

NORTHERN RIVERS REGIONAL AFFORDABLE HOUSING STRATEGY

BACKGROUND DISCUSSION, RECOMMENDATIONS & STRATEGY SUPPORT

**Authors Social Habitat
September 2012**

*Project funded by NOROC and auspiced
and managed by Clarence Valley Council.*



TABLE OF CONTENTS	Page
GLOSSARY OF TERMS	4
PART A – BACKGROUND DISCUSSION	5
1 INTRODUCTION	5
2 DEFINING AFFORDABLE HOUSING AND HOUSING STRESS	6
2.1 National Affordable Housing Summit Group	6
2.2 Commonwealth Government	6
2.3 State Government	7
2.4 Local Government	7
2.5 Strategy	8
3 REVIEW OF LOCAL HOUSING STRATEGIES	9
3.1 Overview	9
3.2 Ballina Shire Council	9
3.3 Byron Shire Council	10
3.4 Clarence Valley Council	10
3.5 Lismore City Council	11
3.6 Tweed Shire Council	12
4 RESEARCH OTHER STRATEGIES	13
4.1 Overview	13
4.2 Sunshine Coast Affordable Living Strategy 2010-2020	13
4.3 Affordable Housing Strategy 2010-2020 (WA Government)	13
5 CONSULTATION AND OUTCOMES	14
5.1 Overview – consultation plan and storyboard	14
5.2 Consultation with Councils	14
5.2.1 Meetings with Councils	14
5.2.2 Survey of Councils	14
5.3 Consultation with Steering Committee	14
5.4 Consultation with Community Housing	14
5.5 Other consultations	15
6 REVIEW OF STATISTICAL DATA	16
6.1 Overview	16
6.2 Northern Rivers region	16
6.3 Ballina Shire Council	17
6.4 Byron Shire Council	18
6.5 Clarence Valley Council	19
6.6 Kyogle Council	20
6.7 Lismore City Council	21
6.8 Richmond Valley Council	22
6.9 Tweed Shire Council	23
6.10 Dept. of Housing Rent and Sales Report	24
7 LAND USE PLANNING REVIEW	
7.1 Review of changes to the NSW planning system	25
7.2 Review of State Environmental Planning Policies	29
7.3 Review of Local Environmental Plans	

PART B – RECOMMENDATIONS & STRATEGY SUPPORT	41
8 VISION, GUIDING PRINCIPLES AND GOALS OF NRRRAHS	41
9 ADDITIONAL RATIONALE TO GOALS	43
10 ADDITIONAL INFORMATION AND RATIONALE TO STRATEGY ACTIONS	47
11 RECOMMENDATIONS	52

APPENDICES

1	Consultant Brief for Preparation of the Strategy
2	Comparison of the Key Elements of Council Adopted Housing Strategies
3	Consultant Expression of Interest Work Program and Consultation Strategy
4	Copies of the Storyboard Bulletins
5	Council Survey
6	Results of Council Survey
7	Minutes of Steering Committee Meeting 22 June 2012
8	ABS 2011 Census Summary Analysis
9	Green Paper 'Frequently Asked Questions'
10	SI-LEP Definitions for Residential Accommodation and Tourist and Visitor Accommodation
11	SI-LEP Land Use Table Review

GLOSSARY OF TERMS

AHURI	Australian Housing and Urban Research Institute
ARH-SEPP	State Environmental Planning Policy (Affordable Rental Housing) 2009
BSC	Ballina Shire council
BySC	Byron Shire Council
CVC	Clarence Valley Council
CHL	Community Housing Limited
DA	Development Application
DoFS	NSW Department of Finance and Services
DoLG	NSW Department of Local Government
DoPI	NSW Department of Planning and Infrastructure
DoPIC&L	NSW Department of Primary Industries Catchment and Lands
FHCSIA	Commonwealth Department of Families, Housing, Community Services and Indigenous Affairs
HNSW	Housing NSW (Dept. of Housing)
KC	Kyogle Council
LCC	Lismore City Council
LGA	Local government area
NAHA	National Affordable Housing Agreement
NAHSG	National Affordable Housing Summit Group
NCCHC	North Coast Community Housing Company
NOROC	Northern Rivers Regional Organisation of Councils
NRSDC	Northern Rivers Social Development Council
NRRRAHS	Northern Rivers Regional Affordable Housing Strategy
NSW Gov.	NSW government
RVC	Richmond Valley Council
Region	Northern Rivers region
RDANR	Regional Development Australia Northern Rivers
RLS-SEPP	State Environmental Planning Policy No. 15 – Rural Landsharing
TSC	Tweed Shire Council

PART A – BACKGROUND DISCUSSION

1 INTRODUCTION

Affordable housing was identified in the Northern Regional Organisation of Councils (NOROC) Strategic Plan 2009-2012 as a key issue that would benefit from regional approach to policy development. In October 2011, \$100,000 was allocated to the development of a regional affordable housing strategy.

Clarence Valley Council submitted a successful submission to NOROC to fund the preparation of a Northern Rivers Regional Affordable Housing Strategy (NRRRAHS) to guide the future development of affordable housing in the Northern Rivers region.

Social Habitat was engaged to prepare the strategy in April 2012. Copy of the consultant brief for preparation of the strategy is attached as **Appendix No. 1**.

The Councils participating in the preparation of the NRRRAHS are:

- Ballina Shire
- Byron Shire
- Clarence Valley
- Kyogle
- Lismore City
- Richmond Valley and
- Tweed Shire.

Councils participating in preparation of the NRRRAHS have nominated the following officers to represent them on the Steering Committee:

- Ballina Shire – Mr Simon Scott, Senior Strategic Planner
- Byron Shire – Mr Ray Darney, Director Environment and Planning Services
- Clarence Valley – Mr Des Schroder, Deputy General Manager (Environmental and Economic) and Ms Naydene Beaver, Community Development Officer
- Kyogle – Mr Lachlan Black, Senior Strategic Planner
- Lismore City – Mr Brent McAllister, Executive Director Sustainable Development and Ms Paula Newman, Senior Strategic Planner
- Richmond Valley – Mr Tony McAteer, Senior Strategic Planner and
- Tweed Shire – Mr Iain Lonsdale, Co-ordinator Planning Reform Unit and Mr Robin Spragg, Social Planner.

The preparation of the Strategy has been an interesting and challenging project as no similar strategy has been prepared or appears to exist in rural regional NSW. As a consequence there are no models on which to draw expertise and experience.

In this context some of the strategy goals, actions and recommendations developed its preparation may seem non-conventional and testing.

This report has been prepared as a companion document to inform and support the preparation of the draft NRRRAHS and to stimulate ideas and input into it.

2 DEFINING AFFORDABLE HOUSING AND HOUSING STRESS

Julian Disney Director, Social Justice Project, University of NSW at the National Forum on Affordable Housing, Australian Housing and Urban Research Institute, Melbourne, 19 April 2007 made the following comments which remain pertinent in 2012.

What is 'affordable housing'?

The term "affordable housing" should be used in a way which reflects general public usage while also being compatible with appropriate policy goals. This implies housing that is affordable for households in lower or middle parts of the income scale. It includes owner-occupied housing as well as rental housing that is owned by governments, nonprofit organisations, corporations or individuals.

General public usage and policy considerations imply affordability being achieved on a reasonably sustained and agreed basis, rather than being unduly uncertain or precarious. They also involve reasonable criteria relating to physical aspects of the housing and its environment, partly because these factors can affect costs of living in the house.

Accordingly, a reasonable basic definition of 'affordable housing' which reflects both public usage and appropriate policy goals is housing which:

- is reasonably adequate in standard and location for a lower- or middle-income household; and*
- does not cost so much that such a household is unlikely to be able to meet other basic living costs on a sustainable basis.*

Some measures of 'affordable housing' include specific criteria such as housing costs being less than 30% of household income and the occupants being in the bottom 40% of household incomes. Rather than being used as an overarching definition of affordable housing, however, such criteria are more appropriate for specifying approximate indicators of affordable housing or for defining particular priorities and eligibilities within the broad range of policies on affordable housing.

There are numerous 'definitions' of 'affordable housing'.

The following shows the differences in how 'affordable housing' is defined by Commonwealth, State and Local Governments.

2.1 National Affordable Housing Summit Group

The membership of the National Affordable Housing Summit Group (NAHSG) includes; Australian Council of Social Services (ACOSS), Community Housing Federation of Australia, National Shelter, Australian Council of Trade Unions, and Housing Association of Australia.

NAHSG define 'affordable housing' as housing which is:

"reasonably adequate in standard and location for lower or middle income households and does not cost so much that a household is unlikely to be able to meet other basic needs on a sustainable basis".

2.2 Commonwealth Government

The Commonwealth Department of Families, Housing, Community Services and Indigenous Affairs (FHCSIA) in its guidelines for National Rental Affordability Scheme (NRAS) does not attempt to define 'affordable housing' except in terms of what must be created under the scheme, which is:

"an approved rental dwelling is not rented at least 20 per cent below current market rates for equivalent dwellings."

An approved rental dwelling means a rental dwelling "approved under regulation 14 or 20 of the National Rental Affordability Scheme Regulations 2008."

2.3 State Government

The definition used in the NSW State Environmental Planning Policy (Affordable Rental Housing) 2009 is:

“(1) In this Policy, a household is taken to be a very low income household, low income household or moderate income household if the household:

(a) has a gross income that is less than 120 per cent of the median household income for the time being for the Sydney Statistical Division (according to the Australian Bureau of Statistics) and pays no more than 30 per cent of that gross income in rent, or

(b) is eligible to occupy rental accommodation under the National Rental Affordability Scheme and pays no more rent than that which would be charged if the household were to occupy rental accommodation under that scheme.

(2) In this Policy, residential development is taken to be for the purposes of affordable housing if the development is on land owned by the Land and Housing Corporation.”

The definition used in the NSW Standard Instrument Local Environmental Plan is:

“housing for very low income households, low income households or moderate income households, being such households as are prescribed by the regulations or as are provided for in an environmental planning instrument.”

2.4 Local Government

The definition used in the Clarence Valley Affordable Housing Policy is:

“For the purpose of this Policy, housing is generally consider “affordable” when a very low, low or moderate income household can make its rental or mortgage payments while still be able to pay for other essential goods and services like food, clothing, transport, schooling, utilities and reasonable recreational costs. A basic “rule of thumb” indicates that affordable housing is where rental or mortgage repayments do not exceed 30% of gross household income. A very low to low income household is generally defined as those in the lowest two quintiles of household income (or lowest 40% of income earners), and a moderate income household is one earning no more than 120 % of median household income. The term ‘housing stress’ is generally used to describe low to moderate income households who are at risk of ‘after housing poverty’ as a result of meeting the cost of their housing. Such a low to moderate income household is said to be in ‘housing stress’ when it is spending more than 30% of gross household income on housing costs; and in ‘housing crisis’ or ‘severe housing stress’ when paying more than 50% of income on housing.

It is important to draw a distinction between ‘low cost’ housing and ‘affordable’ housing. Low cost housing will not always be ‘affordable’ to low or moderate income earners. ‘Low cost’ relates to relative price of housing (eg compared with other areas or similar types of housing in absolute terms), where as ‘affordable’ relates to the ability of residents on low to moderate incomes in a particular area to rent or purchase housing without falling into ‘housing stress’. Affordability therefore benchmarks housing costs against income of such households. ‘Affordable housing’ is defined in this policy as housing which can be rented or purchased by low- to moderate-income earners so that they are spending no more than 30% of gross household income on housing costs, and where ‘low-income’ is defined as those earning up to the 4th decile of household income for NSW, and ‘moderate-income’ is defined as earning up to 120% of median household income for NSW.”

The definition of ‘affordable housing’ used in the Ballina Shire Council Housing Affordable Strategy 2010 is:

“Housing is generally considered to be “affordable” if households have to pay no more than 30% of their income on housing costs (eg. rent, mortgage, rates and maintenance). If households are paying more than 30% of their income for housing, such households are referred to as experiencing “housing stress”.”

The Ballina strategy identifies whom affordable affects and states:

“When we talk about housing affordability, it is important to define for whom. Clearly, households on low to moderate incomes are more vulnerable to housing stress. Low to moderate income is defined as households with 50-120% or less of the median non-metropolitan household income, which includes households with an annual income of less than \$49,608 (2006 Census).”

The housing affordability situation has become so acute, however, that now even households on higher than moderate incomes are vulnerable to housing stress. The housing affordability challenge is therefore one which affects a broad section of our community. Thus, providing affordable housing means providing housing options that are affordable for a cross section of our community.”

The Byron strategy states:

“It is important to draw a distinction between ‘low cost’ housing and ‘affordable’ housing. The former relates to the relative price of housing (e.g. compared with other areas in absolute terms), whereas ‘affordability’ relates to the ability of residents of a particular area to rent or purchase housing without compromising their ability to afford other essentials, like clothing, transport, food, costs associated with schooling and the like. ‘Low cost’ will not always mean ‘affordable’.

The term ‘housing stress’ is generally used to describe low- to moderate income households who are at risk of ‘after housing poverty’ as a result of meeting the cost of their housing. Such a low- to moderate-income household is said to be in housing stress when it is spending more than 30% of gross household income on housing costs, and in ‘housing crisis’ when paying more than 50% of income on housing.”

The Lismore City Council Housing Affordable Strategy 2010 does not explicitly define ‘affordable housing’ but states the following in relation to housing affordability:

“Currently no dwellings are affordable for purchase by lower income households and a third of dwellings are affordable for moderate income households. This is partly a reflection of the lack of diversity of housing stock in terms of dwelling type, bedroom mix and purchase price. The rental market is the only housing option available to low income households and limited affordable options are available. Only 24% of rentals are affordable for very low income households and 54% of rentals are affordable for low income households.

A diversity of low cost housing options is required close to services, shops, medical facilities and public transport. Affordable student rental housing options will also be required close to the Southern Cross University.”

2.5 Strategy

For the purposes of the NRRAS the following definition of ‘affordable housing’ has been adopted:

Housing is considered ‘affordable’ when a very low, low or moderate income household (lowest 40% of income earners) can make its rental or mortgage payments while still being able to pay for other essential goods and services. For the purpose of this strategy affordable housing is where rental or mortgage repayments does not exceed 30% of gross household income for households.

For the purposes of the NRRAS the adopted definition of ‘housing stress’ is:

Housing stress is generally used to describe low-to-moderate income households that are spending more than 30% of gross household income on housing costs. A household is in ‘housing crisis’ or ‘severe housing stress’ when paying more than 50% of income on housing.

3 REVIEW OF LOCAL HOUSING STRATEGIES

3.1 Overview

Four councils in the region, have developed and adopted affordable housing strategies, these are Ballina Shire Council, Byron Shire Council, Clarence Valley Council and Lismore City Council.

Both Richmond Valley Council and Tweed Shire Council have informal strategies indicated by work in other strategic policy planning areas.

Richmond Valley has an on-going Affordable Housing Advisory Group.

Kyogle Council does not have a strategic approach to affordable housing, though the issue is raised in the context of a need to provide appropriate, affordable and accessible housing & facilities for older (particularly single women) people and housing for younger people and people with disabilities.

The following provides a general overview of the 4 adopted affordable housing strategies.

Appendix No. 2 provides a comparison of the key elements of the above housing strategies.

3.2 Ballina Shire Council

The Ballina Shire Affordable Housing Strategy was adopted 2010 following consultation with key stakeholders including government, non-government organisations and representatives of the development industry. Council conducted workshops and an overview report titled Report to Council on the Affordable Housing Strategy Discussion Paper Workshops held on Tuesday June 16th 2009 produced:

Below is some pertinent key information from the strategy report and adopted strategy.
“A lack of affordable housing may also impact on the local supply of workers, particularly for 'key workers'. Key workers in Ballina Shire include those in the service industries (such as retail and hospitality trades), construction, health and education sectors. These essential sectors traditionally have low to moderate level wages, making it difficult for some workers to access affordable housing.

