

Draft Tweed Shire Council
Affordable, Attainable and Appropriate Housing
Policy Statement

1. Policy objective

Tweed Shire Council's *Community Strategic Plan 2017-2027* developed in collaboration with the community, highlights Council's commitment to affordable, attainable and appropriate housing:

Principle: "Leaving a legacy for future generations

Sub-stream: Managing community growth

Goal: Planning for sustainable development which balances economic, environmental and social considerations. Promoting good design in the built environment.

Strategies/actions: Encouraging housing diversity and choice that meets the needs of the community.

Target: Increasing the supply and choice of housing and cater for future growth."

This policy statement outlines key housing issues for the Tweed Shire and outlines Council's position in addressing affordable, attainable and appropriate housing particularly for those most in need. This statement should be read in conjunction with the *Tweed Shire Context and Options* background paper completed by Urbanista in April 2018.

2. Definitions

To distinguish the difference for the purposes of this statement the following definitions have been used to distinguish the difference between affordable and social housing:

Affordable refers to when households that are renting or purchasing their homes they are able to pay their housing costs and still have sufficient income to meet other basic needs such as food, clothing, transport, medical care and education. A commonly accepted measure is that housing is considered affordable where households in the bottom 40% of the household income distribution are paying no more than 30% of gross income on housing costs. **Attainable** refers to the ability to acquire housing. **Appropriate** refers to meeting the needs of residents and also the flexible nature of universal design of housing.

Social housing refers to government-funded rental housing provided to very low to low income households who cannot afford; access or sustain housing in the mainstream housing sector.

3. Policy

Background

Rising house prices and a limited supply of affordable housing are priority issues for all levels of government. Both the New South Wales and Commonwealth Governments have introduced new measures and reforms to increase the supply of affordable housing and to place downward pressure on house prices.

Tweed Shire Council has identified housing affordability as a significant issue in the Local Government Area (LGA). Council has an appreciation of housing need in the LGA, and has been proactive with the development of its Homelessness Policy and is interested in pursuing other approaches to meeting the needs of the community. There is an opportunity for Council to implement further initiatives and actions to increase the supply of affordable housing in the LGA to relieve housing stress for many low and moderate-income residents.

This policy statement has been informed by a high-level review of housing needs and affordability undertaken by Urbanista, along with discussions with Council managers and workshops with Council officers and Councillors held in October 2017 and February 2018. These discussions and workshops confirmed key housing issues and priorities and also explored the potential role Council can play and recommends some actions.

The role of local government

Housing affordability pressures in the Tweed Shire are particularly acute as a result of a unique combination of factors. The Shire has lower household incomes and higher unemployment typical of many regional areas, while the attractiveness of its coastal environment to both tourists and those relocating from metropolitan centres, combined with its proximity to the Brisbane/Gold Coast region, have resulted in cost pressures more typical of major metropolitan areas.

A greater emphasis on housing affordability in relevant urban planning strategies such as the *North Coast Regional Plan 2036* and the *National Smart Cities Plan* has emerged.

These provide a more robust policy framework for local government to encourage responses by the community housing industry and the private sector to affordable housing, as well as opportunities for Council to work in partnership with other players and leverage its own resources. There are however certain timeframes within which Council may need to respond to these emerging opportunities. Combined with this, there are local priorities requiring swift action which have been exacerbated by recent floods and pressures from tourism and regional growth.

The actions identified in the accompanying Urbanista context and options paper are not exhaustive. The actions included here are aimed at responding to the priority issues identified by Council. They will position Council to take advantage of funding and programs offered by other agencies and build a case for legislative change. While these are considered early responses, it is important to note that their impact may not be immediate and may require additional resources to implement.

As such, Council works in partnership with other levels of government, community housing providers and private providers to address this commitment. To implement this policy statement Council will have the following roles:

Leader - Council shows strong, transparent and visionary leadership promoting unity to make our Tweed community even better tomorrow than it is today.

Advocate - Council gives voice to the community by lobbying and advocating to achieve benefits and best possible outcomes for the Tweed.

Provider - Council delivers over 50 different services to the Tweed community.

Collaborator - Council works together with a range of stakeholders to bring outcomes for the community to fruition.

(TSC Community Strategic Plan 2017-2027, pg 8)

Tweed Shire context

Tweed Heads is one of the least affordable housing markets for middle-income households according to the 13th Demographia International Housing Affordability Survey. Using the “Median Multiple” measure which is the median house price divided by the median household income, Tweed Heads which measured 9.7 was one of the least affordable of 28 locations in Australia (outside of major capital cities) rated as severely unaffordable (see Urbanista Context and Options Paper Attachment 1, Figure 8).

The Urbanista paper outlined key demographic and social trends for Tweed which in summary includes, a high rate of population growth, an ageing population, a predominance of smaller households and a large proportion of low-income households. Housing market trends in Tweed include a decline in the number of renter households, a higher proportion of unoccupied dwellings, significant mismatch between the type and size of housing and households, high rents and high housing prices.

