

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

**Organisation:** Lake Macquarie City Council

**Date Received:** 13 August 2021



13 August 2021

The Chair  
Committee on Community Services  
Parliament House, Macquarie Street  
SYDNEY NSW 2000  
[communityservices@parliament.nsw.gov.au](mailto:communityservices@parliament.nsw.gov.au)

Dear Ms Lindsay

**Submission - Inquiry into options to improve access to existing and alternate accommodation to address the social housing shortage**

Thank you for the opportunity to make a submission to the inquiry into *options to improve access to existing and alternate accommodation to address the social housing shortage*. Staff from Lake Macquarie City have prepared the following submission for your consideration. Lake Macquarie City Council recognises the importance of a sustainable housing market and having access to accommodation that meets the needs of the community.

Council has recently exhibited our *Draft Ending Homelessness Plan 2021-2024* which is expected to be adopted this month in August 2021. The *Lake Macquarie Housing Strategy* was also adopted in April 2020 and recognises [housing affordability](#) issues within our City are increasing. It is acknowledged that at the time of strategy preparation, 13.2% of households required social or affordable housing in Lake Macquarie, and 531 people were on waitlists for social and affordable housing with wait times between 5 and 10 years. Over 6346 households were in rental stress with 3946 social housing households.

The impact of Covid-19 amongst other factors has seen a further decline in rental affordability in recent years with rental vacancy rates continuing to decline. Currently in the Hunter the vacancy rate is less than 0.8%. The demand for rental accommodation is increasing and placing pressure on price points in the rental market which is likely to increase the demand on social housing.

126-138 Main Road  
Speers Point NSW 2284  
Box 1906 HRMC NSW 2310

T 02 4921 0333  
E [council@lakemac.nsw.gov.au](mailto:council@lakemac.nsw.gov.au)  
W [lakemac.com.au](http://lakemac.com.au)

[lakemac](#) [lakemaccity](#) [ourlakemac](#)

ABN: 81 065 027 868

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

Currently, there are barriers to short term/temporary accommodation within the planning framework. The utilisation of empty and unused commercial or other buildings for housing may be beneficial for accommodation and to activate sites, but it is limited by issues of compliance with the Building Code of Australia and other regulations for habitation. Building upgrades for habitation may be costly and time consuming. Consideration also needs to be given to the security and reliability of this form of housing as markets change and restrictions lift (such as COVID-19 restrictions/lockdowns).

Many tiny house developments or styles of temporary dwelling accommodation do not fit within the definitions of standard instrument land use terms. Where secondary dwellings are utilised, the length of stay permitted is limited. This is similar for caravan parks where there is a limit to the length of stay for vans and camping. Some organisations have resorted to providing land for temporary drive-in/carpark style accommodation e.g. Our Backyard – Car to Home Project in Cardiff where people can sleep in their cars and access warm food, showers and clothes washing. Consultation with the community and housing providers has indicated that people with pets are experiencing difficulty accessing housing within the limited private rental market and caravan parks are essentially one of the only options for people with pets.

Planning mechanisms often support an affluent cohort of society such as being geared towards buying and selling of houses and investment properties and do not meet the needs of low-income earners. Low income earners are often stuck in a cycle of private renting which is an unstable market, or moving between transitional accommodation and various other methods which mean they do not have control of their living environment. With the definition of homelessness including not only rough sleepers as 'primary homelessness', but also persons in unstable or temporary accommodation being 'secondary homelessness', it is likely that the rate of homelessness is far higher than numbers can predict. There are no specific data sources which cover the full definition of homelessness currently, pending results and evaluation of the 2021 Census.

#### **B. Options to improve access to existing accommodation to provide community housing**

For local government to provide greater support for social and affordable housing, greater funding and resourcing is required from State Government. On a local level, it is felt by staff that cost shifting is occurring between spheres of government. In undertaking community consultation for our Ending Homelessness Plan, and at a forum Council held in June 2021 to discuss the issue of homelessness in Lake Macquarie, the community identified that they would like to see Council providing greater levels of social housing (that this is an unmet community need) and support for people experiencing homelessness. However, Council does not have the resources to address these needs, and these responsibilities sit with the state government. A different approach is required from state government to increase availability and diversity of social housing stock to meet the demand, and to fund specialist housing providers to a level required for quality service provision as local advocacy groups have articulated. The current lack of clarity means local governments receive requests they cannot respond to. Additionally, volunteer groups without the necessary specialist skills for

responding to a complex social issue like homelessness bear the burden of increased service demand for basic human needs like safety and security.

While boarding houses are often permissible in relevant land use zones, this land use does not always meet the needs of all in the way they are designed and managed. For boarding houses to be effective for community housing they may need to have a governance structure and management style similar to the ideas of the 'Common Ground' or 'Youth Foyer' models. Consideration needs to be given in the management of accommodation such as a concierge, security, policies and procedures to ensure residents are not taken advantage of and any anti-social behaviour has the potential to be mitigated without relying on Police. It is noted that there are often negative connotations with the term 'boarding house' which often results in a high number of submissions and a 'not in my backyard' (NIMBY) approach from the wider community. This negative connotation has created community backlash when determining development applications for boarding houses.