If key workers are unable to gain access into the home buyer's market they will have to rent privately in a market where there is currently little choice. They may also be forced into shared housing, commuting long distances to work or retraining to a higher-paying profession. It is possible, therefore, that as many of our key workers find it increasingly difficult to access housing there may well be a 'recruitment crisis' in many service industry areas, which could have significant long term impacts upon the wellbeing of the broader community.

Population projections for Ballina Shire suggest a significant aging of the population will occur along with a major shift in household types, including a significant increase in the number of lone person households and couple families without children. Both of these trends are likely to have major implications for the adequacy of existing dwelling forms and types to meet future housing needs.”

The Ballina strategy provides an analysis of both the demand and supply cost factors in housing. Demand side factors recognised include:

- population growth
- rising real incomes
- the availability of credit to finance housing purchase by owner occupiers and investors
- the treatment of housing for taxation purposes and
- expectations of future capital gains.

Recognised supply side factors include:

- the availability of appropriately zoned land
- the availability of public infrastructure to service the growing population including; roads, water, sewerage, and community and commercial facilities
- ownership, finance and incentive arrangements that are conducive to land being offered for sale in response to housing demand, and
- housing production costs including;
 - land acquisition and holding costs;
 - the costs of building materials and equipment
 - planning fees and charges (State and local Government)
 - finance costs (interest rates)
 - labour costs
 - marketing costs and
 - government taxes.

The Strategy notes that Councils are constrained in the degree to which they can facilitate urban development, to accommodate anticipated population demands. Notwithstanding, it attempts to maintain an adequate 'buffer' of appropriately zoned land to facilitate a rate of residential development adequate to meet demand; ensuring an 'adequate' supply of urban zoned land is only part of the land supply picture and a number of other factors, relating particularly to market structure, clearly come into play in explaining the actual supply of constructed dwellings.

3.3 Byron Shire Council

Byron Shire Council first developed an affordable housing strategy in 2002.

The more recent strategy was prepared in 2008-2009 by Judith Stubbs and Associates and built on ideas in the 2002 strategy. The strategy work involved substantial research to define the problem and the issues. The work is documented in the reports titled:

- Byron Shire Affordable Housing Strategy Background Report February 2008
- Byron Shire Council Affordable Housing Options Paper: Part A June 2009 and
- Byron Shire Council Affordable Housing Options Paper: Part B June 2009.

The strategy and the actions suggested are more specific and detailed and recommend a range of mechanisms to facilitate provision of affordable housing including:

- draft LEP affordable housing provisions
- draft planning agreement template
- draft planning agreement policy and
- a register of land suitable for various forms of low cost and affordable housing which was later extended in Council calling for expressions of interest for private land suitable for new caravan parks and manufactured home estates.

3.4 Clarence Valley Council

The Clarence Valley Affordable Housing Strategy 2007 was developed following the report titled Clarence Valley Housing Needs Analysis 2007. Council since adoption of the 2007 strategy has commenced the development of a new strategy and completed the following reports:

- Draft Affordable Housing Assessment April 2010 by Judith Stubbs & Associates
- Draft Background Paper: Planning Mechanisms for Creation of Affordable Housing June 2009
- Draft Affordable Housing Policy June 2009
- Draft Planning Agreement Policy 2009
- Draft Planning Agreement Template
- Clarence Valley Affordable Housing Strategy and
- Clarence Valley Council Affordable Housing Policy.

Below are pertinent key information / statements of commitment from the affordable housing policy.

Council is committed to protecting and increasing the supply of housing stock that can be affordably rented or purchased by very low, low, and moderate income households, including target groups identified as having particular housing needs in Clarence Valley. These include: Older people; People with a disability; Young people; Young people leaving a juvenile justice centre; Adults leaving a correctional centre; Women and children leaving domestic violence; Aboriginal people; Low-income single people; Low-income families; Key workers; and People living in caravan parks.

Clarence Valley Council will seek to enter into affordable housing development and management partnerships with government, community and/or private sector entities to ensure:

- The most effective and efficient use of resources created through planning mechanisms noted above;*
- Opportunities for the efficient use of any resources redeployed by Council (e.g. lots or housing dedicated to affordable housing from Council owned resources);*
- Protection of stock in perpetuity for affordable rental housing to meet the needs of Clarence Valley residents, and in particular those identified as primary target groups for affordable housing in Council's studies.*

Council will ensure the proper management of affordable housing resources created through the implementation of this Policy by entering into a management agreement with an appropriate Community Housing Provider (CHP).

3.5 Lismore City Council

The Lismore Housing Strategy commenced in April 2011 and has been undertaken in two stages. The first stage included exhaustive housing research and analysis which resulted in production of the following reports produced two documents:

- Lismore Housing Strategy Project LISMORE HOUSING ANALYSIS - Part A Statement of Local Housing Issues (October 2011) and
- Lismore Housing Strategy Project LISMORE HOUSING ANALYSIS - Part B Background Data and Supporting Information (October 2011).

Below is some pertinent key information from the affordable housing analysis.

Currently no dwellings are theoretically affordable for purchase by lower income households and only a third of dwellings are affordable for moderate income households. This is partly a reflection of the lack of diversity of housing stock in terms of dwelling type, bedroom mix and price.

The rental market is the only housing option available to low income households and limited affordable options are available. Only 24% of rentals are affordable for very low income households and 54% of rentals are affordable for low income households.

A Project Partners Group (PPG) guided the development of the Draft Lismore Housing Strategy. The PPG comprises representatives of the Master Builders Association of NSW, Planning Institute of Australia (Northern NSW Branch), Real Estate Institute of Australia, Housing NSW, Department of Planning and Infrastructure, North Coast Community Housing, Northern Rivers Social Development Council and Southern Cross University Regional Futures Institute, along with Council staff.

The strategy seeks 10 outcomes around 10 issues that are themed under 3 headings:

1. dwelling and land supply
2. housing choice and diversity at a range of prices and
3. socially responsive housing.

The key issues outlined in the strategy are:

Issue 1 - Need to increase the rate of housing supply

The need to increase the rate of housing supply is the most important issue for Lismore. The FNC Regional Strategy sets a 2031 target of an additional 8,000 dwellings for the Lismore LGA. Based on dwelling approval rates since 2006 this dwelling target is likely to take longer to achieve than 2031. The rate of housing supply needs to increase dramatically to meet current and future housing needs. The lack of supply is the key challenge to the City's sustainability, for example, driving the community's high dependence upon commuting and social dislocation due to people living elsewhere.

Issue 2 - Need for a mix of new housing stock at a range of prices

The Lismore LGA requires a mix of new housing stock at a range of prices. Smaller detached houses, units, flats and apartment style housing with 1 or 2 bedrooms are undersupplied and will be the major segment of the Lismore housing market needed over the next 20-25 years.

3.6 Tweed Shire Council

Tweed Shire Council has no formal affordable housing strategy, however it plans to develop one in the near future although an adaptable housing strategy is at present a higher priority. Affordable housing is seen as a significant issue.

An internal discussion paper titled A Framework for Tweed Affordable Housing Strategy - Discussion Draft 2008 was prepared in 2008 and recently (May 2012) Council released a discussion paper titled; Review of Tweed Development Control Plan Section A1 - Residential and Tourist Development Code Part A - Single dwelling houses, alterations and additions.

These documents show a commitment and an understanding of the issue in Tweed Shire. Up until now the major emphasis of Council's strategy has been on:

- promoting good design
- smaller lot configurations
- provision for dual occupancy and secondary dwellings and
- preparation of the new draft Tweed LEP and development control provisions to support affordable housing.

There has also been a range of related work supporting housing networks which include:

1. Incorporating specific provisions in the draft LEP to facilitate and encourage the protection of existing and provision of new affordable housing.
2. Investigating the need for further provisions following wider study of the effects of current regulations or housing circumstances:
 - Housing assessment of private sector urban sites to identify and promote suitably located development sites for affordable housing.
 - Audit of public land for potential affordable housing sites.
 - Assessment of current Building/Health Regulations to identify any barriers to building conversions, adaptations and ancillary dwellings for use as affordable housing.
 - Assessment of DCP restrictions on size, density, materials, providers of housing etc., that may affect affordability of housing.
 - Investigation to identify any particular areas where zoning or rezoning should enable affordable housing to be provided for special needs groups or key workers.
 - Housing database - updating and analysing data to monitor economic circumstances affecting Tweed households and to enable median housing cost benchmarks to be maintained to define affordability. The Council has a body of research on housing issues at the time of the 2011 Census which can be further developed.

4 RESEARCH OTHER STRATEGIES

4.1 Overview

A number of other housing and 'affordable housing' strategies were reviewed to help inform the preparation of the NRRRAHS. To assist the selection other strategies to review the following characteristics that maybe common to the region were identified:

- the area subject to the strategies be rural / regional in nature
- the area subject to the strategies by regional and similar in size as the Northern Rivers region with a population of approximately 280,000 people and land area of about 20,000m² and
- which have similar local population and housing issues.

Two strategies focused on were; Sunshine Coast Affordable Living Strategy 2010-2020 and *Affordable Housing Strategy 2010-2020 - Opening Doors to Affordable Housing* (WA Government).

Other strategies reviewed included: *Bega Valley Shire Affordable housing Strategy 2011*, *Affordable Housing Strategy – Hobart City Council 2010-2012*, Mornington Peninsular Shire *Social and Affordable Housing Policy* and Mornington Peninsular Shire *Social and Affordable Housing Action Plan*.

4.2 Sunshine Coast Affordable Living Strategy 2010-2020

Key elements of the Sunshine Coast strategy show that:

- The population, land size, geographical characteristics and cultural characteristics of the Sunshine Coast is similar to that of the Northern Rivers region.
- The Sunshine Coast presents very similar affordable housing issues to the Northern Rivers.
- Although the Sunshine Coast is a single local government within Queensland, both the nature of the strategy and the location present a more regional perspective.
- It is a not strictly an affordable housing strategy, but rather an Affordable Living Strategy, which allows it to address a range of broader but inter-related issues.
- It promotes housing diversity as one of the separate but inter-related issues, which allows it to clearly define how a lack of diversity can affect affordability.
- It looks at the characteristics of urban structure and transport as key relationships to affordability rather than just having a more narrow approach where affordability is related to land use zoning, land supply and public transport.

4.3 Affordable Housing Strategy 2010-2020 - Opening Doors to Affordable Housing (WA Government)

Key elements of the Western Australian (WA) strategy show that:

- While the strategy is for a state, the population of WA is only eight times larger than the Northern Rivers region, while NSW is twenty-five times larger. The difference in magnitude of population is helpful as a comparison.
- There is a different emphasis in a state-based strategy to that of a regional or local strategy.
- There are differences between the available mechanisms that can be used by a State government that are not available for use by Local government.
- There is a range of innovative ideas such the creation of a specific affordable housing investment mechanism and establishment of an alternative housing product and market for new types of affordable housing that operate with special titles.

5 CONSULTATION AND OUTCOMES

5.1 Overview – Consultation plan and storyboard

A work program and consultation strategy was provided by Social Habitat in submission of expression to the brief. **Appendix No. 3** is a copy of the work program and consultation strategy. The integral part of the strategy was the method used to record the strategy on a project storyboard, which is a form of visual minutes, so that the process could be as accountable and transparent as possible. The Storyboard document in A3 PDF format was also mounted on the website of Social Habitat for downloading. (Copies of the Storyboard Bulletins are attached as **Appendix No. 4.**)

5.2 Consultation with Councils

5.2.1 Meetings with Councils

Consultation with Councils has involved direct meetings with staff and delivery and collation of the results of an email survey.

Direct meetings were conducted with officers from the following Councils:

1. Ballina Shire – with Mr Simon Scott
2. Byron Shire – with Mr Ray Darney
3. Kyogle – with Mr Lachlan Black and Mrs Carol O'Neill
4. Lismore City – with Mr Brent McAllister, Mr Steve Denize & Ms Paula Newman
5. Richmond Valley – with Mr Tony McAteer and
6. Tweed Shire – with Mr Iain Lonsdale.

The following identifies the Storyboard Bulletin that summarises the issues and outcomes of the discussions.

Ballina Shire

Storyboard Bulletin No. 7

Byron Shire

Storyboard Bulletin No. 8

Kyogle

Storyboard Bulletin No. 7

Lismore City

Storyboard Bulletin No. 6

Richmond Valley

Storyboard Bulletin No. 6

Tweed Shire

Storyboard Bulletin No. 3

5.2.2 Survey of Councils

On 22nd May 2012 a survey was emailed to Councils in the region. The survey contained draft objectives for the project for comment and sought responses to a range of questions relating to and impacting on the provision of affordable housing in the region. **Appendix No. 5** is copy of the survey.

Appendix No. 6 provides a summary of the responses from Councils.

5.3 Consultation with Steering Committee

The Northern Rivers Affordable Strategy Steering Committee met on 22nd June 2012.

Appendix No. 7 is copy of the minutes of the meeting.

5.4 Consultation with North Coast Community Housing Company (NCCEHC)

The manager of NCCEHC is Mr John McKenna who indicated that the organisation has an important future role in the region because it is the major social housing provider, managing over 800 dwellings. He supported the idea of establishing regional development

services expertise particularly services that helped with lobbying and writing tenders. Mr McKenna indicated that NCCHC might benefit from having a mentor relationship with a larger development organisation like Landcom. Mr McKenna supported the proposed process of the transfer of title for housing stock owned by the State and thought this was the most realistic way his organisation could grow.

5.5 Other organisations, people consulted and forums attended

5.5.1 Northern Rivers Social Development Council

Northern Rivers Social Development Council has driven much of the agenda around affordable and homelessness on the North Coast and has run a number of homelessness and affordable housing projects co-ordinated by Ms Trish Evans. Ms Evans encouraged the development of a broader innovative strategy for the region.

5.5.2 Northern Rivers Regional Development Australia (Northern Rivers RDA)

Northern Rivers RDA has not been as active in the issue of 'affordable housing' as other organisations, however they have made submissions, in particular recommending a minimum percentage of 'affordable housing' in new housing projects. The Chief Executive Officer of Northern Rivers RDA (Ms Katrina Luckie) suggested that it could perform a brokering or facilitation role if required in regard negotiations between stakeholders.

5.5.3 Mr Steve Connolly

Mr Connolly is one of the regions most experienced consultant town planners and has been involved with affordable housing at a strategic level through his involvement in the preparation of research projects informing the preparation of the North Coast strategy and development applications that sought approval for affordable housing projects.

Storyboard Bulletin No. 8 provides a summary of key affordable housing issues discussed with Mr Connolly.

5.5.4 Mr Graham Irvine

Mr Irvine has had a lifetime passion and involvement with the promotion of 'multiple occupancy' of rural land. He has been active in the peak body, the PAN community council and in his capacity as a lawyer advised on legal issues with regard rural land-sharing developments.

Mr Irvine made a number of points:

- The way in which the current legislation in the RLS-SEPP frames multiple occupancy communities, particularly Clause 2(c)(ii), makes many current communities, particularly those structured as companies non-conforming.
- The issues surrounding multiple occupancy communities have been the same since their inception and these issues could be largely resolved by following the recommendations made in the report prepared by Mr John Woodward titled *Multiple occupancy development in the Shire of Tweed: An Inquiry pursuant to Section 119 of the Environmental Planning and Assessment Act, 1979*.

5.5.5 Tallowood Ridge Information night

The proponents of the Tallowood Ridge residential development near Mullumbimby conducted an information night on 3 May 2012.

Storyboard Bulletin No. 4 provides a summary of key affordable housing issues discussed at the information night.

6 REVIEW OF STATISTICAL DATA

6.1 Overview

Statistical data from the Australian Bureau of Statistics (ABS) and NSW Department of Housing Rent and Sales reports was reviewed in preparation of the NRRRAHS.

In June 2012 the ABS released data from the Population and Housing Census 2011.

