

# Social and Affordable Housing Strategy – draft for consultation

16 March 2011

## Vision

As the defining plan for the strategic direction of Council, the Council Plan 2009-2013 gives a useful framework through which to develop Council's strategic response to social and affordable housing. The Council Plan's strategic objectives of making Yarra more **liveable**, ensuring a **sustainable** Yarra, and supporting a **diverse and dynamic** Yarra, reflect Council's vision of a healthy, inclusive, prosperous and successful municipality. Social and affordable housing will be key to making this vision a reality.

**Yarra's liveability** - reflects the wellbeing of a community and represents the many characteristics that make a location a place where people want to live now and in the future. Social and affordable housing ensures a community's physical and social environment equitably and sustainably supports the wellbeing of its members. Housing affordability is a feature of strong communities that promote liveability.

**Ensuring a sustainable Yarra** – the impacts of climate change, and its flow on effects of increasing energy and water costs, means it is essential to ensure that communities are sustainable economically, socially and environmentally. Housing costs are generally the largest ongoing cost to a household, and associated costs such as utilities will substantially impact affordability. Housing for people on low incomes is sustainable only if energy and water costs are sustainable. Without social and affordable housing provision, the ability to maintain sustainability into the future would be compromised.

**Serving Yarra's Community** – working for social justice, health and wellbeing is one of the ways that Council achieves its objectives of achieving the best outcomes for the local community. As the Council Plan notes, Yarra has a life expectancy below the Victorian average, despite a generally well to do community. Poor access to secure housing is among the key underlying social determinants of health. Social justice values and principles underpin issues of access to secure and appropriate housing as part of challenging discrimination and addressing disadvantage.

**Supporting a diverse and dynamic Yarra** – a gentrifying community challenges diversity and can create homogenous places. Social and affordable housing ensures that the economic success of a community is complemented and supported by the diversity that attracts creative/knowledge workers, that meets a range of local employment needs, and that sustains the vibrant, authentic destinations for which Yarra is famous.

**Building Council's Capacity and Performance** – responsiveness is about the ability to understand local needs and to adapt to meet these needs. The provision of universal services and facilities is one way Council meets these needs. Affordable and social housing impacts on the level of need within the municipality, as poor housing has significant negative effects on households. Meaningful community engagement ensures effective, efficient and responsive services, integrated within Council and using partnerships within the community to work collectively to support an increase in social and affordable housing.

A healthy, inclusive, prosperous and successful community includes social and affordable housing to ensure a diverse, liveable and sustainable Yarra.

## The Role of the Strategy

A social and affordable housing strategy will provide a platform for Council to respond to the challenges of a shifting environment in which many of the key drivers for housing are not controlled by local governments. It is likely that frameworks and policies for the financing and delivery of affordable housing will be more flexible in future, and that delivery will be more integrated into the community to make it indistinguishable from that provided by the market, as this assists in creating cohesive and resilient communities. Making the best of these challenges will require Council to be well placed to support opportunities as they arise.

Over the last three years the previous challenges of the undersupply of social and affordable housing in Australia has shifted beyond expectations with the injection of State and Federal Government funds into building new housing and repairing existing properties. The Federal Nation Building Economic Stimulus Plan provided \$1.3 billion to deliver 4,500 new affordable rental housing and repairs to a further 5,600 homes. This was matched by the Victorian Government's commitment of \$510 million for 2,350 social housing units over four years. The Federal National Affordable Rental Scheme (NRAS) will deliver 16 properties (Honeywell site) in Yarra at 80% of market rent.

Local developments by the State Government at Richmond and Fitzroy will bring on board 359 new affordable homes, and local Housing Associations are delivering 202 new affordable housing units throughout the municipality. The role of a social and affordable housing strategy will be to build Council's capacity to respond to new challenges, such as that thrown up by new local developments of social and public housing in an overwhelmingly affluent young municipality.

The impacts of gentrification and growth, without the strategic platform of a social and affordable housing strategy, will compromise the cohesiveness of the municipality.

Council's strategic response to social and affordable housing issues will be integrated with Council's Housing Strategy 2010 which identifies a number of social implications that relate to housing, including the need for affordable housing, housing diversity and social inclusion. The Housing Strategy is designed to provide a strategic approach to planning for and managing housing growth and change across the municipality up to 2026. The Strategy considers Yarra's capacity for housing growth and identifies areas capable of accommodating increased residential development. The scope of the Housing Strategy is largely confined to Council's land-use planning roles and functions, with the Yarra Planning Scheme used as the primary means for achieving the Strategy's goals.

