



Manager, Strategic Planning  
Hornsby Shire Council  
PO Box 37  
Hornsby, NSW 2077

29th January 2019

Dear Manager,

The St Vincent de Paul Society NSW welcomes this opportunity to respond to the Hornsby Shire Council's discussion paper on affordable housing.

The St Vincent de Paul Society assists some of the most disadvantaged and marginalised members of the community. With over 20,000 members, volunteers and staff state wide, we aspire for a more compassionate and equitable society where everyone can live in dignity.

Over the past two years, the Society has campaigned vigorously for more affordable housing. We have worked to provide clear policy recommendations that fulfil our vision for a more inclusive society. The Vinnies' *Right to Home Campaign* in particular has called on the NSW Government to legislate strong inclusionary zoning targets.

In the Hornsby Region the St Vincent de Paul Society is divided into nine conferences made up of members who undertake visits to the homes of people in need of the Society's assistance. This has given us important insights into the conditions under which our clients live and the affordability of their housing.

In the 2017-18 financial year the Society made 3,311 home visits and assisted 798 clients in the Hornsby Region. We collected the following data:

- In the Hornsby Region of the 569 people we assisted in regular accommodation 58% live in social/community housing, 42% live in private rental housing. Of the people living in private rental housing 48%

spend more than 30% of their total income in rent....some spend significantly more.

- The Society also assisted 178 people facing homelessness which includes rough sleeping, boarding houses, caravan parks, hostels, refuges and staying with family and friends.
- The lack of affordable housing (rental costs less than 30% of income) is a major concern for the vast majority of the people who seek our assistance and we applaud Hornsby Council for taking steps to develop a strategy to address the growing need for affordable housing.

Our Regional Council strongly supports the vision of the *Discussion Paper* and its aims to improve access to affordable housing for very low and moderate income households.

The Society is pleased that the *Discussion Paper* sets out indicative targets for additional affordable housing by 2030, we have proposed in our answers to Council's questions recommendations that we think will support and strengthen any policy that seeks to support an improvement in affordable housing.

**The Society's response to Council's questions in the Discussion Paper is as follows.**

### **Are there any other influences on housing affordability?**

The low rates of government pensions and benefits compared to the general cost of living. We realise that Council has no direct influence over this but Council needs to be aware that some renters in the Hornsby Shire are paying over 70% of their weekly incomes in rent.

### **What is your experience with Federal and State Government housing assistance?**

Federal emergency funds have been used in the past to help renters in temporary financial stress avoid eviction. We are disappointed that in future emergency funds will not be able to be used for this purpose.

## Does Council currently address affordable housing adequately?

No, based on the following:

Council's target of providing 45-90 affordable homes annually is not being met.

Between 2011-16 the proportion of rental homes in new developments increased by a tiny 1.4%.

Hornsby has 4,300 people over 65 living in one person households and there is a lack of housing suitable for ageing in place.

Council's strategy needs to encompass the needs of lone person households. Single people need safe long term options in the rental market. This especially applies to women retiring with little or no superannuation or fleeing family violence.

## Are there any other local government solutions you are aware of?

Councils can support an increased supply of affordable housing in a number of ways. We consider the following strategies of particular importance:

- **Supporting the direct creation of social and affordable housing.** Numerous councils have contributed land in order to support the creation of new social and affordable dwellings. For example, in their draft Affordable and Alternative Housing Strategy, Central Coast Council proposes dedicating at least three sites to affordable housing multi tenure demonstration projects and developing these in partnership with a community housing provider and/or other not for profit provider.
- **The St Vincent de Paul Society NSW contends that at least 30% of any new residential developments on council owned land should be set aside for affordable housing in perpetuity.**
- **Waiving or reducing Section 94 contributions for social and affordable housing projects.** The purpose of Section 94 contributions is to support the provision of public services and facilities. Given that affordable housing is already a public service there is a case for linking a reduction in fees to the proportion of social or affordable housing provided. A number of councils across Sydney already do this.
- **Planning mechanisms and strategies.** Many councils already use Voluntary Planning Agreements to tie a proportion of the value created by new developments to a public benefit, such as housing. In December 2018, the NSW Government proposed expanding

State Environment Planning Policy No.70 (SEPP 70) to all councils in NSW. Should this proposal go ahead it would enhance Hornsby Council's ability to levy contributions for affordable housing via mandatory schemes in areas nominated for rezoning. **The St Vincent de Paul Society NSW's position is that at least 15% of new residential developments should be set aside for affordable housing.**

The Price Waterhouse Coopers study "A Place for Everyone" gives examples of amalgamations with incentives for investors being able to sell off a number of townhouses to cover construction costs and then securing 80% of market rent on a number of those homes remaining and then selling the rest at market value either to the public or a community housing provider. In an example given at Malabar, 4 free standing social housing properties are demolished, the lots amalgamated and 18 new 1,2 and 3 bedroom townhouses built, 4 of which to accommodate the original social housing tenants, 6 sold on the open market and 8 retained as affordable rentals. This report can be accessed at <https://pwc.com.au> .

### **Do you agree with Council's core housing goal?**

Yes we agree with the Council's core housing goal subject to the following considerations:

The State has mandated four zonings in LGA's of NSW. These are defined as: R1-General, R2-Low Density, R3 Medium Density and R4 High Density. By allowing amalgamation of lots and increased density in the R2 Zone we may be in danger of creating a second R3 Zone.

What does this mean for our rural precincts where currently these types of development are outlawed?

### **Are there any other objectives that Council's housing policy should cover? Are there any other options you think Council should consider?**

Council working cooperatively with other councils in the Northern District along the rail transport corridor to plan for a balanced supply of affordable homes.

What can be learned from State Government's partnerships with community housing providers such as Amelie Housing?

<https://ameliehousing.org.au>

## Which options do you think Council should pursue?

The Hornsby Community Forum on Affordable Housing attracted in excess of a hundred people and we really appreciate the level of support for this Forum provided by Council. At the Forum the following resolution was passed.

***“ This Hornsby Community Forum formally requests the serious issue of affordable housing be addressed by the NSW Government now by legislating that a minimum of 15% of new developments on private land and 30% of new developments on government land be designated as affordable housing in perpetuity. This meeting also requests that both the State Government and Opposition appoint a Minister For Housing and that this appointment be solely responsible for solving access to social and affordable housing.”***

We recommend that Council creates a consultative committee including interested parties from the Hornsby Community to assist with the development of Council’s strategy for affordable housing. The Society would be pleased to contribute to this process.

Thank you for the opportunity to respond to Council’s excellent initiative on this critically important matter.

On behalf of the Social Justice Committee  
St Vincent de Paul Society, Broken Bay Central Council

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