

**Submission
No 10**

**OPTIONS TO IMPROVE ACCESS TO EXISTING AND ALTERNATE
ACCOMMODATION TO ADDRESS THE SOCIAL HOUSING SHORTAGE**

Organisation: Coffs Harbour City Council

Date Received: 30 July 2021



Our ref: [REDACTED]

30 July 2021

Att. Inquiry by Committee on Community Services

Submission lodged via Parliament of NSW Website

Dear Sir/Madam

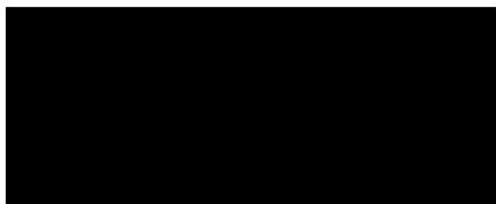
Submission regarding review of options to improve access to existing and alternate accommodation to address the social housing shortage in NSW

Please find enclosed a submission on the abovementioned inquiry by the Committee on Community Services, currently on exhibition until 30 July 2021. This submission has been prepared by Council staff on behalf of Coffs Harbour City Council.

Council thanks the Committee for the opportunity to provide input into this inquiry. The attached submission contains a number of matters which Council requests are taken into consideration during the inquiry.

For further information, please contact Sharon Smith, Section Leader Local Planning, on [REDACTED].

Yours faithfully



Sharon Smith
Section Leader, Local Planning

Encl.

REVIEW OF OPTIONS TO IMPROVE ACCESS TO EXISTING AND ALTERNATE ACCOMMODATION TO ADDRESS SOCIAL HOUSING SHORTAGE

Submission by Coffs Harbour City Council

30 July 2021

This submission has been prepared by staff of Coffs Harbour City Council (hereafter referred to in this submission as 'Council') in response to an inquiry by the Committee on Community Services, looking at options to improve access to existing and alternate accommodation to address the social housing shortage across NSW.

Council notes that the terms of reference for this inquiry centre around the following matters:

- a) options to better support 'meanwhile use' (temporary supportive accommodation), and the current major planning barriers to 'meanwhile use';
- b) options to improve access to existing accommodation to provide community housing;
- c) options for crisis, key-worker and other short term accommodation models;
- d) barriers to additional supply across NSW, including for smaller non-CHP housing providers; and
- e) support for and accountability of registered community housing providers.

Council's response is framed generally around these issues and is put forward not only in the interests of the Coffs Harbour Local Government Area (LGA), but also in the interests of NSW as a whole.

GENERAL COMMENTS TO THE INQUIRY

Council's general comments on the inquiry are as follows:

- Local governments in NSW have not traditionally been responsible for the provision of affordable and social housing. Traditionally, these issues have been more the responsibility of state governments than local governments. Additionally, the private sector has not been well equipped to deliver affordable housing at a large scale. It is noted that in recent years the not-for-profit community housing sector has begun to carry out its own housing developments and that in many cases this has been a successful model for delivery of social or community housing.
- Given the crisis of accommodation shortages currently occurring on the NSW North Coast, on 22 July 2021 Council resolved to investigate the opportunities and constraints which shape Council's ability to participate in the provision of affordable and/or social housing, with a focus on responsibility at the local government level. The project will result in setting principles for affordable and/or social housing, along with a policy direction and implementation plan, to provide a way forward to allow Council to achieve its identified principles in relation to this issue. Work will commence once funding is allocated.
- Direction 25 of the North Coast Regional Plan 2036 requires councils to deliver opportunities for affordable housing. In 2020, Council adopted the Coffs Harbour Local Growth Management Strategy 2040, which includes a housing strategy ([Chapter 7](#)) that identifies the issue of housing affordability within the LGA and which promotes the facilitation of infill development to meet the forecast housing demand within the LGA for the next 20 years ([Chapter 4](#)). This strategy has been endorsed by the NSW Government as being in accordance with Direction 25 of the North Coast Regional Plan 2036.

- Council's affordable and/or social housing project scope will need to delve into the issues as they relate to Coffs Harbour, and more particularly how these issues can be addressed at the local government level. It will analyse the spectrum of involvement that local government can influence; and it will allow for workshopping with Council and the community to identify a set of principles or values which can be agreed as the direction for the policy.
- Council's affordable and/or social housing project scope will also include an analysis of property economics and feasibility in the local LGA context. Development is a market driven process which is subject to many factors, often with blame laid at local planning development controls obstructing the market. Council contends that its planning framework is not to be blamed for shortfalls in market provision. By way of example, Council's adopted Local Growth Management Strategy 2040 has established that there are sufficient land stocks, zone and height capacity to meet local housing supply needs, however the rate of supply to market is lagging. Recent developments by both not-for-profits (such as Mission Australia) and private developers within the Coffs Harbour City Centre have not been planned to achieve the maximum density and height allowances which are permissible under the local planning controls.
- Separate to this project, Council is also examining options with regard to homelessness. It is recognised that homelessness in the community is an outcome of issues in housing affordability, housing supply and adequacy of social housing in the region. In recognition of this increasingly emerging issue, Council is beginning to work closer with the homelessness service sector to advocate for improving outcomes for the community with regard to homelessness and people at risk of homelessness.