## Overview

The Social and Affordable Housing Strategy comprises a Vision and four strategies. An Implementation Plan will be drafted through the consultation on the draft Strategy.

## Strategies - summary

### 1. Participation

#### **Support participation of social and affordable housing tenants in the wider Yarra community**

Council wants residents to fully participate as active citizens in the wide range of activities and opportunities in Yarra.

##### What this looks like

- i. programs and initiatives designed to promote social inclusion
- ii. building the capacity and cohesiveness of resident communities

### 2. Accessible Appropriate Services

#### **Ensure Council's community services are appropriate and accessible to social and affordable housing tenants and people experiencing homelessness**

Community health and wellbeing will be maximised where residents are aware of available services and services are designed to be relevant and appropriate for their needs.

##### What this looks like

- i. recent national award program highlighted Council's successful community gym membership program that makes access to Yarra's 3 leisure centres affordable and has allowed many social and affordable housing tenants to improve their health and wellbeing
- ii. improve the cultural appropriateness and range of information available to residents in different formats – electronic, multilingual, audio
- iii. Council's universal services are accessible to all in the community. The services include Maternal and Child Health, HACC and other aged and disability services, child care, grants and Leisure facilities and services.,

### 3. Integration

#### **Build a cohesive and integrated community that understands the role of diversity in creating successful places**

A vibrant diverse community requires a good understanding of the different skills, experiences and needs that all residents, businesses and visitors bring to Yarra. It is important to build resident support for new social housing projects and existing public and social housing residents. This will bring benefits to the whole community through long term social sustainability.

##### What this looks like

- i. work with business, mainstream organisations and residents in Yarra to highlight the value of our diverse community and how social and affordable housing projects underpin this
- ii. look for opportunities for joint projects between mainstream organisations and residents across Yarra to be involved with social and affordable housing tenants, for example volunteering opportunities for corporate employees such as NAB and ANZ bank staff to work with homelessness organisations on improving facilities within those organisations.

### 4. Support an increase in Affordable Housing

#### **Support an increase in Yarra's affordable housing**

Maintaining Yarra's economic, cultural and social diversity requires housing appropriate for and targeted to low-income earners over and above social and public housing.

What this looks like

- i. advocate for and support new affordable housing developments through Council planning processes and service integration
- ii. ensure communities at risk of not being able to stay in Yarra are prioritised for new affordable housing by negotiating with housing associations and other housing providers.

## Strategies – detail

### Participation

#### **Support participation of social and affordable housing tenants in the wider Yarra community**

Council wants all residents to be able to fully participate as active citizens in the wide range of activities and opportunities in Yarra.

Council's commitment to achieving social justice outcomes for our residents aligns with Council's obligations under the *Charter of Human Rights and Responsibilities* to enable all residents the right to participate in public life. The trauma associated with poor or no housing affects people's capacity to participate in their wider community and to engage with political processes. The *Council Plan 2009-2013* sets out this commitment to improve residents' opportunities and capacity to participate equally in our society.

A strategy to support the participation of social and affordable housing residents will grapple with the complexities of links between housing and barriers to participation. With gentrification comes increasing homogeneity of our wider community and rising housing costs, leading to pressure on the municipality's capacity to maintain the diversity which brings dynamism and richness and helps create successful places.

Successful places are characterised by strong economic activity at a local level, well used public spaces and places, high perceptions of safety, a wide mix of people, activity and business, and a mix of business types (such as arts, small businesses, not for profits and services) which make for a vibrant feel and attracts people to it.

In Yarra, diversity is embedded in the vibrant communities living in public housing, in the creative groups and industries, within our communities, and within our rooming houses and social and community housing, as well as our student population. The social model of health which informs Council's *Health Plan* indicates the extent to which social exclusion is an underlying determinant of poor health. Many of our residents are not able to participate in their community as easily as they would like or as their more affluent counterparts.

A strategy to support participation in the wider Yarra community would:

- support public housing tenant associations and governance committees
- support rooming house tenants, homeless people, residents of Community Housing and others not living on the three major housing estates to participate in social services and programs available in Yarra
- facilitate cultural competency and inclusive practices
- promote use of Leisure Centres' community memberships
- be aligned with Council's Community Grants
- support engaging disadvantaged residents with political processes, such as the VEC's 'Homeless doesn't mean Voteless' initiative; and the Thrive Intensive Skills Program for Community Groups and Leaders

## Accessible and Appropriate Services

### **Ensure Yarra's community services are appropriate and accessible to social and affordable housing tenants and people experiencing homelessness**

Given the high incidence of social housing tenants on government pensions in Yarra, equitable access to appropriate services is core business for Council. Of approximately 8,000 public housing tenants, in 2008 1,273 were receiving aged pensions and 1,522 Disability Support Pensions, while 1,967 received no income..