Private market rents are high relative to regional NSW, and more on a par with rents in outer metropolitan Sydney. The number of dwellings available for rent is declining. The total number of rental bonds has declined by 0.7% over the year to June 2017 in Tweed. Tweed is only one of four regional areas in NSW where the number of bonds has fallen (see Urbanista Context and Options paper Attachment 1, Figure 6).

Tweed Shire’s high housing costs contribute to high levels of housing stress. Households are considered to be in housing stress when they are paying more than 30% of their income in rent/mortgage. The number of Commonwealth Rent Assistance (CRA) recipients in Tweed is growing and the proportion of these in housing stress has ranged from 35% to over 40% between 2001 and 2015. The number of social housing dwellings (1,128) is 2.8% of total dwellings in Tweed LGA. This is lower than the average of 4% across the state. Wait times for most social housing dwellings are more than 5 years and more than 10 years in Tweed Heads.

The review of data, together with Council’s knowledge and insights, indicates the following key issues, constraints, impacts and gaps:

Housing Impacts – Tweed Shire

Issues

- High population growth, ageing population
- Unmet demand for social housing
- High needs for specific groups , for example Aboriginal people
- Contracting private rental market
- High rents, high house prices – competition from tourism, retirees and tree changers
- Lack of housing diversity – mismatch with household type and size
- Large amounts of greenfields land zoned but not released

Impacts

- Dislocated households from recent floods
- Flow on impacts of housing market pressures on homelessness
- Challenges ensuring services and work opportunities keep pace with growth
- Long term residents being displaced through gentrification, non-resident investment and conversion of permanent rental accommodation to short-term use
- High levels of investor interest

Constraints

- Limits on land availability: environmentally sensitive areas, protection of agricultural land, ownership monopolies
- Low income and high unemployment
- Lack of diversity in the housing market – dominance of detached housing
- Lack of good examples of higher density housing – affordable housing more prominent

Gaps

- Smaller accessible dwellings (all tenures) for older people, single person households and lower income couples
- Emergency housing for homeless and at risk individuals/families
- Short term housing for displaced households
- Private rental-all housing types but especially smaller dwellings in accessible locations at lower price points
- Affordable housing for lower income households – all dwelling types

(Urbanista – Context and Options paper, pg 4)

4. Principles

Tweed Shire Council commits to working in partnership in:

‘Addressing affordable, attainable and appropriate housing particularly for those most in need, providing current and future residents with choice, opportunity and the ability to participate meaningfully in community life. This is a basic human right regardless of their age, culture, gender, race, religion, physical ability or sexual preference’.

Council will act as a **Leader, Advocate, Provider and/or Collaborator** in the delivery of this policy. Council’s policy adopts the following principles and associated deliverables to address this commitment:

- Advocate for appropriate social, community and private housing outcomes that address the housing needs of low to moderate income residents.
- Advocate that regardless of the type of the affordable housing, it must be well managed and maintained and not subject to trade-offs in relation to quality, accessibility, security of tenure and/or proximity to critical infrastructure and services.
- Through planning mechanisms and statutory controls, influence and encourage a diversity and increase in supply of social and community housing options in a variety of locations for the benefit of current and future low to moderate income residents.
- Collaborate in the provision of diversity in dwelling types and housing designs that are adaptable and accessible to meet the needs of all current and future residents of the municipality.
- Collaborate to promote sustainability in design and built form to assist in supporting residents’ ability to meet ongoing costs of living associated with running a house.
- Lead in all redevelopment sites achieving high levels of amenity and liveability particularly in relation to accessibility to shops, public transport and services.
- Collaborate and/or facilitate partnership opportunities with relevant organisations, not for profit and the private sector to improve affordable and appropriate housing choices for residents.
- Collaborate with community in further understanding housing issues and demand vs supply. Lead in the dissemination of communication around affordable housing to capacity build community’s knowledge.
- Collaborate and lead the inclusion of affordable housing for low income households in all major redevelopment sites.
- Collaborate and lead constructively and cooperatively with neighbouring Councils to address the provision of affordable housing for low income residents within the Northern Rivers and South East Queensland Regions.

(Adapted from Hobsons Bay Policy Statement 2016)

These adopted principles will provide guidance in responding to priority needs and in turn establishing a course of action with allocated roles/responsibilities, resourcing and timelines.

5. Related legislation

Local Government Act 1993
SEPP 70 - Affordable Housing 2018
Tweed Urban Land Release Strategy 2009
Tweed Local Environment Plan 2000
Tweed Local Environment Plan 2014
Tweed City Centre Local Environment Plan 2012
Tweed Rural land Strategy 2018
Residential Tenancies Act 2010
North Coast Regional Plan 2036
National Smart Cities Plan 2016
National Housing and Homelessness Agreement (NHHA) 2018

6. Compliance

This policy does not replace Council's obligations under the Local Government Act 1993 and its existing governance and policy framework. This policy does not replace other tiers of government's roles and responsibilities in the affordable housing sector.

7. Review period

This policy will be review in line with Council's integrated planning and reporting framework and/or in line with associated strategies and associated action plan.



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