RESPONSES TO ISSUES LISTED IN THE ASSOCIATED TERMS OF REFERENCE

Council makes the following specific comments to the matters listed in the terms of reference:

- **Options to better support 'meanwhile use' (temporary supportive accommodation), and the current major planning barriers to 'meanwhile use'**

There is no definition in NSW planning law for 'meanwhile use' types of accommodation. The NSW [Standard Instrument Principle Local Environmental Plan](#) sets the definitions of land uses within its Dictionary, along with the various descriptions of various types of dwellings and accommodation. Because planning law operates under a formal set of planning zone objectives and zoning land use tables that define matters as 'permissible without consent', 'permissible with consent' or 'prohibited' in a zone, this is a finite parameter which does not generally allow for temporary or 'meanwhile' types of land uses. This is a matter which should be discussed with the NSW Government, via the Department of Planning, Industry and Environment.

In tandem with the planning regulation barriers and complexities, often temporary supportive accommodation is utilised by people with complex and multiple co-morbidities or traumas. The support levels required for safe, sustainable and healthy communal living are intense and need to be considered in tandem with 'bricks and mortar' provisions.

- **Options to improve access to existing accommodation to provide community housing**

This is considered to be a matter for the landowner, and is not an action that Council is normally engaged with. Council sets the local planning law parameters (such as building height and density), but cannot force the market to build to the maximum capacity of the permissible

allowances. Some possibilities for Council to consider during its future body of work around affordable and/or social housing options for Coffs Harbour could include advocacy, provision of research and information, changes to planning policies, land acquisition and development, and voluntary financial incentives to the development industry such as additional density provisions or rates and/or development contribution concessions. These will be investigated by Council in due course.

- **Options for crisis, key-worker and other short term accommodation models**

There is no definition in NSW planning law (refer to the Standard Instrument LEP Dictionary mentioned previously) for 'crisis' or 'key worker' or 'short term' accommodation. As such, councils are unable to provide planning rules or issue planning approvals for any types of accommodation that sit outside definitions. This is something which could be taken up with the NSW government via the Department of Planning, Industry and Environment.

Granny flats and tiny homes are types of accommodation which have been increasingly discussed widely in the community in recent years. Neither of these terms has a legal definition within NSW planning law – rather their official definition is 'Secondary dwellings'. Planning law around some of these types of accommodation is complex, particularly if the 'tiny home' is a moveable dwelling which is regulated under the NSW Road Transport Act. Council has a [tiny home fact sheet](#) to explain some of these complexities.

The need for this kind of accommodation is alarmingly on the rise. A challenge to be considered in tandem is the bottleneck occurring, whereby the short term and crisis accommodation is increasingly strained by the lack of transitional housing provision further down the service pipeline. Without transitional housing people are stuck in the crisis and short term accommodation options, blocking new entrants in need due to the lack of suitable and well serviced alternatives to ensure flow through of people and tenancies.

- **Barriers to additional supply across NSW, including for smaller non-CHP housing providers**

There seems to be significant stigma associated with the provision of affordable and /or social housing stock, particularly the NIMBY effect. A recent example is that of a development application received by Council for a boarding house in a medium density residential area, which was recommended for approval by planning staff, but which was refused by Council because on the perceived amenity impact on neighbours. This would appear to be a significant barrier to the provision of land stocks and is not something that should be attributed to prohibitive planning controls.

Anecdotally, short term rental accommodation (STRA), renting properties through on-line platforms such as Stayz and Air BnB, has created a significant impact on availability of housing, especially in coastal areas of Australia including Coffs Harbour. Regulations passed by the NSW State government in 2020 will make STRA permissible without consent in any lawful dwelling from November 2021, and because of this, the loss of housing to STRA may increase. Council suggests that this inquiry should examine the measurable impacts of STRA (in terms of housing supply) on communities across the State. If STRA is significantly reducing the supply of housing, the inquiry should investigate changes to policy or regulation that could reduce its impact, or examine mechanisms whereby the operation of STRA contributes to the provision of social or affordable housing in those communities such as through a charge or tax.

Council has developed a [short term rental accommodation](#) fact sheet to explain some of these issues, and recently held consultation with the community to ask whether it should be limited within our LGA (the NSW Government gives local councils the opportunity to consider partial or full year allowances).

As outlined earlier in this submission, Council is soon to commence a body of work to allow us to better understand barriers to supply of affordable and/or social housing within our LGA.

- **Support for and accountability of registered community housing providers**

Council is generally supportive of registered community housing providers engaging in development activities to bring social housing to market. There are many recent examples of not-for-profit community housing providers in Australia carrying out successful residential development projects and delivering social or supported housing to those in need.

Fundamentally, the not-for-profit sector is better placed to deliver social housing than the private sector given this is their objective and profit is not a motivation. In this regard Council would be very supportive of measures to improve the capacity and capability of community housing providers to undertake residential development that is used for social housing.

The Coffs Harbour community housing providers in the LGA are tirelessly advocating for assistance, and attempting to address the growing needs of the community. It is very difficult when competitive markets are established for service providers as it undermines cooperation and collaboration when scarce funds are placed in a competition situation. Re-thinking the service model could make collaborative service delivery more possible, however appropriate funding levels to match demand is needed.

Finally, the support for the community housing providers and their very pressured staff comes as a natural result of being *able to house people*. This only happens when stock levels meet demand, which is not the situation at present. The profile of people experiencing housing stress in the Coffs Harbour LGA has now morphed into the low-middle income earning tier (this is the case across the North Coast). This is the first time Coffs Harbour has seen this scale of housing stress, this far up the socioeconomic ladder.