A strategy that facilitates an understanding of the barriers facing social and affordable housing tenants in accessing the services they need will work to improve the health and wellbeing of people whose health issues are strongly correlated to disadvantage. It recognises that almost 9% of Yarra's population lives in areas with a socio-economic index value below 650, compared to only 0.6% of Australia's population. This severe disadvantage derives from and impacts on a complexity of issues. Mental health, effects of early abuse, high rates of alcohol and drug use, domestic violence, disability, gambling addiction, discrimination and racism all make up part of this picture, Access to services will address some of the underlying social causes of poor health.

A strategy to ensure Yarra's community services are appropriate and accessible to social and affordable housing tenants, and people experiencing homelessness, would:

- address issues of cultural competency to increase access to services by CALD and other marginalised groups
- promote universal accessibility
- facilitate best practice models of comprehensive and integrated service responses
- develop mechanisms to support social inclusion for residents
- improve the cultural appropriateness and range of information available to residents in different formats – electronic, multilingual, audio
- evaluate service accessibility through review of key plans and strategies such as the *Disability Action Plan*, *Early Years Plan* and *Positive Aging Strategy*
- advocate to State and Federal Governments to achieve equity of access across Yarra
- seek to model best practice to others and learn from local examples of successful inclusion and access practices



## Integration

### **Build a cohesive and integrated community that understands the role of diversity in creating successful places**

Improvements in housing affordability can help to maintain economic growth and competitiveness, and help labour markets function more effectively, for example by boosting the supply of vital lower paid workers. Secure and affordable housing also contributes to a wide range of social outcomes, often referred to as non-shelter benefits. These include family stability, health and well-being of household members, and the educational attainment of children.

Importantly for Yarra, affordable housing maintains diversity within the municipality, which brings manifold benefits. Evidence from research by Richard Florida suggests economic growth occurs in places that are tolerant, diverse and open to creativity.

In a municipality where the population sits largely at both ends of the socio-economic scale, building a cohesive and integrated community may need to overcome prejudices, misinformation and myths which flow from negative media and urban mythology. An example is the widespread idea that social housing will bring down property prices. This is shown by evidence to be false but continues to persist.

Due to the proximity of social housing and affluent residents In Yarra, there is the potential to effectively work towards integration through partnerships and collaborations which celebrate the distinctive diversity of our population

A strategy that builds a cohesive and integrated community that understands the role of diversity in creating successful places would:

- work with business, mainstream organisations and residents in Yarra to highlight the value of our diverse community and how social and affordable housing projects underpin this
- look for opportunities for joint projects between mainstream organisations and residents across Yarra to be involved with social and affordable housing tenants
- initiate projects around social inclusion and housing
- evaluate the benefits of social and affordable housing
- explain the qualities which underpin diversity such as land prices, presence of not-for-profits and creative industries, and ways to protect these factors

## Support an increase in Affordable Housing

### Support an increase in Yarra's affordable housing

Maintaining Yarra's economic, cultural and social diversity requires housing appropriate for and targeted to low-income earners over and above social and public housing.

In Yarra, as throughout inner Melbourne, affordable rental housing for households on very low incomes has fallen dramatically from 27% in 1996 to 15% in 2006. A diversity of price and tenure is required to support diverse communities.

With the recent affordable rental housing developments through the Nation Building Economic Stimulus Plan and other funding initiatives from the Federal and State governments, there will be a small increase in the number of units available for people on low incomes and middle incomes relative to growth in all housing in Yarra. For instance the affordable housing development at the Richmond public housing estate will deliver a total of 207 units compared with an estimated 2,500 properties in Victoria St East..

There are significant limitations on Council's capacity to influence the diversity and typology of housing through the Yarra planning scheme. A strategic positioning will support Council's important role in creating a viable and sustainable municipality. For example advocacy on an allocation policy that ensures communities at risk of not being able to stay in Yarra are prioritised for new affordable housing.

A strategy to support an increase in affordable housing would:

- develop an information and community education program to foster a better understanding within the wider Yarra community of the role of social and affordable housing in creating successful, dynamic, sustainable and diverse places.
- develop a regional tool to address community opposition to affordable housing developments which have in the past increased costs and delayed developments
- work with developers around opportunities to use NRAS and other mechanisms such as inclusionary zoning to increase affordable housing stock