

Affordable Housing Policy

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CEO Signature			Date 17/07/23
Responsible Officer and Unit	Manager Community Wellbeing		
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Next Endorsement Date	28 June 2025		

Macedon Ranges Shire Council acknowledges the Dja Dja Wurrung, Taungurung and Wurundjeri Woi Wurrung Peoples as the Traditional Owners and Custodians of this land and waterways. Council recognises their living cultures and ongoing connection to Country and pays respect to their Elders past, present and emerging. Council also acknowledges local Aboriginal and/or Torres Strait Islander residents of Macedon Ranges for their ongoing contribution to the diverse culture of our community.

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Purpose

The purpose of this policy is to provide a Council position to guide and facilitate the provision of affordable housing on public and private land through appropriate and effective advocacy, facilitation and decision-making. This policy will guide and inform all Council decisions and actions relating to affordable housing in the Macedon Ranges.

Objective

The objectives of this policy are to:

- recognise that housing is a human right for every person and ensure our most vulnerable people and communities have access to safe, secure and affordable housing;
- increase the supply of affordable housing in the Macedon Ranges Shire to support a diverse and inclusive community;
- promote the value of social and affordable housing to the Macedon Ranges community;
- encourage affordable housing outcomes that are appropriate and accessible for very low, low and moderate income households;
- support policy and statutory change to increase and improve the quality and supply of affordable housing in the Macedon Ranges.

Role of Council

Council's policy directions focus on three key roles in relation to affordable housing:

- Advocate – representing the local community and advocating for increased funding for social and affordable housing;
- Decision maker – Council can use regulatory powers to influence, leverage and negotiate affordable housing outcomes;
- Facilitator and investor – building relationships and brokering partnerships between registered housing agencies, developers, government agencies and other key stakeholders.

Policy

Council, as an advocate, will:

- build community understanding of the benefits that flow to individuals, families and communities from social and affordable housing;
- advocate for all demographics that require affordable housing and foster partnerships with the registered housing agencies that work with specific cohorts;
- advocate to State Government, Community Housing Sector, Specialist Disability Housing Sector and philanthropic organisations to fund Affordable Housing projects to support people with a disability.
- advocate for the local government sector to be effectively engaged by federal and state government in the development of new initiatives for affordable housing;
- advocate to the federal and state governments for increased ongoing and equitable investment in suitable and well-maintained social and affordable housing;
- work with neighbouring councils to address the provision of affordable housing within the Loddon Mallee region;
- advocate to the federal and state governments for the inclusion of social and affordable housing on suitable government-owned land and within significant government-led infrastructure and urban renewal projects;
- recognise the Victorian Aboriginal Housing and Homelessness Framework and the National Housing and Homeless plan to guide advocacy work across the Macedon Ranges.

Council, as a decision maker, will:

- ensure that structure plans consider diverse housing options to reflect demographic change, including smaller dwellings for older people in well-serviced locations;
- share information about the needs of priority housing cohorts, including people with disability, across Council endorsed strategies and plans;

- where legislation exists, consider matters prescribed by the Victorian Government for affordable housing provision, including need, location, type, and longevity;
- where legislation exists, ensure that affordable housing developments are:
 - indistinguishable from surrounding dwellings;
 - designed to respect the townships' character;
 - designed to maximise environmentally sustainable design (ESD) principles;
 - designed to minimise energy costs to the resident;
 - designed to minimise future maintenance costs to the owner;
 - established to minimise the future costs of communal services and body corporate fees;
 - convenient to public transport;
 - convenient to services, employment, schools, and shops;
 - designed to contain dwellings suitable for a range of tenants of all ages and abilities, and from individuals to families;
 - designed to incorporate the principles of universal design.

Council, as a facilitator and investor, will:

- seek out and engage with registered housing agencies, landowners, developers, service providers and other key stakeholders to build relationships, broker partnerships, and encourage funding applications that increase local affordable housing supply and improve support for households living in social and affordable housing;
- share information, data analysis and best practice with the Victorian Government, developers and registered housing agencies to strengthen the shared understanding of housing needs in the Macedon Ranges;
- ensure, where Council land is sold or leased to a registered housing agency, they will be required to demonstrate:

