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In-House Memorandum

~ *Social Housing*

Social housing is a current concern within planning policy. Although the provision of affordable housing is linked at Commonwealth, State and local government levels, and in Victoria through the *Housing Act 1983* (Vic), local government also implements social housing programs through its local planning scheme and related strategic policy documents.

The Commonwealth Senate References Committee on Economics is currently conducting an inquiry into affordable housing, due to report on 27 November 2014. Terms of reference stipulate inquiry into the effectiveness of government policies and programs in facilitating affordable home ownership and private rental, the impact of Commonwealth programs on State and Territory governments and the role of innovation and sustainable planning and policies in ensuring improved social outcomes.

The Victorian state government is pursuing its March 2014 policy framework, '*New Directions in Social Housing*', which was implemented in Direction 2.3 of *Plan Melbourne*, the new strategic planning document release on 19 May 2014¹. Direction 2.3 provides for changes to the VPP to include a definition of social housing consistent with the government's social housing framework (Initiative 2.3.1). The framework responds to a perceived decline in the Victorian public housing system and notes that the public portfolio no longer matches demand, with properties in poorer condition and more costly to maintain².

The current state government social housing framework arose in response to the Victorian Attorney-General's 2010 '*Access to Social Housing*' report that observed failings in the undersupply of affordable housing to those on low incomes³. Although the Government sought to take advantage of the Auditor-General's report⁴, the Auditor-General concluded that:

*"the supply of social housing is on track to exceed the target of 1,500 properties set by the 2007-2008 Budget initiative."*⁵

The March 2014 proposed State Planning Policy Framework (public comment version) at CI 08.01 'Location of Residential development' includes Strategy 1.4: "to facilitate a mix of private, affordable and social housing in activity areas"⁶. Its Regional Policy Objective 1, under CI 08.01, aims "to reduce the cost of living by including housing supply near services and public transport", including Strategy 1.3 to facilitate "family friendly housing, affordable and social housing"⁷.

¹ <http://www.premier.vic.gov.au/media-centre/media-releases/9987-plan-melbourne-drives-jobs-transport-investment.html>, accessed 30/9/14

² 'Statement from the Minister' in *New Directions in Social Housing* (Victorian Government, March 2014), p.1

³ *Access to Social Housing*, (Victorian Auditor-General, 2010), p.vii.

⁴ 'Questions without Notice', Legislative Council: Ondarchie; Lovell, 1 April 2014; Ondarchie; Lovell, 2 April 2014; Ramsay; Lovell, 3 April 2014; Hartland; Lovell, 3 April 2014; Mikakos; Lovell, 9 May 2014; Crozier; Lovell, 10 June 2014.

⁵ *Ibid*, p.viii.

⁶ *Planning Policy Framework, Integration Version: March 2014*, p.73.

⁷ *Ibid*, p.75.

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The PPF's include particular provisions regarding Housing Diversity and Affordability (CI 08.02). We understand the PPF to be currently with the Minister for Planning.

Local Government also frequently responds to the need for public housing through planning schemes and related policy that seek to include a social housing component as a condition of new development approvals. For example, in 2003, Community Housing Ltd⁸ noted that:

*"The Eastern Metropolitan Region... has less than 2% social housing as a percentage of total stock compare, which is half the Victorian and a third of the national average and has no publically funded boarding houses for single people."*⁹

The widespread review of local government housing policy following introduction of the new residential zones now frequently sees Schemes defining 'social housing' and including, within their Municipal Strategic Statement, a goal of increasing the supply of social housing¹⁰ and identification of further strategic work particularly through partnerships with community housing providers. In one instance Darebin City Council entered into a Memorandum of Understanding with a social housing provider to facilitate liaison with a developer and the arrangement was applauded by VCAT¹¹.

Social housing requires an effective policy setting to ensure it plays a role in the provision of affordable housing. The Commonwealth inquiry matched with state government reform are important steps in supporting this critically important social need.

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⁸ A national not-for-profit housing provider: <http://www.chl.org.au/>, accessed 11/9/14.

⁹ *Tulcany Pty Ltd v Knox CC* [2003] VCAT 1627, at [9].

¹⁰ For example, Knox Planning Scheme Cl.21.05-2 and The Knox Housing Action Plan 2007-2012.

¹¹ *Park Rise Australia Pty Ltd v Darebin CC & Ors* [2013] VCAT 421 at [6].

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