A summary numerical analysis of the data available in the 'Community Profile Timelines' produced by ABS is attached as **Appendix No. 8**.

The following generally describes the numerical analysis of ABS data.

6.2 Northern Rivers region

The population of the region at the time of the 2011 Census was 282,162 people. The regional population increased 4.05% at the time of the 2006 Census (273,423 people).

The median aged of the population was 44 years, 6 years higher than that of the State (38 years).

At the time of the 2011 Census there were 114,885 dwellings in the region. Of these, there were 86,450 (75.25%) separate dwellings, which is considerably more than the percentage number of separate dwellings (68.23%) in the State. The number of separate dwellings in the region in 2011 is an increase from the number (81,919 – 74.87%) in 2006.

The average number of people per bedroom in 2011 in the region was 1.1, which is the same bedroom occupancy in 2006 the State.

The average household size in the region was 2.46 people, which is slightly less than in 2006 (2.50) and less than that of the State in 2011 (2.68).

The number of semi-detached dwellings and residential flats in the region rose from 21,352 (19.51%) in 2006 to 23,183 (20.18%) in 2011. This is considerably less than the percentage number of semi-detached dwellings and residential flats (30.39%) in the State.

The number of caravans and manufactured homes and dwellings attached to shops in the region fell from 5,339 (4.88%) in 2006 to 4,690 (4.08%) in 2011. This is considerably higher than the percentage number of caravans and manufactured homes and dwellings attached to shops (1.12%) in the State.

Of the total number of dwellings (114,885) in the region in 2011, 38.55% were owned outright (down from 40.23% in 2006). This was more than the percentage number (31.94%) of dwellings owned outright in the State. Approximately 27.17% of the total number of dwellings in the region in 2011 were owned with a mortgage, considerably less than the percentage number of dwellings (31.86%) owned with a mortgage in the State.

Of the total number of dwellings (114,885) in the region in 2011, 27.30% were rented by the occupants (slightly down from 26.66% in 2006).

The number of dwellings rented from public or community sector housing authorities in the region increased from 3,768 (3.44%) in 2006 to 3,853 (3.55%) in 2011, which is less than the percentage number of dwellings (4.89%) dwellings rented from public or community sector housing authorities in the State.

The median weekly personal income in the region increased (18.54%) from \$369 in 2006 to \$453 in 2011. This was considerably less than the median personal income in the State of \$561 (18.00%).

The median weekly family income in the region increased (12.54%) from \$928 in 2006 to \$1,061 in 2011. This was considerably less than the median family income in the State of \$1,477 (18.62%).

The median monthly mortgage repayment in the region increased (29.56%) from \$1,127 in 2006 to \$1,600 in 2011. This was considerably less than the median monthly mortgage repayment in the State of \$1,993 (23.88%).

The median weekly rent paid in the region increased (27.78%) from \$195 in 2006 to \$270 in 2011. This was less than the median weekly rent paid in the State of \$300 (30.00%).

In general terms the data from ABS shows that housing costs, in both the rental and mortgage markets have continued to accelerate in comparison to income in the Northern Rivers. This disparity has grown wider to that experienced by the rest of NSW.

As a result the Northern Rivers, particularly the coastal areas of Tweed, Byron and Ballina are close to the least affordable housing locations in NSW and that housing stress has continued to grow across the region.

6.3 Ballina Shire Council

The population of the Ballina Council area at the time of the 2011 Census was 39,645, which is 15.21% of the total in the region (282,162). The population of the Ballina Council area in 2011 increased 1.69% at the time of the 2006 Census (38,977 people).

The median aged of the population was 45 years, 7 years higher than that of the State (38 years).

At the time of the 2011 Census there were 16,370 dwellings in the Ballina Council area. Of these, there were 11,383 (69.54%) separate dwellings, which is generally the same as the percentage number of separate dwellings (68.23%) in the State. The number of separate dwellings in the Ballina Council area in 2011 is an increase from the number (10,698 – 67.54%) in 2006.

The average number of people per bedroom in 2011 in the Ballina Council area was 1.1, which is the same bedroom occupancy in 2006 the State.

The average household size in the Ballina Council area was 2.42 people, which is slightly less than in 2006 (2.46) and less than that of the State in 2011 (2.68).

The number of semi-detached dwellings and residential flats in the Ballina Council area rose from 1,993 (26.79%) in 2006 to 2,090 (25.74%) in 2011. This is considerably less than the percentage number of semi-detached dwellings and residential flats (30.39%) in the State.

The number of caravans and manufactured homes and dwellings attached to shops in the Ballina Council area fell from 826 (5.54%) in 2006 to 671 (4.31%) in 2011. This is considerably higher than the percentage number of caravans and manufactured homes and dwellings attached to shops (1.12%) in the State.

Of the total number of dwellings (16,370) in the Ballina Council area in 2011, 39.41% were owned outright (down from 40.14% in 2006). This was more than the percentage number of dwellings (31.94%) owned outright in the State. Approximately 25.70% of the total number of dwellings in the Ballina Council area in 2011 were owned with a mortgage, considerably less than the percentage number of dwellings (31.86%) owned with a mortgage in the State.

Of the total number of dwellings (16,370) in the Ballina Council area in 2011, 28.56% were rented by the occupants (about the same 28.69% in 2006).

The number of dwellings rented from public or community sector housing authorities in the Ballina Council area increased from 706 (4.46%) in 2006 to 745 (4.55%) in 2011, which is less than the percentage number of dwellings (4.89%) dwellings rented from public or community sector housing authorities in the State.

The median weekly personal income in the Ballina Council area increased (19.64%) from \$397 in 2006 to \$494 in 2011. This was considerably less than the median personal income in the State of \$561 (18.00%).

The median weekly family income in the Ballina Council area increased (11.54%) from \$1,020 in 2006 to \$1,153 in 2011. This was considerably less than the median family income in the State of \$1,477 (18.62%).

The median monthly mortgage repayment in the Ballina Council area increased (33.31%) from \$1,300 in 2006 to \$1,733 in 2011. This was less than the median monthly mortgage repayment in the State of \$1,993 (23.88%).

The median weekly rent paid in the Ballina Council area increased (38.10%) from \$210 in 2006 to \$290 in 2011. This was slightly less than the median weekly rent paid in the State of \$300.

6.4 Byron Shire Council

The population of the Byron Council area at the time of the 2011 Census was 30,964, which is 10.97% of the total in the region (282,162). The population of the Byron Council area in 2011 increased 2.06% at the time of the 2006 Census (30,326 people).

The median aged of the population was 42 years, 4 years higher than that of the State (38 years).

At the time of the 2011 Census there were 12,403 dwellings in the Byron Council area. Of these, there were 9,424 (75.98%) separate dwellings, which is greater than the percentage number of separate dwellings (68.23%) in the State. The number of separate dwellings in the Byron Council area in 2011 is the same as in 2006.

The average number of people per bedroom in 2011 in the Byron Council area was 1.1, which is the same bedroom occupancy in 2006 the State.

The average household size in the Byron Council area was 2.50 people, which is slightly less than in 2006 (2.54) and less than that of the State in 2011 (2.68).

The number of semi-detached dwellings and residential flats in the Byron Council area rose slightly from 1,776 (14.87%) in 2006 to 1,850 (14.92%) in 2011. This is considerably less than the percentage number of semi-detached dwellings and residential flats (30.39%) in the State.

The number of caravans and manufactured homes and dwellings attached to shops in the Byron Council area fell from 619 (5.18%) in 2006 to 599 (4.83%) in 2011. This is considerably higher than the percentage number of caravans and manufactured homes and dwellings attached to shops (1.12%) in the State.

Of the total number of dwellings (12,403) in the Byron Council area in 2011, 32.41% were owned outright (down from 33.73% in 2006). This was slightly more than the percentage number of dwellings (31.94%) owned outright in the State. Approximately 26.34% of the total number of dwellings in the Byron Council area in 2011 were owned with a mortgage, considerably less than the percentage number of dwellings (31.86%) owned with a mortgage in the State.

Of the total number of dwellings (12,403) in the Byron Council area in 2011, 30.44% were rented by the occupants (about the same 29.79% in 2006).

The number of dwellings rented from public or community sector housing authorities in the Byron Council area increased slightly from 232 (1.94%) in 2006 to 239 (1.93%) in 2011, which is considerably less than the percentage number of dwellings (4.89%) dwellings rented from public or community sector housing authorities in the State.

The median weekly personal income in the Byron Council area increased (19.25%) from \$386 in 2006 to \$478 in 2011. This was considerably less than the median personal income in the State of \$561 (18.00%).

The median weekly family income in the Byron Council area increased (11.68%) from \$930 in 2006 to \$1,053 in 2011. This was considerably less than the median family income in the State of \$1,477 (18.62%).

The median monthly mortgage repayment in the Byron Council area increased (40.33%) from \$1,200 in 2006 to \$1,684 in 2011. This was less than the median monthly mortgage repayment in the State of \$1,993 (23.88%).

The median weekly rent paid in the Byron Council area increased (40.00%) from \$250 in 2006 to \$350 in 2011. This was considerably more than the median weekly rent paid in the State of \$300.

6.5 Clarence Valley Council

The population of the Clarence Valley area at the time of the 2011 Census was 50,260, which is 17.81% of the total in the region (282,162). The population of the Clarence Valley area in 2011 increased 3.38% at the time of the 2006 Census (48,564 people).

The median aged of the population was 46 years, 6 years higher than that of the State (38 years).

At the time of the 2011 Census there were 20,498 dwellings in the Clarence Valley area. Of these, there were 17,341 (84.60%) separate dwellings, which is substantially greater than the percentage number of separate dwellings (68.23%) in the State. The number of separate dwellings in the Clarence Valley area in 2011 is an increase from the number (19,414 – 83.37%) in 2006.

The average number of people per bedroom in 2011 in the Clarence Valley area was 1.1, which is the same bedroom occupancy in 2006 the State.

The average household size in the Clarence Valley area was 2.40 people, which is same as that in 2006 and less than that of the State in 2011 (2.68).

The number of semi-detached dwellings and residential flats in the Clarence Valley area fell from 2,209 (11.38%) in 2006 to 2,095 (10.22%) in 2011. This is considerably less than the percentage number of semi-detached dwellings and residential flats (30.39%) in the State.

The number of caravans and manufactured homes and dwellings attached to shops in the Clarence Valley area fell from 955 (4.92%) in 2006 to 976 (4.76%) in 2011. This is considerably higher than the percentage number of caravans and manufactured homes and dwellings attached to shops (1.12%) in the State.

Of the total number of dwellings (20,498) in the Clarence Valley area in 2011, 42.56% were owned outright (down from 44.58% in 2006). This was more than the percentage number of dwellings (31.94%) owned outright in the State. Approximately 26.51% of the total number of dwellings in the Clarence Valley area in 2011 were owned with a mortgage, considerably less than the percentage number of dwellings (31.86%) owned with a mortgage in the State.

Of the total number of dwellings (20,498) in the Clarence Valley area in 2011, 42.51% were rented by the occupants (about the same 29.79% in 2006).

The number of dwellings rented from public or community sector housing authorities in the Clarence Valley area decreased from 645 (3.32%) in 2006 to 599 (2.92%) in 2011, which is considerably less than the percentage number of dwellings (4.89%) dwellings rented from public or community sector housing authorities in the State.

The median weekly personal income in the Clarence Valley area increased (15.40%) from \$335 in 2006 to \$396 in 2011. This was considerably less than the median personal income in the State of \$561 (18.00%).

The median weekly family income in the Clarence Valley area increased (14.83%) from \$787 in 2006 to \$924 in 2011. This was considerably less than the median family income in the State of \$1,477 (18.62%).

The median monthly mortgage repayment in the Clarence Valley area increased (14.68%) from \$657 in 2006 to \$770 in 2011. This was less than the median monthly mortgage repayment in the State of \$1,993 (23.88%).

The median weekly rent paid in the Clarence Valley area increased (28.58%) from \$150 in 2006 to \$210 in 2011. This was considerably more than the median weekly rent paid in the State of \$300.

6.6 Kyogle Council

The population of the Kyogle Council area at the time of the 2011 Census was 9,073, which is 3.22% of the total in the region (282,162). The population of the Kyogle Council area in 2011 decreased 0.01% at the time of the 2006 Census (9,163 people).

The median aged of the population was 45 years, 5 years higher than that of the State (38 years).

At the time of the 2011 Census there were 3,760 dwellings in the Kyogle Council area. Of these, there were 3,587 (95.40%) separate dwellings, which is substantially greater than the percentage number of separate dwellings (68.23%) in the State. The number of separate dwellings in the Kyogle Council area in 2011 is an increase from the number (3,435 – 94.16%) in 2006.

The average number of people per bedroom in 2011 in the Kyogle Council area was 1.1, which is the same bedroom occupancy in 2006 the State.

The average household size in the Kyogle Council area was 2.40 people, which is same as that in 2006 and less than that of the State in 2011 (2.68).

The number of semi-detached dwellings and residential flats in the Kyogle Council area fell from 110 (3.04%) in 2006 to 100 (2.66%) in 2011. This is considerably less than the percentage number of semi-detached dwellings and residential flats (30.39%) in the State.

The number of caravans and manufactured homes and dwellings attached to shops in the Kyogle Council area fell from 71 (1.95%) in 2006 to 61 (1.62%) in 2011. This is approximately the same as the percentage number of caravans and manufactured homes and dwellings attached to shops (1.12%) in the State.

Of the total number of dwellings (3,760) in the Kyogle Council area in 2011, 45.34% were owned outright (down from 46.07% in 2006). This was more than the percentage number of dwellings (31.94%) owned outright in the State. Approximately 26.85% of the total number of dwellings in the Kyogle Council area in 2011 were owned with a mortgage, considerably less than the percentage number of dwellings (31.86%) owned with a mortgage in the State.

Of the total number of dwellings (3,760) in the Kyogle Council area in 2011, 21.39% were rented by the occupants (about the same 20.92% in 2006).

The number of dwellings rented from public or community sector housing authorities in the Kyogle Council area increased from 91 (2.49%) in 2006 to 97 (2.58%) in 2011, which is considerably less than the percentage number of dwellings (4.89%) dwellings rented from public or community sector housing authorities in the State.

The median weekly personal income in the Kyogle Council area increased (19.42%) from \$303 in 2006 to \$376 in 2011. This was slightly more than the median personal income in the State of \$561 (18.00%).

The median weekly family income in the Kyogle Council area increased (17.44%) from \$730 in 2006 to \$884 in 2011. This was considerably less than the median family income in the State of \$1,477 (18.62%).

The median monthly mortgage repayment in the Kyogle Council area increased (16.95%) from \$593 in 2006 to \$714 in 2011. This was less than the median monthly mortgage repayment in the State of \$1,993 (23.88%).

The median weekly rent paid in the Kyogle Council area increased (30.31%) from \$115 in 2006 to \$165 in 2011. This was less than the median weekly rent paid in the State of \$300.

6.7 Lismore City Council

The population of the Lismore City Council area at the time of the 2011 Census was 42,907, which is 15.21% of the total in the region (282,162). The population of the Lismore City Council area in 2011 increased 0.69% at the time of the 2006 Census (42,613 people).

The median aged of the population was 40 years, 2 years higher than that of the State (38 years).

At the time of the 2011 Census there were 16,959 dwellings in the Lismore City Council area. Of these, there were 14,299 (84.32%) separate dwellings, which is substantially greater than the percentage number of separate dwellings (68.23%) in the State. The number of separate dwellings in the Lismore City Council area in 2011 is an increase from the number (13,840 – 84.04%) in 2006.

The average number of people per bedroom in 2011 in the Lismore City Council area was 1.1, which is the same bedroom occupancy in 2006 the State.

The average household size in the Lismore City Council area was 2.40 people, which is same as that in 2006 and less than that of the State in 2011 (2.68).

The number of semi-detached dwellings and residential flats in the Lismore City Council area increased from 2,177 (13.22%) in 2006 to 2,235 (13.18%) in 2011. This is considerably less than the percentage number of semi-detached dwellings and residential flats (30.39%) in the State.