- an ongoing commitment to provide affordable housing within the Macedon Ranges;
- an understanding of the specific needs and expectations of households in the municipality;
- a proven record of providing and managing housing for very low-, low- and moderate- income households;
- demonstrated ability to secure on going funding; and
- demonstrated good governance;
- collaborate with the Loddon Mallee councils to implement the Loddon Mallee Housing Action Plan in the Macedon Ranges;
- actively participate in inter-council forums and work with peak bodies, such as the Municipal Association of Victoria (MAV), Community Housing Industry Association (CHIA) o collectively contribute towards addressing common affordable housing related matters across the region/metropolitan area or across the state as they arise;
- investigate planning policy controls to leverage affordable housing outcomes including:
 - requiring an affordable housing report as part of any rezoning proposal or significant application;
 - pursuing voluntarily negotiated agreements for the inclusion of affordable housing on appropriate development sites as part of planning scheme amendment rezoning and planning permit applications;
- apply the existing Asset Management Framework to seniors' housing that are Council owned or managed, to assess future investment and work with registered housing agencies and stakeholders to assess the need to renew or rebuild existing low-cost housing in the shire;
- partner with registered housing agencies to seek Victorian Government funding to renew and, where appropriate, expand Council-owned or managed housing stock;
- work with the Victorian Government to identify, assess, plan and develop underused land owned by the Victorian Government or Council, where this land can be used to deliver additional affordable housing in shire.

Background for Policy

Macedon Ranges Shire Council recognises that housing is a human right for every person. Being able to access affordable and appropriate housing assists people to secure and maintain a job, keep families safe, raise happy and healthy children, enjoy a better standard of living and contribute to their community. Locating homes close to services, transport options, parks and open space, civic infrastructure and retail areas increases quality of life, and encourages and facilitates residents to age in place and help to reduce the environmental footprint.

There is a clear relationship between housing and wellbeing, and access to appropriate housing has a multitude of broader benefits, from better health and wellbeing outcomes to improved learning outcomes for children attending school. It also delivers significant economic benefits, including greater competitiveness through more efficient local labour markets.

Housing looks different for individuals, couples and families. As people move through life stages their needs change – health, relationships and employment can influence the type of housing people need, their living arrangements and what they can afford. Providing a diverse set of housing types and sizes helps to accommodate the many different household demographics and their individual housing needs.

People on very low- to moderate-incomes, including students, artists, childcare workers, nurses, teachers, police officers, hospitality and service workers, are critical to our shire's prosperity and diversity. However, in Macedon Ranges, housing costs have risen significantly relative to incomes, with affordable rental and homeownership options increasingly out of reach for current residents as well as for those seeking a new life in the community. Construction costs are rising, and there is a limited supply of new land. The share of 'market affordable' housing is declining and there is a need for policies and interventions to increase the supply of other types of affordable housing.

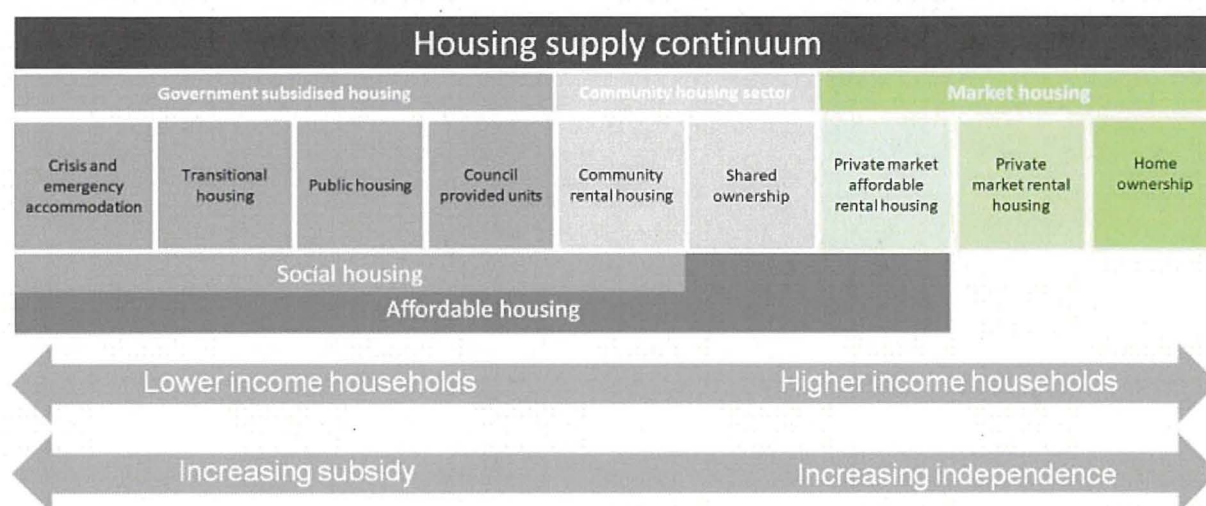
Within the Macedon Ranges, the primary segment of the community that require access to affordable housing options are those that fall within the low- and very-low-income households. This often comprises young people and first-time buyers, people in lone person or single parent households, key workers, persons with a disability or mental illness, Aboriginal and or Torres Strait Islanders, people born in non-English or English as a second language-speaking families, older people, those experiencing homelessness and people outside of paid employment. Gendered experiences of economic insecurity, such as the gendered pay, wealth and superannuation gaps also make access to affordable housing particularly difficult for women.

