to identify opportunities for social and affordable housing in Glen Eira. Council will continue to build and develop these relationships where they can benefit community outcomes.

What should governments, private industries, the not-for-profit and community sectors focus on to help improve access to housing and housing affordability in the private market?

Access to housing

To provide immediate access to housing there is an urgent need to boost investment in the development of new social housing and the redevelopment of ageing social housing stock.

In relation to rent availability and access in the private rental market, it is recommended that the Federal Government investigates policies that may discourage sole provision of Airbnb/seasonal rental homes or discourage vacant homes for more than a certain proportion of the year in all areas, including the City of Glen Eira. This would increase availability of homes on the rental market.

To increase immediate access to housing Glen Eira City Council calls for a boost to investment in social housing:

1. Direct government investment and subsidies to require a percentage of social and/or affordable housing in larger private developments.
2. Government funding made available to local government as well as the community housing sector, for the redevelopment of social housing sites.
3. Significant investment in ageing social housing stock to deliver contemporary housing solutions.

Housing affordability in the private market

Given the complex and systemic nature of the issue, the Federal Government is best placed to respond. The following are examples of immediate and long-term action that could be taken.

Immediately:

- Addressing inflation of costs of living; the price of housing is increasing faster than income levels and the Federal Government has a role to play in curbing this cycle, both in relation to housing itself (i.e. interest rates) but also the cost of other day-to-day expenses such as energy bills.
- Providing financial support to those who have been most impacted during the current heightened period of inflation, for example those on low incomes and single parent families.
- Changing Victoria's planning schemes to include new mandatory criteria for developers to contribute funding and/or dwellings for affordable housing through the inclusionary zone provisions and Homes for Homes, or similar contribution programs where inclusionary zone provision doesn't apply.

In the next 10 years:

- Identifying opportunities to make amendments to planning schemes which would result in increased diversity of housing stock i.e., one-and two-bedroom units are needed in addition to three-bedroom (or more) units to accommodate families, especially single parent families.
- Bridging gaps in economic inequality, such as superannuation gaps for older women (which in turn increases risk of housing insecurity for this cohort).

- Addressing poor dwelling conditions in the private rental market through a greater level of regulations.
- Addressing discrimination in the private rental market through a greater level of regulations.
- Lowering stamp duty costs for low-income households, enabling more people to enter the home ownership market and freeing up the private rental market.
- Providing grants and rebates for low-income homes and rental properties to reduce housing costs such as the replacement of energy appliances with more energy efficient alternatives (lower bills in the long term).

To improve access to housing and housing affordability in the private market, it is essential that a holistic approach is taken in addressing the issue.

To increase housing affordability in the private market, Glen Eira City Council calls for:

1. Change to Victoria’s planning schemes to include new mandatory criteria for developers to contribute funding and/or dwellings for affordable housing through the inclusionary zone provisions and Homes for Homes, or similar contribution programs where inclusionary zone provision doesn’t apply.

How could governments work better with industry, community services and other organisations to improve housing outcomes for all Australians?

The ability of government to collaborate with industry, community services and other organisations is pivotal to improving housing outcomes. This approach recognises the interdependence of these organisations in achieving a common goal, that would otherwise be unachievable if acting in isolation.

Through mechanisms such as information sharing across these organisations and genuine community engagement (including people with lived experience), a more in-depth understanding of the homelessness landscape will be achieved to inform policy/program design and implementation.

Industries such as planning and development play a key role in delivering on-the-ground outcomes for people experiencing homelessness. Fostering an open dialogue between governments, industries and community services creates an opportunity to achieve impactful residential and associated services design that meets the needs of those most vulnerable in our community. Governments should explore incentives for affordable housing, rental assistance programs, collaborating on public-private partnerships, and financial support to create a more affordable and accessible housing market for everyone.

How can governments, the private and community sectors, help to improve sustainable housing and better prepare housing for the effects of climate change?