The number of caravans and manufactured homes and dwellings attached to shops in the Lismore City Council area fell from 385 (2.34%) in 2006 to 341 (2.01%) in 2011. This is more than the percentage number of caravans and manufactured homes and dwellings attached to shops (1.12%) in the State.

Of the total number of dwellings (16,959) in the Lismore City Council area in 2011, 35.01% were owned outright (approximately the same as 35.19% in 2006). This was more than the percentage number of dwellings (31.94%) owned outright in the State. Approximately 31.36% of the total number of dwellings in the Lismore City Council area in 2011 were owned with a mortgage, approximately the same as the percentage number of dwellings (31.86%) owned with a mortgage in the State.

Of the total number of dwellings (16,959) in the Lismore City Council area in 2011, 28.04% were rented by the occupants (the same 28.58% in 2006).

The number of dwellings rented from public or community sector housing authorities in the Lismore City Council area decreased from 696 (4.23%) in 2006 to 671 (3.96%) in 2011, which is less than the percentage number of dwellings (4.89%) dwellings rented from public or community sector housing authorities in the State.

The median weekly personal income in the Lismore City Council area increased (19.19%) from \$375 in 2006 to \$464 in 2011. This was slightly more than the median personal income in the State of \$561 (18.00%).

The median weekly family income in the Lismore City Council area increased (11.67%) from \$992 in 2006 to \$1,123 in 2011. This was less than the median family income in the State of \$1,477 (18.62%).

The median monthly mortgage repayment in the Lismore City Council area increased (27.56%) from \$1,083 in 2006 to \$1,495 in 2011. This was more than the median monthly mortgage repayment in the State of \$1,993 (23.88%).

The median weekly rent paid in the Lismore City Council area increased (27.93%) from \$160 in 2006 to \$222 in 2011. This was less than the median weekly rent paid in the State of \$300.

6.8 Richmond Valley Council

The population of the Richmond Valley Council area at the time of the 2011 Census was 22,312, which is 7.91% of the total in the region (282,162). The population of the Richmond Valley Council area in 2011 increased 2.17% at the time of the 2006 Census (21,828 people).

The median aged of the population was 43 years, 5 years higher than that of the State (38 years).

At the time of the 2011 Census there were 9,016 dwellings in the Richmond Valley Council area. Of these, there were 7,371 (81.75%) separate dwellings, which is substantially greater than the percentage number of separate dwellings (68.23%) in the State. The number of separate dwellings in the Richmond Valley Council area in 2011 is an increase from the number (7,093 – 82.60%) in 2006.

The average number of people per bedroom in 2011 in the Richmond Valley Council area was 1.1, which is the same bedroom occupancy in 2006 the State.

The average household size in the Richmond Valley Council area was 2.40 people, which is same as that in 2006 and less than that of the State in 2011 (2.68).

The number of semi-detached dwellings and residential flats in the Richmond Valley Council area increased from 1,020 (11.88%) in 2006 to 1,194 (13.24%) in 2011. This is considerably less than the percentage number of semi-detached dwellings and residential flats (30.39%) in the State.

The number of caravans and manufactured homes and dwellings attached to shops in the Richmond Valley Council area fell from 458 (5.33%) in 2006 to 436 (4.84%) in 2011. This is significantly more than the percentage number of caravans and manufactured homes and dwellings attached to shops (1.12%) in the State.

Of the total number of dwellings (9,016) in the Richmond Valley Council area in 2011, 38.17% were owned outright (slightly less than 39.98% in 2006). This was more than the percentage number of dwellings (31.94%) owned outright in the State. Approximately 27.61% of the total number of dwellings in the Richmond Valley Council area in 2011 were owned with a mortgage, less than the percentage number of dwellings (31.86%) owned with a mortgage in the State.

Of the total number of dwellings (9,016) in the Richmond Valley Council area in 2011, 27.89% were rented by the occupants (slightly more than 26.37% in 2006).

The number of dwellings rented from public or community sector housing authorities in the Richmond Valley Council area decreased from 396 (4.61%) in 2006 to 391 (4.34%) in

2011, which is less than the percentage number of dwellings (4.89%) dwellings rented from public or community sector housing authorities in the State.

The median weekly personal income in the Richmond Valley Council area increased (19.19%) from \$375 in 2006 to \$464 in 2011. This was slightly more than the median personal income in the State of \$561 (18.00%).

The median weekly family income in the Richmond Valley Council area increased (16.05%) from \$340 in 2006 to \$405 in 2011. This was considerably less than the median family income in the State of \$1,477 (18.62%).

The median monthly mortgage repayment in the Richmond Valley Council area increased (28.70%) from \$927 in 2006 to \$1,300 in 2011. This was less than the median monthly mortgage repayment in the State of \$1,993 (23.88%).

The median weekly rent paid in the Richmond Valley Council area increased (27.50%) from \$145 in 2006 to \$200 in 2011. This was less than the median weekly rent paid in the State of \$300.

6.9 Tweed Shire Council

The population of the Tweed Shire Council area at the time of the 2011 Census was 87,001, which is 30.83% of the total in the region (282,162). The population of the Tweed Shire Council area in 2011 significantly increased 5.81% at the time of the 2006 Census (81,952 people).

The median aged of the population was 46 years, 8 years higher than that of the State (38 years).

At the time of the 2011 Census there were 35,879 dwellings in the Tweed Shire Council area. Of these, there were 22,702 (63.27%) separate dwellings, which is less than the percentage number of separate dwellings (68.23%) in the State. The number of separate dwellings in the Tweed Shire Council area in 2011 is an increase from the number (21,243 – 63.38%) in 2006.

The average number of people per bedroom in 2011 in the Tweed Shire Council area was 1.1, which is the same bedroom occupancy in 2006 the State.

The average household size in the Tweed Shire Council area was 2.40 people, which is same as that in 2006 and less than that of the State in 2011 (2.68).

The number of semi-detached dwellings and residential flats in the Tweed Shire Council area increased from 9,815 (29.28%) in 2006 to 11,495 (32.04%) in 2011. This is more than the percentage number of semi-detached dwellings and residential flats (30.39%) in the State.

The number of caravans and manufactured homes and dwellings attached to shops in the Tweed Shire Council area fell from 1,973 (5.89%) in 2006 to 1,572 (4.38%) in 2011. This is significantly more than the percentage number of caravans and manufactured homes and dwellings attached to shops (1.12%) in the State.

Of the total number of dwellings (35,879) in the Tweed Shire Council area in 2011, 39.05% were owned outright (slightly less than 41.99% in 2006). This was considerably more than the percentage number of dwellings (31.94%) owned outright in the State. Approximately 26.44% of the total number of dwellings in the Tweed Shire Council area in 2011 were owned with a mortgage, less than the percentage number of dwellings (31.86%) owned with a mortgage in the State.

Of the total number of dwellings (35,879) in the Tweed Shire Council area in 2011, 27.37% were rented by the occupants (slightly more than 26.00% in 2006).

The number of dwellings rented from public or community sector housing authorities in the Tweed Shire Council area increased from 1,002 (2.99%) in 2006 to 1,111 (3.10%) in 2011, which is less than the percentage number of dwellings (4.89%) dwellings rented from public or community sector housing authorities in the State.

The median weekly personal income in the Tweed Shire Council area increased (17.73%) from \$362 in 2006 to \$440 in 2011. This was less than the median personal income in the State of \$561 (18.00%).

The median weekly family income in the Tweed Shire Council area increased (15.56%) from \$711 in 2006 to \$842 in 2011. This was less than the median family income in the State of \$1,477 (18.62%).

The median monthly mortgage repayment in the Tweed Shire Council area increased (24.99%) from \$1,300 in 2006 to \$1,733 in 2011. This was less than the median monthly mortgage repayment in the State of \$1,993 (23.88%).

The median weekly rent paid in the Tweed Shire Council area increased (30.00%) from \$210 in 2006 to \$300 in 2011. This was the same as the median weekly rent paid in the State of \$300.

6.10 Dept. of Housing Rent and Sales Report

The ratio of median annual household income to median dwelling price is determined from median income from the Census and the median dwelling sales values published in the Dept. of Housing Rent and Sales Report.

In general terms the ratio shows the equivalent years median annual income to value of the median price of a dwelling. The ratio increased in the region between 2001 and 2011 and it is substantially higher than that for NSW.

7 LAND USE PLANNING REVIEW

This following has been prepared to inform the NRRRAHS of the key land use planning mechanisms and controls that relate to, impact on or which facilitate the provision of 'affordable housing' in the region by undertaking a general review of;

- The key relevant changes to the NSW planning system
- State Environment Planning Policies and
- Local Environmental Plans.

7.1 Changes to the NSW planning system

In July 2011 the Minister for Planning and Infrastructure, The Honourable Bard Hazzard MP requested The Honourable Mr Tim Moore and The Honourable Mr Ron Dyer (Independent Planning System Review) to undertake a review of the NSW planning system.

Independent Planning System Review undertook a process of consultation with community, local councils, industry and other key stakeholders and in December 2011 released an issues paper titled *'The way ahead for planning in NSW? Issues Paper of the NSW Planning System Review'*.

The December 2011 issues paper brought together and summarised the many and various matters raised during the consultation process and was publicly exhibited with a view of informing the preparation of a Green Paper which would set out the vision for a new simplified planning system.

The report titled *'A New Planning System for NSW – Green Paper'*, prepared by Independent Planning System Review was released in July 2012. The Green Paper is currently on public exhibition generally to 14 September 2012 and 5 October 2012 for Councils.

The NSW Dept. of Planning & Infrastructure website states:

"The Green Paper outlines major changes in key areas of the planning system, these will result in reforms across a number of areas such as:

- *involving the community early in guiding planning decisions that will shape the growth and future of our cities, towns, and neighbourhoods*
- *placing much more emphasis on preparing good policies upfront to guide growth and development*
- *reducing red tape and delay for the assessment of development applications for all types of proposals*
- *ensuring that infrastructure is planned and delivered to support new and existing communities*
- *promoting a 'can do' culture in the planning system and ensuring that councils and the government are accountable for delivering the results they have committed to*
- *providing greater access to information about planning policies, planning decisions, and your rights in the planning process."*

Appendix No. 9 is copy of 'Frequently Asked Questions' general and other information sheets for Councils, industry and business providing a general explanation of the intended changes to the planning system.

The Green Paper outlines the State Government's 'blueprints for change' based around four fundamental reforms, including:

“Community Participation

- *The major shift in the new planning system is to engage communities as an integral part of making key planning decisions that will affect the growth of their communities.*

Strategic Focus

- *A major shift to evidence based strategic planning in terms of planning effort, community and stakeholder engagement and decision making.*

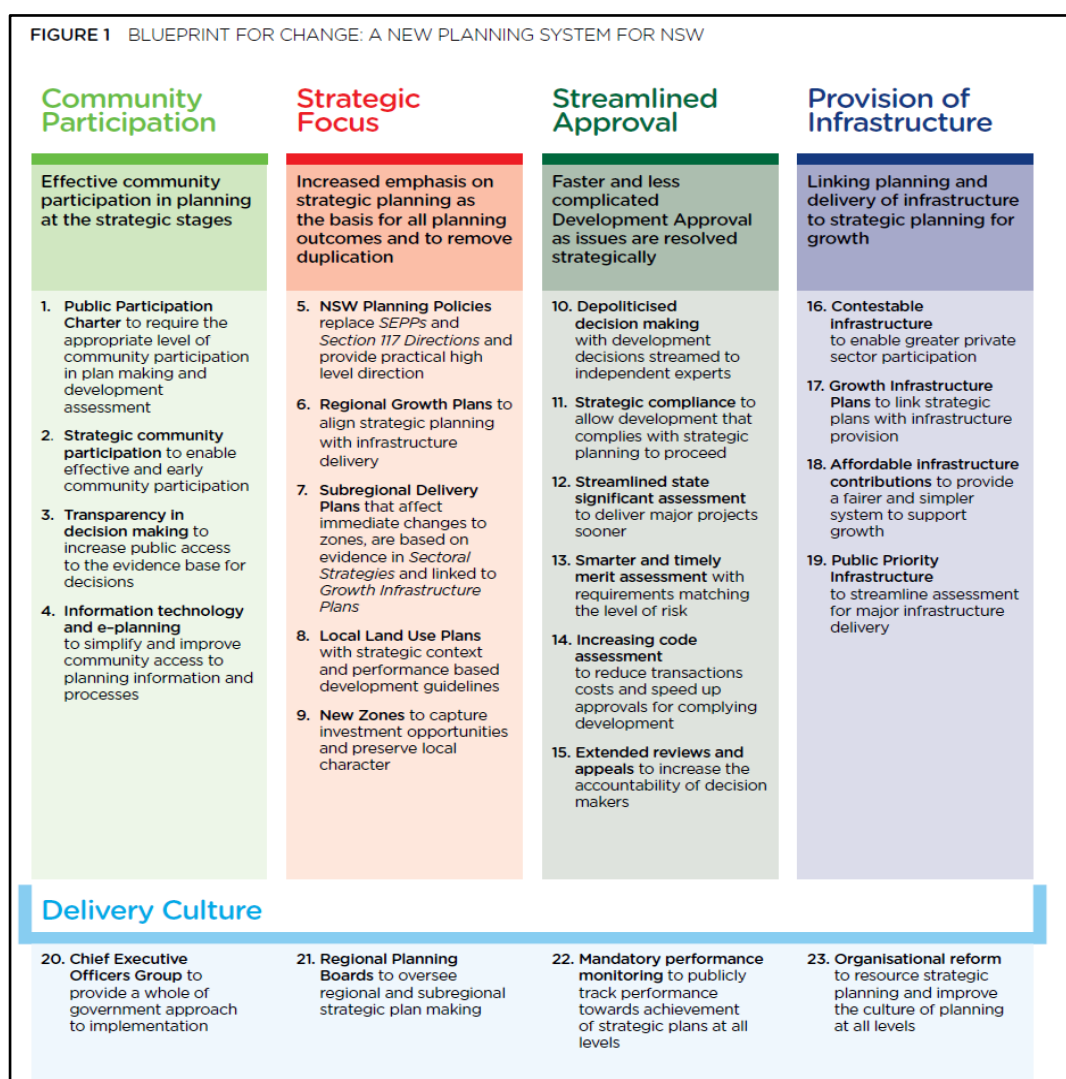
Streamlined Approval

- *A shift to a performance based system in which duplicative layers of assessment have been removed, decisions are fast and transparent, and code complying development is maximised.*

Provision of Infrastructure

- *A genuine integration of planning for infrastructure with the strategic planning of land use so that infrastructure that supports growth is funded and delivered.”*
(Source The Green Paper)

The Green Paper envisages that to achieve the ‘blueprints for change’ there will be a need for an increased focus on delivery and the creation of a more facilitative and transformative planning culture. The following figure from the Green Paper summarises the twenty-three transformative changes.



Source Green Paper

Of relevance to the NRRHAS will be possible structural reforms of the planning system which will change the existing hierarchy of planning mechanisms provided for in the *NSW Environmental Planning and Assessment Act 1979, as amended*. In summary those structural reforms comprise:

1. Replace State Environmental Planning Policies and Section 117 Directions with NSW Planning Policies that will articulate the government's policy direction and position on major planning issues and to inform strategic plans at all levels.

Of the key planning policy areas identified in the Green Paper the following may have a future bearing on the NRRHAS; housing supply and affordability, employment, coastal development, retail development, tourism, regional development and infrastructure.

2. Preparation of Regional Growth Plans, linked with the NSW Long-Term Transport Master Plan and the State Infrastructure Strategy.