Council staff worked with community service organisations led by Compass Housing (a community housing provider) between 2017-2019 to investigate a proposal for a Common Ground model to be developed in the Hunter. Information from the community housing provider has stated the proposal was delivered to state government, however a response from the allocated Minister has not yet been received.

Acknowledgement in the planning system of new forms of housing such as collaborative housing developments could also provide new opportunities to increase social housing supply.

Social housing should ideally be located in areas with access to services, jobs and public transport. There is risk within the current systems that the poorest of the population are funnelled into accommodation such as private caravan parks that operate on the fringe, just meeting legislation/guidelines, which can place residents at risk. Councils do not have the permissions to ensure compliance on how relationships with residents and tenancy agreements are managed by caravan park operators.

There is a reliance at a state level for developers to build affordable housing. The primary motivation for developers is a profit return on builds and not to improve social conditions. There is little incentive from a state level to ensure developers are building affordable housing properties.

### **C. Options for crisis, key-worker and other short-term accommodation models;**

The permissibility and consideration of various land uses such as 'tiny houses' and collaborative-style developments within the NSW planning system would increase options. It is likely that enabling various dwelling types on land, such as tiny houses in village models, would benefit the portion of the population that most requires it. It may not negatively impact higher income earners and would assist in freeing up the housing market. Those who earn a high income would be unlikely to choose to scale down their lifestyle as this does not necessarily meet or fit their needs. It would offer long term security for those who spend the majority of their lives in uncontrolled living environments. It is also likely to assist the hardest-hit demographics in homelessness, that of young people and women over 55, in accessing properties.

An example of a tiny homes project is at 25 Racecourse Road, Gosford. In this case, the development was approved as a boarding house and provides four separate single occupancy lodgings with shared kitchen/lounge and laundry buildings located on site. This development is able to be removed from site easily when the land is required for higher-density development or infrastructure works in future. Lake Macquarie City investigated the feasibility of involvement in a similar project, however Council does not have any residentially zoned land available for community purposes.

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

The NSW Government-funded 'Together Home' project relies on a head-leasing model seeking landlords to make their properties available for social and community housing. However, finding landlords who want to do this is a challenge for community housing providers. Additionally, the housing market is so high that rents are unaffordable and the gap between rent that can be charged on the private market compared to social housing (being maximum 30 per cent of a tenant's income) is a disincentive for landlords. This can actively discourage leasing for community housing.

A state-wide open data source on homelessness could improve planning and responses and provide a method where progress or downturns are tracked and reported against.

Unclear responsibilities for stakeholders in homelessness can create conflict and fractured relationships at a local level and be a barrier to collective action. It can create competition between local government areas rather than encouraging collaboration, which is important in housing and homelessness as the target groups can move across council boundaries. People experiencing homelessness are transient and move between locations on public transport, seeking support from networks of friends or families, and may 'couch surf'. They will seek support from where temporary accommodation providers are based. Such as motels, or move around to locate temporary sheltered environments, such as vacant buildings. They do not necessarily remain within any one particular Local Government Area (LGA) boundary.

The Lake Macquarie Housing Strategy aims to increase housing diversity and choice, and identifies a need to increase social and affordable rental housing in the City. In order to encourage and support increased development of social and affordable housing, Council in September 2020 introduced an 85 per cent discount on development contributions for affordable housing in Lake Macquarie. This is applied to specific types of social and affordable rental housing, including in-fill housing, boarding houses, supportive accommodation, residential flat buildings and group homes. Council is monitoring the success of this discount and will undertake reviews at 18 months and three years following commencement. It is expected that this will improve viability and encourage the development of social and affordable housing while still allowing Council to provide necessary infrastructure to support these developments. This comes at an estimated \$650,000 per year cost to Council.

#### **E. Support for and accountability of registered community housing providers.**

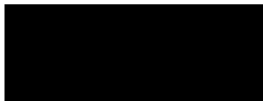
Council is committed to effecting positive change in the area of homelessness within the local government scope of influence. We rely on state government to lead initiatives to

address the affordable and social housing shortage and work with relevant agencies to bring about positive outcomes. The draft Lake Macquarie 'Ending Homelessness Plan' is expected to be adopted in August 2021.

Council regularly facilitates interagency forums and networking meetings with community service providers, and staff have included feedback themes from such networks in this submission. Social and affordable housing is an essential part of the housing mix to ensure a sustainable and inclusive community.

Council appreciates the opportunity to provide feedback to this inquiry. Should you require further information on this submission, please feel free to contact me on 4921 0381.

Yours faithfully



**Andrew Bryant**  
Manager Community Partnerships



T [REDACTED] M [REDACTED]  
E [REDACTED]  
[lakemac.com.au](http://lakemac.com.au)  
   