All decisions and policies regarding housing and homelessness must be viewed through a ‘climate lens’, recognising that climate change is already happening and its impacts are becoming more frequent and severe.

Housing policy must contribute to addressing the root causes of the climate emergency by reducing emissions. Housing providers must demonstrate leadership by communicating these measures to promote sustainable behaviour in the wider community.

In the development of housing, especially social housing, the following aspects need to be taken into consideration.

- Analysing future climate impacts and climate modelling. For example, while a site may currently be outside a flood zone, this may not be the case in 20, 30 or 50 years as sea levels rise and extreme weather events become more frequent and severe.
- Building all new housing to a high standard of Environmentally Sustainable Design. This should include a high star rating, as well as other relevant design factors to protect residents – star ratings are driven by energy savings and not climate safety, and therefore a 6- or 7-star house may still need to include additional design elements to protect against heat and other local hazards.
- Incorporating Water Sensitive Urban Design in all new housing (and modified housing where possible) to reduce on-site and downstream impacts.
- Ensuring newly constructed social and affordable housing (particularly in and around activity centres) does not create or exacerbate heat islands, with open space areas and tree retention and planting being enhanced and increased.
- Utilising sustainable technologies such as solar panels.
- Ensuring all housing is fully powered by electricity sourced from renewable energy.
- Utilising local and sustainably sourced materials.

The quality and availability of housing has a direct effect on outcomes for people impacted by climate disasters, due to:

- The physical ability of houses to protect their occupants from climate impacts. For example, a poorly designed or insulated house is less able to protect its occupants from storms or heatwaves.
- Indirect impacts, through causing or exacerbating social vulnerability. For example, it has been the experience of councils and other social service providers that households with high energy bills are less likely to turn on air conditioning during heatwaves, due to financial constraints.
- Homelessness is one of the most serious risk factors faced by community members in climate disasters, due to the high level of exposure they experience to environmental hazards, and the spectrum of other related factors (e.g., higher rates of mental illness) that carry their own additional risks. Policies that address homelessness and these associated issues therefore reduce the vulnerability of these individuals to climate impacts.

Evaluating and mitigating the impacts of climate disasters is an active area of research. Government housing policies and programs have the potential to support this research through the retention and analysis of data on who is affected and why.

The following elements should always be considered when planning for and providing housing support to impacted individuals and communities.

- Affected communities should be involved in the decision-making process regarding new housing and housing support. Failure to properly consult and a 'top-down' approach can alienate communities, create divisions and lead to outcomes that are not fit-for-purpose.
- It is likely that there will be considerable political and social pressure to rebuild quickly after a disaster. However, policies and programs must provide sufficient time for impacted individuals and communities to make informed decisions about their future and how housing can support this – it is not uncommon after a disaster for this to take several years

due to practical factors (e.g. waiting for insurance) and psychosocial ones (e.g. uncertainty about whether to remain living in a site associated with past trauma).

- New housing will need to be safe and resistant to climate hazards, including (but not limited to) the hazard that led to the original climate disaster.
- New housing should include measures that improve the resilience to indirect hazards. For example, a sustainable energy supply (e.g., from solar panels and/or batteries) can improve the comfort and safety of residents during power outages that are common during and after disasters.
- In the period of recovery after a disaster, housing programs can provide financial support for disaster-affected communities, through locally sourcing products, services, and employment. Conversely, poorly considered support programs can result in perverse outcomes, such as economic impacts on local businesses due to competition from free or cheap products sourced from elsewhere.

Financial capacity is a key barrier for people attempting to make their homes more climate resilient. Initiatives that address these concerns (e.g., grants or low-interest loans for climate smart housing) will enable people to take action to protect themselves.

Government should provide the following to support mitigation of the impacts of climate change.

- Support for the implementation of water sensitive infill designs on a local level e.g. mandatory performance-based targets that encourage water sensitive design.
- Incentives for Water Sensitive Urban Design and other climate measures on private land – and remove regulations which can potentially obstruct water sensitive design innovation.
- Nature-based solutions, in particular the planting and retention of trees on private property. The shade from vegetation is the most effective method of protecting households from heatwaves. Other nature-based solutions that can protect households include rain gardens and other Water Sensitive Urban Design measures, sustainable vegetable gardening for organic waste management and food security, home gardening, vertical gardening, and rooftop gardening.