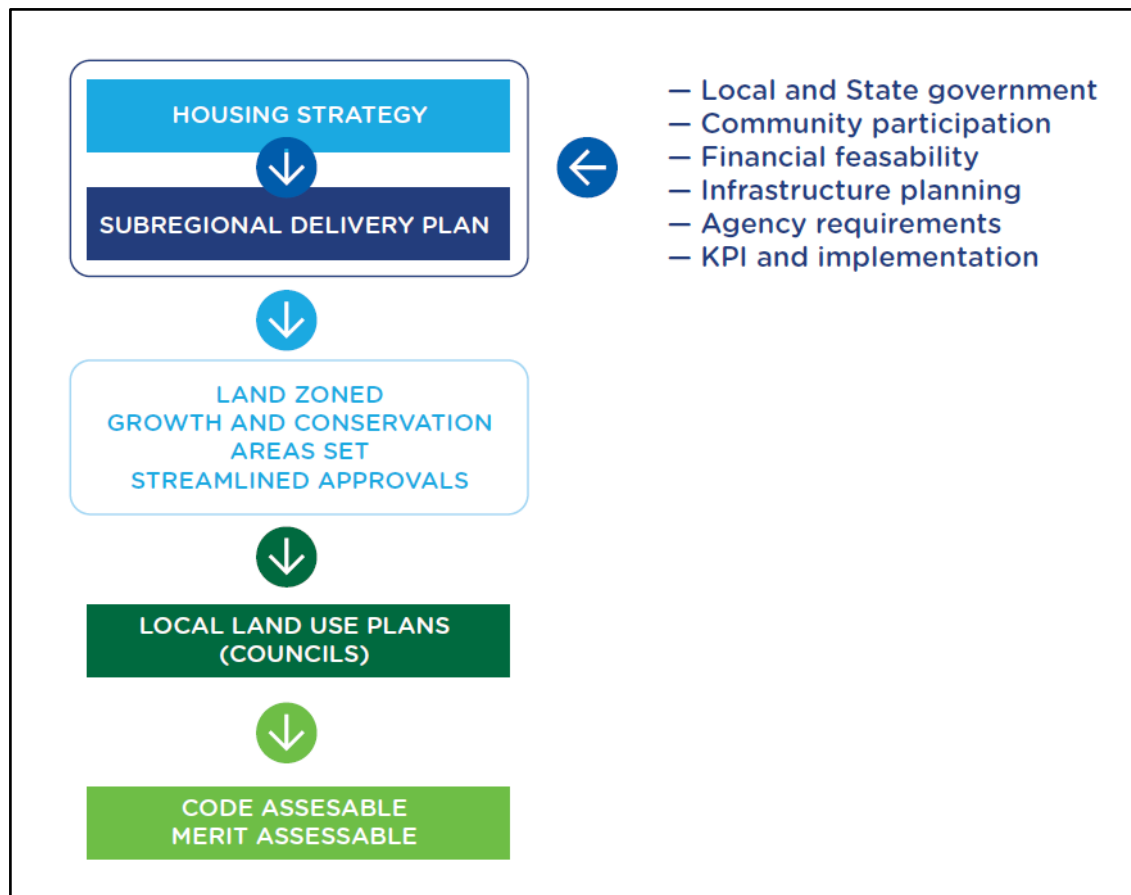
The 'Far North Coast Regional Strategy: 2006-31' (covering the local government areas of Ballina Shire, Byron Shire, Kyogle Council, Lismore City Council, Richmond Valley Council and Tweed Shire) and 'Mid North Coast Strategy' (which includes Clarence Valley) are two of the existing regional strategies.

Currently there is no explicit provision for the promotion of 'affordable housing' in either the 'Far North Coast Regional Strategy: 2006-31' or 'Mid North Coast Strategy'. The focus of these strategies is more general and they are reviewed in Storyboard Bulletin No. 5- Review of Regional Plans.

3. Preparation of Subregional Delivery Plans in growth areas in partnership between State and Local Government and stakeholders and in consultation with the community, which will be underpinned by evidence based Sectoral Strategies and linked to Growth Infrastructure Plans. Once approved, the Subregional Delivery Plan will directly deliver zoning outcomes in the Local Land Use Plans.

The Subregional Delivery Plans will provide the implementation mechanism for the objectives and priorities outlined in the Regional Growth Plans.

The following figure from the Green Paper summaries how delivery of housing will be facilitated under the new planning system.

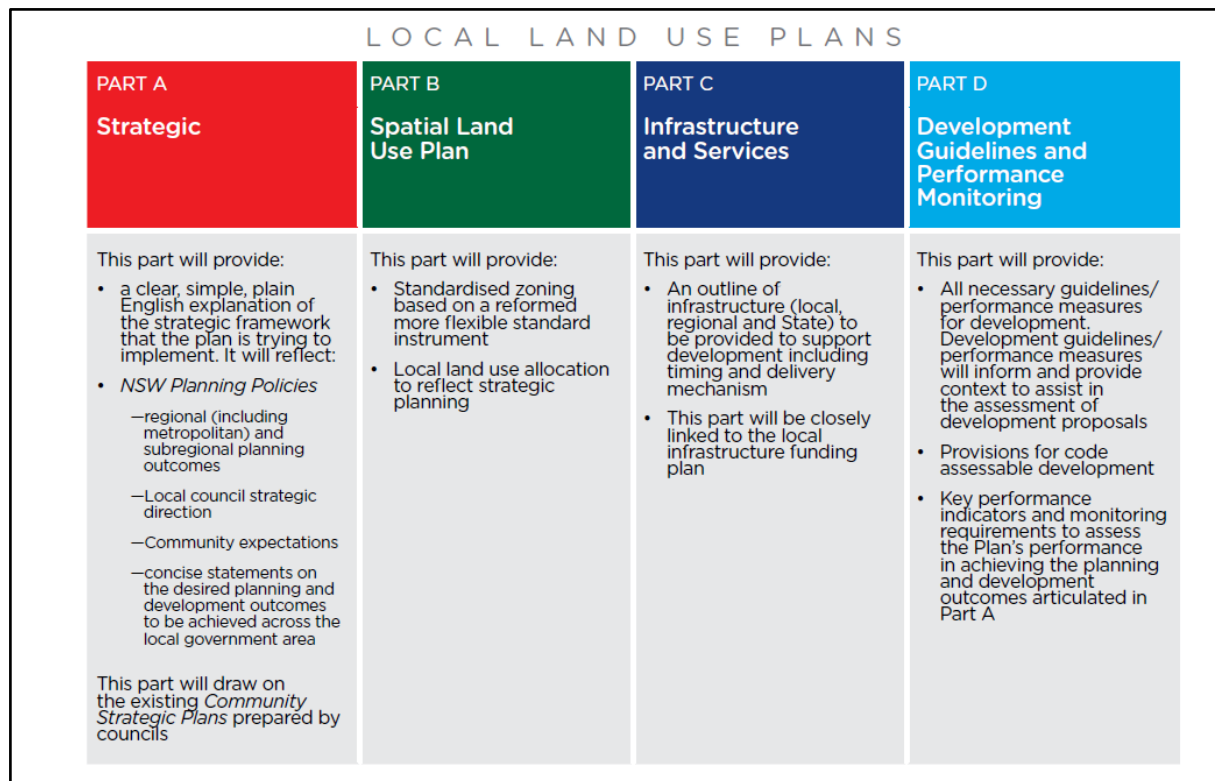


Source Green Paper

4. Preparation of Local Land Use Plans which will include; a strategic context, spatial land use zones, an infrastructure growth and service delivery component and development guidelines and standards. New zones are proposed to maximise flexibility, provide opportunities for investment capture, and protect suburban character in certain circumstances.

Importantly the Green Paper envisages a move away from the prescriptive and more rigid 'local environmental plan'. The proposed Local Land Use Plans are to focus on strategic intent and merits based assessment.

The following figure from the Green Paper summaries the content of the proposed Local Land Use Plans.



Source Green Paper

Following the exhibition of the Green Paper and consideration of issues raised in it, the government intends to release a 'white paper' and an 'Exposure Bill' confirming the scope of the intended new broadly focused 'enabling' legislation.

Implications for the NRRRAHS

The extent and timing of the changes to the existing planning system envisaged in the Green Paper and how those changes will be introduced into a new planning system are at the moment unknown.

The NRRRAHS can only operate within and reflect the existing legislative and administrative parameters of the planning system.

There is an opportunity for the NRRRAHS to inform the State government on how the participating Councils in the region consider affordable housing might be facilitated.

The outcomes of the changes to the legislation, when finalised, should inform and if necessary amend the NRRRAHS.

7.2 State Environmental Planning Policies

The key State Environmental Planning Policies (SEPP's) that relate to the provision of affordable housing in the Northern Rivers region are:

1. SEPP-Affordable Rental Housing 2009 (ARH-SEPP)
2. SEPP-Housing for Seniors or People with Disability 2004 (Seniors-SEPP)
3. SEPP No. 15 Rural Landsharing Communities (RLS-SEPP)
4. SEPP No. 21 Caravan Parks (CP-SEPP) and
5. SEPP No. 36 Manufactured Home Estates (MHE-SEPP).

The key important SEPP which seeks to specifically address and increase the provision of affordable housing in urban areas of the region is ARH-SEPP.

RLS-SEPP (and its predecessor Multiple Occupancy of Rural Land) has been the primary means by which affordable and low cost housing has been provided for in rural areas of the region. This has primarily occurred in the Byron, Kyogle, Lismore and Tweed local government areas.

It is important to note that Clause 8 of ARH-SEPP and Clause 5 of RLS-SEPP have the effect of setting aside (prevailing over) councils local environmental and development control plans if those plans relate to or restrict a DA proposing development for a use consistent with those SEPPs.

The following provides a detailed summary of the definitions and key development standards of ARH-SEPP and RLS-SEPP.

7.2.1 ARH-SEPP

The main types of housing provided for in and facilitated by ARH-SEPP are:

1. In-fill affordable housing
2. Secondary dwellings
3. Boarding houses
4. Supportive accommodation
5. Residential flat buildings provided by social housing providers, public authorities and joint ventures
6. Residential development undertaken by the Land and Housing Corporation and
7. Group homes.

The following identifies the definition and key development standards for:

1. In-fill affordable housing
2. Secondary dwellings
3. Boarding houses
4. Supportive accommodation and
5. Group homes.

SEPP definition of in-fill affordable housing

The term 'infill affordable rental housing' includes dual occupancy, multi-dwelling housing or residential flat building development.

Key SEPP provisions relating to in-fill affordable housing:

- Can only be proposed by the private sector in locations where this type of development is currently permissible
- Planning incentives that encourage affordable rental housing development apply to infill development in areas where dual occupancies, multi-dwelling housing or residential flat buildings are permissible and which are accessible to public transport
- Proposals are to be designed to be compatible with the character of the local area
- Must be within 400m walking distance of land within a B2 Local Centre or B4 Mixed Use zone, or within an equivalent land use zone
- Floor space ratio as specified in the relevant local planning controls plus a bonus of a minimum of 0.2:1 and up to 0.5:1 (or 20%, whichever is greater)
- Between 20% and 50% of the gross floor area of the development to be for affordable housing
- Building heights as specified by local controls
- Minimum dwelling sizes specified; 35m² for a bedsitter or studio, 50m² for a 1 bedroom dwelling, 70m² for a 2 bedroom dwelling, 95m² for a 3 or more bedroom dwelling
- The affordable rental housing component is to be secured for a minimum of 10 years and managed by a registered Community Housing Provider
- Relevant Council policies that apply to the land and/or development type

- Subdivision is permissible with consent
- Minimum on-site parking specified; 0.4 car spaces per one bedroom dwelling, 0.5 car spaces per 2 bedroom dwelling, one car space per three or more bedroom dwelling for Community Housing Providers and 0.5 car spaces per one bedroom dwelling, one car space per two bedroom dwelling, 1.5 car space per three or more bedroom dwelling for private schemes
- Minimum site area 450m²
- Minimum landscape areas; 35m² for Community Housing Providers, or 30% of the site area in all other cases
- Living rooms and open spaces of 70% of the dwellings require a minimum of three hours direct sunlight between 9am and 3pm in mid-winter
- Design guidelines Seniors Living Urban Design Guidelines or SEPP 65 - Design Quality of Residential Flat Development.
- Deep soil zones to be minimum of 15% of the site area, minimum dimensions of three metres and at least two-thirds of the deep soil zone is to be located at the rear of the site

SEPP definition of secondary dwellings

A secondary dwelling, commonly known as a 'granny flat' is a self-contained dwelling:

- (a) Established in conjunction with another dwelling (the principal dwelling), and
- (b) on the same lot of land as the principal dwelling (not being an individual lot in a strata plan or community title scheme), and
- (c) may be located within, or attached to, or separate from, the principal dwelling.

Key SEPP provisions relating to secondary dwellings:

- Enabled on land zoned R1, R2, R3, R4 or R5 either with consent (DA) or complying development - subject to specified standards of Division 2 clause 23(2) and Schedule 1 of ARH-SEPP and relevant provisions of Exempt & Complying-SEPP
- Development of a secondary dwelling can only result in there being one principal dwelling and one secondary dwelling on the site
- Subdivision not permitted
- Secondary dwelling is to have a maximum floor area of 60m²
- Maximum floor area of the principal dwelling and secondary dwelling is to be no greater than that permitted by the local council in that zone
- Minimum site area 450m²
- All relevant requirements within the BCA apply
- Council cannot refuse consent on the grounds of site area if the site area is at least 450 square metres but can grant consent to development of a secondary dwelling on a site of less than 450m² and
- Council cannot refuse the DA if no additional parking is provided on the site.

SEPP definition of boarding houses

A boarding house provides a form of low cost rental accommodation for a wide range of tenants including singles, retirees, students and young couples.

A boarding house relates to a building that; is wholly or partly let in lodgings, provides lodgers with a principal place of residence for three months or more, may have shared facilities, such as a communal living room, bathroom, kitchen or laundry, has rooms, some or all of which may have private kitchen and bathroom facilities, that accommodate one or more lodgers but does not include; backpackers' accommodation, group homes, serviced apartments, seniors housing or hotel or motel accommodation.

Key SEPP provisions relating to boarding houses:

- Permissible on land zoned R1, R2, R3, R4, B1, B2 or B4

- Also permissible in R2 Low Density Residential zones in locations close to public transport services
- Proposals are to be designed to be compatible with the character of the local area
- Must be within 400m walking distance of land within a B2 Local Centre or B4 Mixed Use zone, or within an equivalent land use zone
- Floor space ratio to be as specified in the relevant local planning controls plus, in areas where residential flat buildings are permitted, a bonus of a minimum of 0.5:1 (or 20% of the relevant local floor space ratio, whichever is greater)
- Building heights as specified by local controls
- Landscape treatment of the front setback should be compatible with the existing streetscape
- At least one communal room must receive a minimum of three hours of direct sunlight between 9am and 3pm in mid-winter
- At least 20m² to be provided as private open space and 8m² adjacent to the manager's accommodation (where applicable) in addition to the front setback area
- Minimum on-site parking specified; 0.2 car spaces per boarding room and at least one parking space provided for each person employed in connection with the development and who is resident on the site for developments in an accessible area and 0.4 car spaces per boarding room and at least one parking space provided for each person employed in connection with the development and who is resident on the site not in an accessible area
- Minimum room size; 12m² for single boarding rooms and 16m² for doubles and maximum room size 25m²
- If a boarding house has five or more boarding rooms at least one communal living area is required
- Maximum occupancy per room; two adult lodgers
- Boarding houses with twenty or more residents must have an on site manager
- If the boarding house is located in a commercial zone, the ground floor of the boarding house which fronts the street cannot be used for residential purposes unless this is permitted by another environmental planning instrument and
- One parking space is required for a bicycle and one for a motorcycle per five boarding rooms.

SEPP definition of supportive housing

Supportive accommodation involves permanent, secure accommodation in self-contained apartments, together with on-site support services (such as counselling and life skills development) for people making the transition from supported living or homelessness to fully independent living. It is generally operated by non-for-profit organisations and charities for those requiring support.