What is affordable housing?

Affordable housing is defined in Section 3AA of the Victorian *Planning and Environment Act 1987* as housing, that is appropriate for the housing needs of any of the following –

- a) Very low-income households;
- b) Low income households;
- c) Moderate income households.

Within the Macedon Ranges Affordable Housing Policy, affordable housing is seen as existing along a continuum, where the level of assistance or subsidy required is highest at one end of the continuum, progressively decreasing to the other end.



This includes affordable homes for purchase (including higher density and more diverse housing); affordable private rental; and social housing. Our community requires a range of housing types to cater for the needs of all households.

Private market affordable rental housing; Private market rental housing; and Home ownership are in the 'Market Housing' category, furthest to the right of the spectrum. This is housing provided on the open market.

Social housing is a subset of affordable housing. This term typically refers to housing that is owned by government or a not-for-profit organisation (Housing Associations or Housing Providers which are collectively referred to as 'Registered Housing Agencies') and made available at affordable rents for eligible households.

Public housing owned by the Victorian Government is generally made available to the lowest income groups and households with the highest needs, who are homeless, escaping or have

escaped family violence, with a disability or significant support needs or with special housing needs. Government also funds crisis and emergency housing.

Council-provided units are housing that is owned or managed by Council, and made available at affordable rents to eligible households.

Why is affordable housing important?

The long-term costs of underproviding public, social and affordable housing for those who cannot access safe, secure and affordable housing can include:

- poor health outcomes, leading to increased costs incurred by public health institutions and greater personal expenditure on health-related issues;
- greater incidence of criminal and anti-social behaviours leading to increased costs for law enforcement, courts and incarceration, as well as in the case of victims of domestic violence, the costs of crisis care, specialist homelessness services, and child-protection;
- reduced human capital and employment outcomes;
- lost productivity due to less efficient labour markets; and
- reduced community diversity, inclusion and equity.

Definitions

Term	Definition
Affordable housing	In line with the Planning and Environment Act 1987, “ <i>affordable housing is housing, including social housing, that is appropriate for the housing needs of any of the following: very low-income households; low income households; and moderate-income households</i> ”.
Social Housing	In line with the Housing Act 1983, social housing means public housing and housing owned, controlled or managed by a participating registered housing agency

Annual income ranges for very low-, low- and moderate-income households	<p>Annual income ranges defining very low-, low- and moderate-income households are updated every 12 months and reflect the income ranges for affordable housing (but not social housing) for the very low-, low- and moderate-income ranges. Each range is related to the median household income in Regional Victoria:</p> <ul style="list-style-type: none"> • Very Low income is less than 50 percent of the median • Low is 50–80 percent of the median • Moderate is 80–120 percent of the median • High is more than 120 percent of the median <p>The income ranges are adjusted annually in February, using the Housing Group of the Consumer Price Index for the December Quarter, published by the Australian Bureau of Statistics in the Government Gazette.</p>
Registered housing agencies	<p>As identified on The Registrar of Housing Agencies, under the Housing Act 1983, and fall under two categories – housing associations and housing providers. The Housing Act 1983 provides for housing agencies to be registered as either housing providers or housing associations.</p>
Registered Housing Associations	<p>As at March 2023, there are ten registered housing associations in Victoria. The Public Register contains the details of all housing agencies, including Housing Associations, currently registered under the Housing Act 1983. Housing associations are larger, more complex businesses with the skills, expertise and resources to manage, maintain and grow a viable social housing portfolio. They expand new housing through construction, purchase or acquisition, using a mix of government funds and private sector investment. They also manage housing properties owned by them or leased from other parties, such as Homes Victoria.</p>
Registered Housing Providers	<p>As at March 2023, there are currently 30 registered housing providers in Victoria. Housing providers range in size and primarily manage rental housing portfolios for other parties, such as Homes Victoria.</p>

	Some housing providers own properties, however their growth is small scale compared with housing associations. Housing providers often specialise in particular client groups which may include disability housing, aged tenants and youth housing.
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Related Legislation

- > *Local Government Act 2020*
- > *Housing Act 1983*
- > *Planning and Environment Act 1987*