An equitable society is a resilient society. In other words, programs that promote equitable outcomes in terms of housing and homelessness will have the additional benefit of addressing risk factors (e.g., financial disadvantage and social isolation) that drive vulnerability to disasters and the impacts of climate change.

To better prepare housing for the effects of climate change, Glen Eira City Council calls for:

1. Government funding made available to local government as well as the community housing sector, for the redevelopment of social housing sites.
2. Significant investment in ageing social housing stock to deliver contemporary housing solutions.

Conclusion

Thank you for the opportunity to provide feedback and contribute to the National Housing and Homelessness Plan Issues Paper.

State and Federal Government are responsible for the provision of social and affordable housing. Addressing the insufficiency in social and affordable housing requires a comprehensive, collaborative approach involving sustained government investment, diverse sector engagement, climate-conscious design, and unwavering commitment to equity and community wellbeing. Through concerted effort, governments, industries, communities, and organisations can significantly improve the provision of adequate housing and cultivate resilient communities for all Australians.

Council would welcome the opportunity to contribute to further stages in the development of the National Plan to address housing and homelessness.

Appendix 1: Housing Assistance Demand Model

The impact of rising housing costs on households can be measured in different ways. One of these is through housing stress, specifically rental stress, where lower income households experiencing housing stress are counted based on the proportion of their income that is spent on rental housing. Households are said to be in rental stress if they have moderate, low, or very low incomes, and spend 30 per cent or more of their income on housing. Lower income households in housing stress may need to cut back spending on other essentials and are likely to need housing assistance. This paper draws from the SGS's Housing Assistance Demand Model (HAD). This model estimates the number of households that are:

- Experiencing **rental stress (moderate or severe stress)**,
- Experiencing **homelessness** (acute need of housing assistance)
- Living in **social housing** (who would be in rental stress if they did not receive housing assistance).

These households are used as a base to **measure the level of need for housing assistance**, which is interpreted as the demand for social and affordable housing units.

The model uses 2021 ABS census data to estimate rates of rental stress and homelessness segmented by demographic variables including household type, tenure, and household income. The number of households in stress in each category is based on the above stress rates and aligned with population forecasts, with scenarios created reflecting the likely future movements of incomes and rents.

The HAD model estimates the number of households experiencing rental stress due to financial constraints only, and only focuses on low-income households who cannot comfortably afford rents in the private market (paying more than 30 per cent of their income on rent).

The model does not account for mortgage stress (households paying more than 30 per cent of their income on mortgages for properties in which they live). While high mortgages may impact on the fund's households have available for discretionary as well as essential purchases, households in mortgage stress generally have more economic assets and have the options of selling their home, and so are regarded as less in need of housing assistance.

TABLE 4 ANNUAL INCOME RANGE OF HOUSEHOLDS ELIGIBLE FOR AFFORDABLE HOUSING (2022)²¹

Household	Very Low Income	Low Income	Moderate Income
Couple family with children	Up to \$56,010	\$56,011 to \$89,630	\$89,631 to \$134,450
Couple family without children	Up to \$40,010	\$40,011 to \$64,030	\$64,031 to \$96,030
One-parent family	Up to \$56,010	\$56,011 to \$89,630	\$89,631 to \$134,450
Other family ²²	Up to \$56,010	\$56,011 to \$89,630	\$89,631 to \$134,450
Group household ²³	Up to \$40,010	\$40,011 to \$64,030	\$64,031 to \$96,030
Lone person	Up to \$26,680	\$26,681 to \$42,680	\$42,681 to \$64,020

²¹ Planning and Environment Act, Section 3AA (2)

²² Other family set equivalent to couple family with children

²³ Group household set equivalent to couple family without children