Key SEPP provisions relating to supportive housing:

- Supportive accommodation can be provided in existing residential flat buildings or boarding houses without the need for development consent, but only if the development does not involve the erection of, alteration of, or addition to a building
- Where alterations or additions are required to an existing building, relevant provisions of a council's local environmental plan and development control plans must be considered in relation to appropriate design and environmental factors
- In circumstances where the alterations or additions are minor or routine, they may constitute exempt or complying development under Exempt & Complying-SEPP and
- If considered to be exempt development, no further approval is required. If it is complying development, a complying development application will need to be made with a private or council accredited certifier.

SEPP definition of group homes

Group homes provide temporary or permanent accommodation for people who may struggle to find a place to live, such as people with a disability, or people that are socially disadvantaged.

Key SEPP provisions relating to group homes:

- Permissible on land zoned R1, R2, R3, R4, B1, B4, SP1 or SP2 either with consent (DA) or as complying development - subject to specified standards of ARH-SEPP and relevant provisions of Exempt & Complying-SEPP
- Minimum site area of 450m² and must have a boundary with a lawful access road
- Maximum site coverage 70%
- Maximum building height 8.5m
- Front setback must be the average distance of the setbacks of the nearest 2 dwellings or 4.5m if a dwelling is not within 40m of the site
- If a group home has a setback from a primary road of 3 metres or more then it must incorporate an articulation zone
- At least 1.8m building separation
- A new window must have a privacy screen if it is in a habitable room and is at least 1 metre above floor level, the wall is set back less than 3 metres from a side or rear boundary and the window has a sill height of less than 1.5 metres. Setbacks and floor heights also need to be considered when including a balcony, deck, patio, pergola, terrace or verandah
- Minimum 20% of the site area must be landscaped, of which 50% must be behind the building line to the primary road boundary and the landscaped area must be at least 2.5m wide
- Minimum 24m² and accessible from a habitable room, at least 4m wide and a gradient not steeper than 1:50
- Minimum 2 off street car spaces
- Earthworks and drainage subject to Schedule 2, Clause 19 – 22 of SEPP
- Swimming pools subject to Schedule 2, Clause 23 of SEPP
- Fences; maximum 1.8m if the fence is behind the front building line and 1.2 metres if the fence is on or forward of that line and
- Gradient of access ramps must not be steeper than 1:14 and must comply with the Australian Standard.

In December 2010 the government (Dept. of Planning & Infrastructure) commenced a review of ARH-SEPP and released a Technical Paper titled '*Affordable Rental Housing SEPP Review*' to initiate community and council consultation as a means of informing the review process. The outcomes of the review have not been published.

The Technical Paper indicates that ARH-SEPP; "*is an important and effective tool in the delivery of new affordable housing across the State. However, there are also concerns, particularly at the local level, over issues such as the density, location and design of some in-fill and boarding house developments*".

The key issues considered and responses recommended and summarised in the review are as follows:

1. Low-rise infill development

(a) The density of low rise infill development in low density residential areas

The floor space ratio for low rise infill development is to change from 0.75:1 to 0.5:1 on 30 June 2011 as currently provided for in the AHSEPP. The Department will continue to monitor effectiveness of this control in delivering new dwellings (see Section 4.1).

(b) Need to consider local council controls in the design of low rise Infill development
Draft Low-rise Housing Guidelines are attached for review in this Paper. Councils should take this Guideline (when finalised) and their local controls into consideration when they assess and determine applications (see Section 4.2 and Appendix 2).

(c) Review the public transport criteria for the location of low rise infill development to ensure access to services and jobs

The Department is reviewing this issue given the recent change to services in many areas. The implications of extending the public transport services frequency requirements to include the weekend and evenings is being considered. It is acknowledged that this change would result in concentrating development closer to accessible locations and services (see Section 4.3(a)).

2. Secondary dwellings

(a) Need to extend complying development provisions for secondary dwellings on smaller residential blocks and lots in rural areas

Complying development provisions could be extended to allow for secondary dwellings on lots of less than 450 square metres. There is the potential for complying development provisions to be introduced in line with the current changes to the Codes SEPP (see Section 5.3).

(b) Need to allow secondary dwellings in rural residential areas

Opportunities could be provided for the development of secondary dwellings in rural residential areas (see Section 5.4).

(c) Limit the S94 development contributions and other levies applied to secondary dwellings

It is proposed to develop a standard section 94 contribution rate across the State based on \$0 - \$100,000 - no contribution; \$100,000 - \$200,000 - 0.5% contribution; over \$200,000 - 1% contribution. In addition, the Department will examine the practices of charging for additional water and other services (see Section 5.7).

3. Boarding houses

(a) Concerns regarding compliance issues with boarding housing premises not operating within their approvals or housing being converted to boarding houses without approval

The Department to support councils in their monitoring of existing boarding houses in their areas and investigation of potentially illegal boarding house developments (see Section 6.7).

4. Housing NSW social housing

(a) Improve notification and consultation associated with social housing development proposals by Housing NSW

Housing NSW to undertake more extensive consultation, equivalent to the provisions in the relevant council's DCP. Housing NSW to undertake community notification comparable for private sector development (for a fee) (see Section 9.1).

(b) Expand the social housing threshold to be developed by Housing NSW from 20 to 30 units

This provision has proved to be very efficient in the delivery social housing in key locations. Consideration to be given to changing the threshold for residential development that can be approved by Housing NSW from 20 units to 30 units while retaining the 8.5 metres height limit (see Section 9.2).

5. Incentives or levy schemes

(a) Provide for councils to develop their own incentive or levy schemes for the delivery of affordable housing in their area

There are currently only a few incentive schemes to enable the delivery of affordable housing. The Department will examine the financial feasibility of incentives offered by the AHSEPP, SEPP 70 and by councils and consider the need to adjust provisions to allow for different approaches in different areas to assist in the delivery of appropriate affordable rental housing (see Section 3.3).

Use of ARH-SEPP in Northern Rivers region

Councils responding to the survey by Social Habitat and the question in regard use of ARH-SEPP as expressed by Development Applications (DAs) for the types of housing described above indicated mixed use of the Policy.

Appendix No. 6 shows the results of the Council survey.

The following summarises the types ARH-SEPP DAs lodged and determined by participating councils:

1. Ballina Shire – unknown
2. Byron Shire – secondary dwellings (33) and a supported group home
3. Clarence Valley – NRAS funded partnership with CHL to provide 15 detached dwellings
4. Kyogle – nil
5. Lismore City – small boarding house (1), supported group homes (3), larger NRAS funded medium density development (details unknown)
6. Richmond Valley – infill 37 detached dwellings and medium density residential flats
7. Tweed Shire – secondary dwellings (2) and NRAS funded development at Cobaki Lakes (status unknown).

Practising consultant town planners consulted as part of the preparation of the NRRRAHS report that DAs that sought approval under ARH-SEPP ‘came second’, both with councils as the consent authority or NSW Land and Environment Court on appeal.

Implications for the NRRRAHS

The use of ARH-SEPP in the region is very limited and promotion of the various forms of housing development facilitated by it would assist the provision of affordable housing in the region and be a positive outcome.

The outcomes of the review of ARH-SEPP, when made available, should inform and if necessary amend the NRRRAHS.

7.2.2 RLS-SEPP

The initial planning controls to enable and regulate multiple occupancy development of rural land in the region were introduced by the then Minister for Planning and Environment by way of alteration to the councils Interim Development Orders (IDOs).

The alteration provided a ‘retrospective’ form of approval of land on which multiple occupancy had been developed or was proposed.

The provisions enabling multiple occupancy developments that were applied to the IDOs were ‘carried over’ into subsequent local planning instruments prepared by Councils.

The local planning provisions enabling multiple occupancy development on rural land were removed (January 15, 1988) by the gazettal (January 22, 1988) of SEPP No. 15 – Multiple Occupancy of Rural Lands (SEPP No. 15). On January 11, 1988 the Minister for Planning and Environment issued a direction to councils, which limited the contribution councils could require from multiple occupancy developments for services and community facilities to \$1,950 per dwelling. The direction was revoked June 14, 1988.

SEPP No. 15 was amended once (November 23, 1990), repealed (December 1, 1994 by SEPP No. 42) and reintroduced with some minor amendment and alteration (April 9, 1998).

Councils were advised, at the time SEPP No. 15 was repealed, that the control of multiple occupancy was considered a matter for local government. However, as Councils generally had not made local provision for multiple occupancy, the State re-introduced the policy.

RLS-SEPP applies to:

- Ballina Shire
- Clarence Valley (Copmanhurst, Maclean, Nymboida, Ulmarra)
- Kyogle

- Richmond River, and
- Tweed Shire.

In the region the RLS-SEPP does not apply to land national parks and the like administered under the *National Parks and Wildlife Act 1974*, land with a wilderness protection agreement under the *Wilderness Act 1987* in place, Crown land, forestry land administered under the *Forestry Act 1916*, critical habitat under the *Threatened Species Conservation Act 1995*, or land zoned for environmental protection.

RLS-SEPP does not apply to:

- Lismore City – as rural land-sharing development is provided through the councils Rural Housing Strategy 2002 and enabling provisions of the Lismore LEP or
- Byron Shire – as rural land-sharing development is provided through the councils Rural Settlement Strategy 1988 and enabling provisions of the Byron LEP.

In the Lismore local government area the location of land potentially suitable for rural land-sharing development was identified using a broad hectare 'sieve' mapping process which excluded highly constrained land. Land potentially suitable for rural land-sharing development is shown on a map within the Rural Housing Strategy 2002.

In the Byron local government area individual parcels of land are identified as potentially suitable for rural land-sharing development. The parcels of land were identified using a broad hectare 'sieve' mapping process which excluded highly constrained land. Land potentially suitable for rural land-sharing development is shown on a map within the Rural Settlement Strategy 1988.

Key SEPP provisions

- min. 3 or more dwellings on rural land to which this Policy applies
- the land is a single allotment and not subdivided under the *Conveyancing Act 1919* or the *Strata Schemes (Freehold Development) Act 1973*
- land has a min. area not less than 10ha
- height of any building on the land not to exceed 8m
- not more than 25 per cent of the land consists of prime crop and pasture land
- dwelling are not to be situated on prime crop and pasture land
- land on which structure or works is to be located is not land that is a wildlife refuge, wildlife corridor or wildlife management area
- the development is not carried out for the purposes of a motel, hotel, caravan park or any other type of holiday, tourist or weekend residential accommodation, except where development for such purposes is permissible under the LEP
- land on which any structure is to be situated does not have a slope greater than 18⁰, or has been determined not to be prone to mass movement and
- the aims of the Policy are met.

DAs for rural land-sharing development are required to provide a detailed site analysis, plan of management for water, waste, soil erosion, bush fire, flora and fauna, noxious weeds and animals, internal roads, boundary fences, water reticulation, service corridors for telephone and electricity cables.

The number of dwellings permissible on a parcel of land is controlled by a formula and is dependent on the area of the land. Subdivision of the land approved for rural land-sharing development is prohibited by the Policy.

Councils are required to consider the following when determining a DA for a rural land-sharing development; means of establishing land ownership & dwelling occupancy rights, area or areas proposed for erection of buildings (including clustering of buildings), area or

areas proposed for community use, community use of land, availability and standard of public road access, availability of a water supply to the land for domestic, agricultural and fire fighting purposes, availability of electricity and telephone services, availability of community facilities and services, provision for waste disposal, impact on the vegetation cover, risk of flooding, bushfires, landslip, erosion or acid sulfate soils, visual impact, effect on present and potential use (including agriculture), potential for sterilisation of coal, sand, gravel, petroleum or other mineral or extractive deposits, quality of the water resources, land claims by local Aborigines, heritage, future urban or rural residential expansion and any existing village centres suffering from a declining population that might benefit from an increased local population.

Use of RLS-SEPP in Northern Rivers region

The following briefly identifies the number of rural land-sharing developments in each of the Council areas:

- Ballina Shire - nil
- Byron Shire - unknown
- Clarence Valley - unknown
- Kyogle - at 2005 – 29 developments (2-26+ dwellings) containing 265 dwelling sites
- Lismore City - at 1998 – 65 developments (2-25+ dwellings) containing 736 dwelling sites
- Richmond Valley - unknown and
- Tweed Shire - unknown.

Implications for the NRRRAHS

The use of RLS-SEPP in the region and/or the development of land for rural land-sharing communities has been predominantly within the Byron Shire, Kyogle, Lismore City and Tweed Shire council areas

The form of housing development is recognised by Lismore as very important to the provision of 'affordable housing' in the local government area.

There is an opportunity for the NRRRAHS to inform the State Government on how the participating councils in the region consider:

- 'Affordable housing' on rural land in the form of rural land-sharing communities might be protected and further facilitated through use of RLS-SEPP or
- Expanded to include other forms of innovative affordable rural rental housing or
- Incorporated into a replacement as part of the changes to the planning system.

7.2.3 Local Environmental Plan

In March 2006 the government created a common structure and language for local environmental plans (known as a standard instrument / template local environmental plans [SI-LEP]) and required that councils commence preparation of new comprehensive SI-LEP for their local government areas.

Appendix No. 10 identifies the various SI-LEP 'parent-child' definitions for residential accommodation and tourist and visitor accommodation which provide forms of housing.

The Councils participating in the NRRRAHS are at various stages in preparation, exhibition, adoption and the gazettal or making of their new comprehensive SI-LEPs.

The following summarises the stages of completion of the SI-LEP for each council:

1. Ballina Shire – exhibition completed, draft SI-LEP adopted by council, council waiting for gazettal of SI-LEP
2. Byron Shire – draft SI-LEP prepared, preparing for exhibition
3. Clarence Valley – SI-LEP gazetted
4. Kyogle – draft SI-LEP on exhibition

5. Lismore City – exhibition completed, draft SI-LEP adopted by council, council waiting for gazettal of SI-LEP
6. Richmond Valley – SI-LEP gazetted, and
7. Tweed Shire – exhibition completed, revision of draft SI-LEP following exhibition.

As part of the background preparation of the NRRAS a review of the draft and adopted SI-LEPs was undertaken to:

- ascertain the degree to which the notion of affordable housing was specifically mentioned and
- establish the degree of ‘regional commonality’ in terms of permissibility and prohibition of the various types of housing in the SI-LEP land use tables of the standard zones.

SI-LEPs and reference to affordable housing

All draft and adopted SI-LEPs contain the mandated definition of affordable housing in the dictionary of the plan.

Only the Clarence LEP 2011 and draft Byron LEP contains any specific mention or reference to encouraging or providing affordable housing. The Clarence LEP 2011 does so as an objective and draft Byron LEP as an objective and with special provisions of the plan.

Direction 1 under the Land Use Table of the SI template LEP (reinforced by The Dept. of Planning and Infrastructures LEP Practice Note PN09-005) only permits additional objectives to be included in a zone at the end of the listed (mandated) objectives to reflect particular local objectives of development, but only if they are consistent with the core objectives for development in the zone as set out in the Land Use Table.

SI-LEPs land use tables of the standard zones

Appendix No. 11 provides the detail of SI-LEP Land Use Table review.

Not all councils have utilised the same standard zones in the SI-LEPs and obviously there will be differing circumstances determining why councils have utilised certain zones and permit or prohibit various forms of housing in those zones.

As a general comment there is a high degree of commonality of the various types of housing that councils have permitted and prohibited in the rural, residential and business zones.

The following summarises the most obvious commonalities and differences:

Rural zones

There is a general consistency of permissible and prohibited land uses in the mandated zones of the SI-LEPs, the following differences occur:

- Ballina, Kyogle, Richmond River & Tweed Councils permit group homes in RU1 & RU2 rural zones, Byron, Clarence Valley & Lismore do not
- Lismore Council does not permit rural workers dwellings in the RU2 zone
- Kyogle, Lismore, Richmond Valley & Tweed Councils permit group homes in the RU5 zone, Byron Council does not
- Byron, Kyogle, Lismore & Tweed Councils permit semi-detached dwelling in the RU5 zone, Richmond Valley Council does not
- Byron, Lismore & Richmond Valley Councils permit camping grounds in the RU1 zone, Ballina, Clarence Valley, Kyogle and Tweed Councils do not
- Ballina, Byron, Clarence Valley, Lismore, Richmond River & Tweed Councils permit camping grounds in the RU2 zone, Kyogle Council does not
- Lismore & Richmond River Councils permit caravan parks in the RU1 zone, Ballina, Byron, Clarence Valley, Kyogle & Tweed Councils do not
- Clarence Valley, Kyogle, Lismore, Richmond Valley & Tweed Councils permit caravan parks in the RU2 zone, Ballina & Byron Councils do not

- Clarence Valley, Lismore & Richmond Valley Councils permit eco-tourist facilities in the RU1 zone, Ballina, Byron, Kyogle & Tweed Councils do not
- Byron, Clarence Valley, Kyogle Lismore, Richmond Valley & Tweed Councils permit eco-tourist facilities in the RU2 zone, Ballina Council does not and
- Ballina, Byron, Clarence Valley, Kyogle, Lismore, Richmond River & Tweed Councils permit dual occupancy, group homes, multi-dwelling housing, secondary dwellings in RU5 zone, Byron Council proposes not.

Residential zones

There is a general consistency of permissible and prohibited land uses, the following differences occur:

- Lismore & Tweed Councils permit secondary dwellings in the R1 zone, Clarence Valley, Kyogle & Richmond Valley Councils do not – note the enabling provisions of the ARH-SEPP prevail over the prohibition
- Lismore Council permits camping grounds in the R1 zone, Clarence Valley, Kyogle, Richmond Valley & Tweed Councils do not
- Clarence Valley, Kyogle, Lismore & Richmond Valley Councils permit caravan parks in the R1 zone, Tweed Council does not
- Byron & Tweed Councils permit attached dwellings in the R2 zone, Ballina, Clarence Valley & Lismore Councils do not
- Byron, Clarence Valley & Tweed Councils permit dual occupancy in the R2 zone, Ballina & Lismore Councils do not – note the enabling provisions of the ARH-SEPP prevail over the prohibition
- Ballina, Clarence Valley & Tweed Councils permit hostels in the R2 zone, Byron & Lismore Councils do not
- Byron, Clarence Valley & Tweed Councils permit semi-detached dwellings in the R2 zone, Ballina, Byron & Lismore Councils do not and
- Byron, Clarence Valley & Tweed Councils permit dual occupancy in the R2 zone, Ballina, Byron & Lismore Councils do not.

Business zones

- All councils permit shop top housing in the B1, B2, B3 & B4 zones
- Ballina, Byron, Lismore & Tweed Councils permit hostels in the B4 zone, Kyogle Council does not
- Ballina, Byron & Lismore Councils permit multi-dwelling housing in the B4 zone, Kyogle & Tweed Councils do not and
- Ballina, Byron, Kyogle & Lismore Councils permit residential flats in the B4 zone, Tweed Council does not.

Other planning issues identified during consultation

The following in summary identifies the range of planning related issues and/or comments made by Councils and others during the consultation which have some bearing on provision of 'affordable housing' in the region:

- It is a core objective of the Environmental Planning and Assessment Act to *encourage the provision and maintenance of affordable housing* – it is not been achieved nor is it strongly reflected in the SI-LEPs
- Permitting Councils to have a 'notwithstanding' schedule in the SI-LEP as a means of identifying specific land parcels and types of development suitable (e.g. mobile home estates and other forms of potential low cost housing) as opposed to allowing the specific type of development permissible in a more general zone may act as an incentive
- The introduction of a SEPP for affordable housing to apply to the region

- Allowing for more flexibility in the SI-LEPs to mandate a requirement to provide affordable housing
- Allowing for types of housing not defined in the SI-LEP e.g. affordable rural rental housing similar to the RLS-SEPP enabling a rural landowner to build multiple dwellings on rural land that could be used for rental purposes – this would provide housing and an income for rural landowners whose land is not agriculturally productive provided the land not constrained and no loss of prime agricultural land, flood prone bushfire etc.
- Allowing rural detached dual occupancy provided the land is not constrained and no loss of prime agricultural land, flood prone, bushfire etc.
- SEPP-ARH does not apply to RU5-village zones
- SEPP-ARH does not apply to rural zones - although attached dual occupancy is permissible in rural zones
- Application and discounting of s94 & s68 developer and water & sewer contributions to encourage the development of affordable housing – to reflect long term financial contribution of rating system – given delay between identifying needed services or facilities making plan collecting contributions and building
- SEPP-ARH and provision of on-site car parking – the SEPP should recognise increased use of cars in rural areas – discount for site proximity to shops & services & public transport
- Shop top housing – country areas where land is available and cheaper - not necessary that housing be on top of the shop
- Making it mandatory for all new homes to be approved (if need be) as dual occupancies – provide for greater adaptability
- Making the conversion of an existing house to a dual occupancy ‘exempt development’, and
- Local resistance to projects (DA’s) that propose affordable housing under the SEPP – local objection then Council and Court rejection.

Implications for the NRRRAHS

Across the region Councils have been consistent in the manner they have permitted and prohibited differing types of housing in the rural, residential and business zones.

PART B – RECOMMENDATIONS & STRATEGY SUPPORT

8. VISION, GUIDING PRINCIPLES AND GOALS OF STRATEGY

The Steering Committee at the project inception meeting adopted the following as the vision for the NRRRAHS:

To increase the range of housing opportunities for those on low-to-moderate incomes, where accommodation is available, affordable and adaptable by:

- *Developing and strengthening partnerships;*
- *Using knowledge we can gain from each other in the region;*
- *Emulating the successes and learning from the mistakes of other councils; and*
- *Collective advocacy.*

Guiding Principles

The following guiding principles were adopted to underpin the NRRRAHS:

- **Commitment to providing access to housing that is appropriate and affordable –** All residents of the region to be able to access appropriate and affordable housing.
- **Partnership –** Facilitating a collaborative approach between the community, private sector and all levels of government to address the housing needs across the region.
- **Openness and transparency –** Interest groups to be engaged in defining housing problems, issues to be addressed and prioritised, solutions to be considered and implemented and recommendations to be made.
- **Fairness and equity –** Any costs and benefits of policy outcomes are to be fairly distributed among interest groups, with an emphasis on ensuring that the least well off or those most disadvantaged receive appropriate priority.
- **Efficiency and effectiveness –** Public resources are applied in such a way as to maximise beneficial outputs and outcomes per dollar expenditure.
- **Simplicity and ease of administration –** Policy recommendations to be simple to implement and the costs of administration kept to a minimum.
- **Sustainability –** Consideration of social, economic or environmental outcomes by providing housing in a way that contributes to the development of inclusive and sustainable communities.

The following goals have been adopted to achieve the vision of the NRRRAHS:

Goal 1 Collaboration and cooperation

Facilitate a constructive working relationship between the Councils in the region and State and Commonwealth Governments, to enable sharing of information, development of effective partnerships, synchronising of policy and planning mechanisms and advocacy.

Goal 2 Create certainty in public investment

Seek to bring the level of social housing in the region (3.35%) up to the same level of social housing for the rest of NSW (4.89%) within 20 years.

Goal 3 Establish and embed affordable adaptable housing benchmarks into council policy and practice

Include the provision of affordable housing within all appropriate mechanisms.

Goal 4 Lower risks for private investment in affordable housing

Encourage private investment in affordable housing by creating housing benchmarks, planning assessment and low cost development expertise.

Goal 5 Increase resourcing and expertise

Encourage local government in the region, either collectively or individually to engage a level of professional expertise to take advantage of changes in public policy, new funding programs and entrepreneurial opportunities.

Goal 6 Protect existing low cost housing

Encourage the protection of existing low cost housing including detached housing, boarding houses, shop top housing, caravan parks, manufactured homes and rural land-sharing communities, so that there is no net displacement of low to moderate income residents living in these forms of housing.

Goal 7 Targeted affordable housing for specific age groups

Increase the supply of affordable and adaptable housing suitable for young families and individuals and affordable and accessible housing suitable for older retired people.

Goal 8 Make better use of underutilised housing

To increase the average household size of existing dwellings, particularly detached housing, by modification to dwellings and programs that encourage forms of house sharing and boarding.

Goal 9 Make better use of underutilised public land, buildings and infrastructure for housing**Goal 10 Innovation**

Promote a small number of affordable housing model pilot projects where normal development controls are relaxed in order to promote new innovative housing that is affordable, adaptable, sustainable and appropriate.

9. ADDITIONAL RATIONALE FOR GOALS

The following provides a brief commentary on the rationale behind the goals of the NRRRAHS.

Goal 1 Collaboration and cooperation

The experience of successful local affordable housing strategies in the Northern Rivers shows that collaboration and cooperation between various levels of governments, the community sector and the private sector is essential.

Goal 2 Create certainty in public investment

The seven participating Councils of the Northern Rivers regard provision of affordable housing as primarily a State or Commonwealth Government responsibility. If part of this responsibility is to be shifted to Local Government then there needs to be certainty in public investment, for both direct provision of new housing and in the resourcing of support workers and expertise at a local level. (also see Goal 5).

Goal 3 Establish and embed affordable adaptable housing benchmarks into council policy and practice

This is possibly the most difficult of the goals to effectively achieve because benchmarks can:

- Be too prescriptive and thus stifle innovation
- Appear to be overtly political, so that there may be a perception that they intervene too much in the decisions of the private development industry, and
- Can appear to be a form of social engineering, by defining a preferred model of development.

However, benchmarking can have the opposite effect and as with most public policy it should be reassessed over time.

Benchmarks might include:

- Providing a minimum percentage of housing that meets the affordable/adaptable housing benchmarks in new housing estates of a certain minimum size.
- Requiring a certain density or mix of dwellings and other forms of residential development on an area basis (e.g. per hectare) in new housing estates that 'forces' diversity of housing.
- Establishing mechanisms and encouraging housing with special titles, ownership or contracts that has an ongoing discount to regular housing and is less prone to the real estate boom and bust cycle.
- Encouraging smaller dwellings by providing reduced development contributions on a sliding scale depending on number of bedrooms and size of dwelling, for example one or two bedrooms below 65m² or three bedroom dwellings below 85m² could attract reduced contributions.
- Encourage small lot subdivision, however where there is a congregation of small lots under 300m² within a subdivision there needs to be a more prescriptive approach e.g. defining building envelopes to ensure sufficient functional private space and making provision for and the integration of features such as, work from home, commercial and social services that make developments less car dependent.
- Encouraging denser forms of housing but discouraging higher concentrations of very small dwellings (e.g. below 30m²), such as boarding house rooms.

Benchmarks are a measure by which better utilisation of infrastructure and cheaper infrastructure costs per dwelling might be achieved, smaller lower cost housing constructed and better integrated neighbourhoods developed that don't concentrate disadvantaged and less car dependence.

Aspects of Council and Regional policy and practice in which affordable housing could also possibly be embedded include:

- Regional strategies
- Sustainability initiatives, economic strategies, social and cultural plans, environment policies
- Local growth management growth strategies
- Zoning and development controls
- Rate settings
- Development contributions
- Provision of community services, and
- Community grants.

Goal 4 Lower risks for private investment in affordable housing

If proposed housing developments achieve approved benchmarks and have local community support then Council's primary role would be supportive of outcomes and innovation and not as a barrier to those developments. It is however difficult for government, particularly local government to positively affect private investment in housing.

Research by Nicole Gurran, Kristian Ruming, and Bill Randolph for the AHURI (November 2009) shows that the most significant way government can assist private sector land and housing developers is by reducing risks associated with unnecessary blow outs in time and development costs associated with regulation, particularly, time involved in the assessment of applications and unnecessary technical requirements where duplication is involved.

Gurran, Ruming, and Randolph indicate that these costs are associated with the 4 levels of a typical development process:

- Land acquisition (with land values being affected both positively and negatively by planning policy settings and system efficiency).
- Procedural obligations (time and resources associated with securing planning permission).
- Compliance with design requirements (costs associated with meeting mandatory design controls that exceed basic health and safety standards).
- Payment of fees or charges (for application processing and for infrastructure or community facilities).

In the Northern Rivers region private sector and not-for-profit development and developers tend to be smaller, with the exception of some developers operating in Tweed Shire.

Unpredictable time delays are difficult for all developers but they are harder for small developers. As a result small developers in particular are less likely to try anything new, controversial or innovative however good the intentions and their applications are not usually of a scale to be expedited directly with the state government.

Goal 5 Increase resourcing and expertise

What is evident in the analysis of provision of new affordable housing in the past five years is that the Northern Rivers was only able to take minimal advantage of any of the significant funding programs like NRAS.

An exception was the fourteen dwellings developed in partnership with CHL by Clarence Valley Council. Primarily this was only possible because Clarence Valley Council resourced a housing officer. In the not-for-profit social housing sector NCCHC did not have the housing development expertise to capitalise on available funding and is only now gradually establishing this expertise.

In the absence of NCCHC being able to develop new housing, both CHL and Horizon, organisations external to the region, have begun to establish a presence.

There has also been a very narrow risk adverse mix of development proposed by the private sector. The majority of 'affordable housing' developments proposed have been 450-800m² lot subdivisions with detached dwellings and little in the way of community features. As the housing market has contracted in the last two years it appears the cost structures that underlie this model of housing development have made it unaffordable.

There is little evidence of any innovative models of housing emerging in the region. The small numbers of boarding house developments that have been proposed have met with opposition from the local community.

In Sydney there is a range of development expertise, funded through government organisations like Landcom and City West Housing. There is no equivalent to this type of development expertise in NSW outside the wider Sydney metropolitan area.

Goal 6 Protect existing low cost housing The consequences of forced housing displacement impacts adversely both on the people affected and the wider community. For individuals and families there is; a large economic relocation cost, dislocation from existing supportive social networks, and displacement from existing work. This can result in greater poverty, family disruption and disintegration, mental health issues and people traveling far greater distances for work. The communities in which this happens are also affected, there is reduced socio-economic diversity, employment patterns are disrupted, social, health and housing services come under greater stress.

All these factors have significant costs to the wider community that can be greater than the cost of protecting tenancies. For example the financial gain of re-developing a caravan park for more tourism use or as new upper-market housing development is obvious but the social costs are almost invisible because they are defrayed more widely across the social welfare system.

Where there are larger concentrations of people on low to moderately low incomes living in caravan and mobile home parks and who are likely to be displaced by re-development, local government could play a role to protect these tenancies.

Goal 7 Targeted affordable housing for specific age groups

It has long been the case that young people (in their early twenties) who grow up in the country often move to the city, at least temporarily, for education, work and lifestyle reasons.

The Northern Rivers region has not strictly followed this trend in the same way as many other regions in NSW. From the 1970's through to the early 2000's there was a net migration of young people into the region. However, it appears this has changed in the past decade primarily because there is a lack of affordable housing.

The reason this is an issue is that young people are very important to the economic and cultural dynamism of an area. They are key workers, establish new businesses, have entrepreneurial spirit particularly related to ecommerce and eculture, fashion, music and new cultural expressions. Adult sport may exist without young people, but it will inevitably be improvised. Additionally the decline of key cultural institutions such as Southern Cross University can occur if there is not a constant infusion of youth and new ideas.

The issue for the older retired people is quite different to that of younger people. Older people are more likely to have stable accommodation, however it may become less suitable either because of size or accessibility as they grow older and there is not sufficient smaller and more accessible housing for them to move too.

Older persons who do not have the means to buy or move into a smaller accessible dwelling in the town which they chose to live may end up being displaced to another town in the region or outside the region, or being forced to stay in inappropriate housing that

they might not have the resources to retrofit. There is a large degree of anecdotal information that this has been happening already, although the solid statistical information is harder to find. This type of dislocation often has a high social cost with the individual being more reliant on the welfare system.

Older people with greater resources will tend to stay in their existing housing for a longer time, if there are no smaller more accessible alternatives. However this often means that one or two people are living in a large house that could be inhabited by more people.

Goal 8 Make better use of underutilised housing

Goal 9 Make better use of underutilised public land, buildings and infrastructure for housing

The lack of 'affordable housing' in the Northern Rivers region is not a result of the average amount of physical housing shelter available to each person. In Australia on average a person has 70m² of housing available which is a greater than any other country in the world.

In the Northern Rivers region the average number of people living in a dwelling has declined as the diversity of housing has declined in the past five years. Better ways to utilise existing housing, buildings and infrastructure will assist in the provision of 'affordable housing'.

There are good environmental, economic and social reasons for looking at better ways to reuse, recycle or use more efficiently existing housing and infrastructure, including for example; promotion of sustainability policy, bringing life and activity into places that have none after dark, including crime prevention, particularly in CBD areas.

The key issue in regard the reuse of buildings for 'affordable housing' is the cost of retrofitting. For example, the conversion of a shop top space for housing involves the cost of complying with existing development controls and building codes which can be more expensive than building a new dwelling with all incumbent new infrastructure. Therefore shop top housing potentially is no longer affordable.

However there may be a range of complementary and alternative housing options that have not been considered or promoted. For example, shop top boarding houses or even boarding houses associated with industrial buildings might be a good fit, as recent evidence shows that boarding houses have little support in established residential areas.

Better utilisation of large detached houses, where there are only one or two people living in them, through house sharing and boarding, may become attractive through a combination of new external management processes and simple retro-fitting.

Goal 10 Innovation

Analysis of the private development industry and commentary from key stakeholders (see Storyboard page 4) suggests that provision of affordable housing through a 'business as usual approach' is increasingly difficult. The cost structures around typical Northern Rivers suburban development mean that the single detached dwelling on 450-800sqm blocks, is very difficult to build for under \$300,000. This is unaffordable for most low and moderate income earners in the Northern Rivers. Unless government provides a large degree of subsidy beyond what it is currently providing, new solutions are needed.

10. ADDITIONAL INFORMATION AND RATIONALE FOR STRATEGY ACTIONS

The following provides a brief commentary on the rationale behind the recommended actions of the NRRRAHS.

Action 1 - Briefing of Councils, Education Program and Adoption of Strategy

If this Strategy is to be effective, it needs to be understood by elected Councillors and Council staff before it is adopted.

Action 2 - Regional Memorandum of Affordable Housing

(Supports Goal 1 Collaboration and Cooperation) If a regional strategy, including regional mechanisms are to work then the LGAs that are a party to the strategy need to work out how they can most effectively work together. How will resources be shared? Where will workers be located? etc.

Action 3 - Housing Forums

Housing forums are key components of Goal 1 - Collaboration and cooperation.

Action 4 - Short Term Regional Housing Officer (STRHO)

In order to get the strategy adopted and in order to resource negotiation NOROC or individuals will need to resource a short term worker, this may turn into the Regional Housing Officer position in Action 6.

Action 5 - Regional Affordable Housing Agreement

The Council of Australian Governments Fact Sheet for the National Affordable Housing Agreement (NAHA) states:

"The NAHA aims to ensure all Australians have access to affordable, safe and sustainable housing that contributes to social and economic participation. Through the NAHA, the Commonwealth and the States have also committed to a range of reforms that will improve housing affordability including:

- improved integration and coordination of assistance to people who are homeless or at risk of homelessness;*
- improvements to social housing arrangements to reduce concentrations of disadvantage and improve the efficiency of social housing;*
- improving access by Indigenous people to mainstream housing, including home ownership and contributing to the 'Closing the Gap' targets; and*
- other reforms to increase the supply of affordable housing."*

An agreement similar to the NAHA may be the best way to identify and resolve the various roles and responsibilities of State and Local government. A formal agreement creates certainty within a particular timeframe for both investment and resourcing, which in turn allows the opportunity for long term planning and the opportunity for resourcing and testing innovation in delivery of 'affordable housing'.

Action 6 & 7 - Regional & Local Housing Officers

The resourcing local housing workers has been the most successful aspects of local strategies to date, expanded resourcing of regional and local workers is seen as a key ingredient in expanding local government capacity in the region.

Action 8 - Regional Development Expertise

This has been the critical missing link in the provision of new affordable housing projects in this region in the past 5 years. Development expertise in the form of land economists, project managers, surveyors, engineers, ecologists, environmental scientists, town planners, architects and allied professionals exists in a fractured / diverse way across the region, but does not exist in a single accessible place.

The type of expertise exists in large private and not-for-profit development groups and except for Tweed Heads there has not been the scale of development to mobilise these resources in a 'one-stop' multi-disciplinary shop.

A key issue for this action is how it should be implemented which includes resourcing to pay for services, with the intention of developing services located in the region rather than relying on brokering services from Sydney, Brisbane or elsewhere.

The action plan recommends three models which all have strengths and weaknesses.

1. Have Landcom or similar organisation, which is a NSW government corporation set up a regional office. Landcom's charter is essentially an urban charter so it's relevance to a rural /regional area may not be as relevant.
2. Private brokerage, this is the direction that an organisation like NCCHC has been moving of its own accord.
3. Develop this service around Ballina Council or one of the other Councils. Ballina is a good choice because it is located centrally and it still retains its own expertise as a commercial land developer.

Action 9 - Investment Agreement

(See rationale for Goal 2.)

Action 10 - Development Contributions

If the NSW Government expects local government in the Northern Rivers region to become an active player in the development of 'affordable housing' then it will either have to provide local government with the resources it needs or provide local government with the capacity to raise funds itself. (Also see rationale for Goal 2.)

There are two means by which local government may be able to raise revenue to resource the development of 'affordable housing'; rates or development contributions.

The status and timing of the proposed changes to the NSW planning system require that this issued be considered and further developed in the context of the changes. A development contributions plan (or equivalent) for 'affordable housing' on a regional level may be through either the proposed Sub-regional Delivery Plans or Growth Infrastructure Plans, negotiated under voluntary planning agreements, or development contributions system via monetary or in kind contributions.

Action 11 - Government Land Transfer/Use Protocol

Two key ingredients to the development of affordable housing are:

- Access to land at below market value; and
- Access to land without additional complication.

The NSW Government is a large owner of land, much of the land they own is earmarked for specific purposes such as schools, health facilities, transport infrastructure etc. This action seeks to establish a protocol for transfer of land assets that are no longer needed or are unlikely to be needed in the future for their current designation. The protocol needs to be simple and have guarantees that the land will be used for affordable housing.

Suggested elements of the protocol should include:

- An identification process linked to Action Item 17 Mapping of Potential Affordable Housing Assets
- A process of negotiation with the NSW Government at a single point rather than with each separate government department;
- Transfer of assets to a secure entity, this is part of the purpose of Action Item 12 - Housing Fund and Land Trust.

Action 12 - Housing Fund and Land Trust

This is suggested as another part of establishing appropriate regional architecture to support affordable housing.

Action 13 - Affordable/ Adaptable/ Accessible Housing Performance Benchmarks

(see rationale to Goal 3)

Action 14 - Innovative Affordable Housing Projects

Point 2

The cost of land in the Northern Rivers region, particularly near the coast, has made it extremely difficult to develop affordable housing, unless the land that has been zoned and owned for more than 20 years.

Part of the reason is that the process of rezoning tends to make the housing developed on that land less affordable because of the up valuing created by the rezoning. Rezoning to a higher order land use causes both a real and perception change of value and there is an inevitable need to maximise overall residential development yield and return for the newly zoned land, to an extent that any other inherent values the land may have had, agricultural, ecological or cultural heritage are often over-looked or sidelined.

If the overall land value remains low then the assessed value of land per new dwelling will also remain relatively low, particularly if property values are stabilised under a management structure like a community land trust. A secondary consideration is that presently land development under these conditions does not give a developer absolute rights and recourse to contesting (in the legal system) refused requests for rezoning. The intent of this is to allow dual or multiple uses of land that is close to town without necessarily changing its zoning or primary use.

Point 3

There has been a history of new forms of rural settlement in the Northern Rivers region including; agricultural worker communities and later rural land sharing (multiple occupancy) developments.

In the Lismore and Kyogle local government areas alone there are at least 76 rural land sharing communities providing some 603 dwelling sites, representing a population of at least 1,326. There has been considerable rural land sharing development in the Byron and Tweed local government areas.

The development standards within SEPP No. 15 (Rural Land sharing Communities), the creation of rural settlement strategies in the Byron and Lismore rural settlement strategies have tended to curtail land sharing development, which has slowed this form of rural low cost housing.

There is a concern that there are unresolved problems with the current legal mechanisms relating to home ownership that support land sharing developments as well as the historical complaint that multiple occupancy communities do not pay a fair share in rates and development contributions.

The creation of new models for home ownership that support landsharing developments and other forms of 'land title' may assist to resolve other existing planning legacies in the region (e.g. areas of fragmented land from numerous large lot rural residential subdivisions). New and alternative forms of closer rural settlement may also act as an incentive for increased agricultural productivity, if designed appropriately.

Point 4

The 'affordable housing' crisis of today may not exist in ten years time. There are many factors that may affect housing affordability in the Northern Rivers region including a large or slow housing market correction.

Having regard to the volatility of the housing market it seems prudent to investigate planning and other mechanisms that allow temporary housing solutions. The emergence of pre-fabricated housing technologies supports the development of temporary housing solutions.

In the United Kingdom temporary housing has been developed by a not-for-profit housing provider on commercial land, which was not viable to develop commercially, but which would be once the land value had increased. Blocks of pre-fabricated flats three and four stories high were erected in less than two weeks and later disassembled in a similar time. It is unlikely that there would be viability for this scale of development in the Northern Rivers region, however temporary development of primitive camping areas, caravan parks and manufactured homes may be an appropriate viable means of providing temporary housing.

Action 15 - Northern Rivers Affordable Housing Incentives Package

If Councils are to promote 'affordable housing' solutions, particularly ones supported by the ARH-SEPP, then targeting and supporting the provisions of the SEPP should be undertaken.

The following identifies three types of 'affordable housing' promoted by the ARH-SEPP which could be further promoted by Council:

Secondary dwellings

Provision of secondary dwellings should be promoted in the Northern Rivers region because:

- It is simple form of residential development which is seemingly uncontroversial.
- They target a size of housing needed within the region, i.e. 1 and 2 bedroom dwellings.
- They use existing infrastructure so their costs are low.
- They don't require sophisticated development processes, so they don't need to be backed by a large organisation.

Dual-key residential development of which secondary dwellings are a type, are rapidly becoming a feature of the housing market in Australia. Encouraging or mandating that a new detached dwelling on an allotment larger than 600m² should be designed to be easily adapted to include a secondary dwelling would further expand the opportunity for this type of development.

One & two bedroom accessible dwellings

Incentives that may encourage the provision of one & two bedroom accessible dwellings include:

- reduced rates and development contributions
- access to State and Commonwealth government funding
- assistance with market research
- assistance in negotiation with financial institutions for a special financial lending package and
- development of incentive land use controls and standards.

Shop top boarding houses

Boarding houses as facilitated under the ARH-SEPP allow the lowest cost entry point for housing, largely because boarding house rooms are small. The development of boarding houses is also backed by the State Government program *Expanded Boarding House Financial Assistance Program* which provides grants of up to \$10,000 per room to developers.

It appears that development applications for boarding houses are not readily embraced as an acceptable form of housing development in many residential areas within the region. However boarding houses may be the perfect fit within commercial zones as a form of 'shop-top housing'.

'Shop-top housing' has been a declining form of housing across the region. The use of incentives for boarding houses provided in the ARH-SEPP for commercial zones and a state government subsidy might make them a viable business option. Lismore City Council

has proposed shop top housing as a project under its Housing Strategy and may be the perfect place to pilot and facilitate the development of 'shop-top boarding houses'.

Action 16 - Affordable Housing DA Pre-lodgement and Assessment Process

This is a key component in addressing Goal 4 Lower risks for private investment in affordable housing.

Action 17 - Mapping of Potential Affordable Housing Assets

(see Goal 8)

Action 18 - Protecting Existing Affordable Housing

(See Goal 6.)

Action 19 - Alternate Housing Market Research Project

Secondary market mechanisms are not a feature of the Australian housing market. However, they are common in housing markets in other OECD countries including Great Britain and USA.

When the US housing market collapsed in 2008, an interesting but small feature of the collapse was that housing established under community land trusts retained its value better than virtually any part of the US residential property market.

This action is similar to an action in the Western Australia Affordable Housing Strategy, it seeks to develop a niche mechanism that stabilises dwelling value over the long term by having restrictions on the title or through other means making the housing not subject to speculative booms and busts.

Action 20 - Northern Rivers Affordable Housing Innovation Pilots Project

(see rationale for Goal 10)

11. RECOMMENDATIONS

In considering the adoption of this Regional Strategy it is important that both Local and State Government and other stakeholders understand the unique place of the NRRRAHS in the policy making process. There is little precedent for the development of housing policy by a collection of local government areas at a regional level in NSW.

The NRRRAHS seeks to give direction and create a framework for the seven local councils that are participating in the formulation of the Strategy, and it is therefore not too explicit in the detail of the proposed actions.

It is likely that there will be significant changes to the NSW planning system in the near future. The green paper produced by the NSW Dept. of Planning and Infrastructure 'proposes the creation of new Regional and Subregional plans. The NRRRAHS and the proposed Regional Affordable Housing Agreement that is at the heart of it should be considered within this context.

It is envisaged that:

- The NRRRAHS will be adopted by each local government area and each of these will prepare individual policies that relate to aspects of the Strategy.
- NOROC will commence a process to educate and inform Councillors and Council staff about affordable housing issues.
- NOROC will work with the State Government to create an appropriate framework for the implementation of regional policies promoting affordable housing, having regard to changes to the NSW planning system.

The following are a range of ideas that emerged during the preparation of the Strategy, but are not included in the body of the document:

1. Regional

- Establishment of the Regional Affordable Housing Policy to ensure future regional growth plans and sub-regional delivery plans make specific provision for affordable housing that incorporates regional benchmarks.
- Development of a model Regional Voluntary Planning Agreement Template.

2. Local

That NOROC encourages each Council to prepare its particular response to the strategy, with reference to:

- Local affordable housing performance benchmarks in line with the regional benchmark framework.
- Establishment of local affordable housing land registers, and
- Mapping local affordable housing assets.

That the Councils consider developing policies to facilitate the implementation of:

- House sharing project - undertake research, develop and seek funding for a model that promotes house sharing to promote the better use of existing housing stock that includes:
 - Externally managed tenancies by registered housing providers or real estate agents with standard leases suitable to this purpose in houses shared with building owners and
 - Provision of subsidised boarding rooms.
- Secondary dwelling ownership models - which involves examination of the viability (within existing corporate laws) of new models for ownership or long-term lease of secondary dwellings that does not involve land sub-division but which has the potential to have a separate mortgage. Some examples include:

- *Example 1 – a Registered Housing Provider (RHP) sources and provides capital to build secondary dwelling on a standard long-term lease (10-20 years) with the landowner. The RHP manages the tenancy at below market rent, while the landowner has agreed negotiated property rights in regard maintenance, vetting of tenants etc.. The ownership of the secondary dwelling reverts to landowner at the end of lease.*
- *Example 2 – Part of a property is leased for a period of 5-20 years to the owner of a transportable dwelling. The benefit of a transportable dwelling is that it will not necessarily require the same level of compliance (and cost) with the BCA and can because it is transportable be used for temporary housing in flood prone and other potential hazard areas.*
- Creation of a new Policy to encourage rural Land-sharing Policy and facilitate new and innovative forms of affordable housing in rural areas. The range of key issues to be addressed include:
 - Existing rural land fragmentation
 - Equitable payment of development contributions
 - Equitable payment of rates
 - Transfer of assets and certainty in legal rights, and
 - Public liability.