



**CENTRAL COAST
AFFORDABLE AND
ALTERNATIVE
HOUSING STRATEGY**

Central
Coast
Council

An aerial photograph of a coastal city. In the foreground, a large stadium with a green field and blue seating is visible. To the right of the stadium is a wide river or estuary. In the bottom left corner, a train track runs along the coast with a yellow train. The background shows a dense urban area with various buildings and a large, forested hill in the distance. A large blue circle is overlaid on the top left of the image, containing the title text.

CENTRAL COAST AFFORDABLE AND ALTERNATIVE HOUSING STRATEGY

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SUMMARY OF THE STRATEGY

The *Central Coast Affordable and Alternative Housing Strategy* seeks to provide effective policy solutions to address the growing need for affordable and alternative housing within the Central Coast LGA. It aims to build a vision for a *'fair and inclusive region, where everyone has access to affordable and sustainable housing'*.

It is the outcome of detailed research and community consultation conducted by Judith Stubbs and Associates over a 12 month period, and strong commitment and input from local community and industry groups, and elected representatives and staff of Central Coast Council.

In line with strategic themes that guided research and consultation, the Strategy has three main planks:

- The **direct creation of affordable rental housing** through the dedication of Council-owned land to affordable housing partnerships with registered community housing providers, and advocating for an increase in funding and resources for the creation of social and alternative housing for high need groups;
- **Facilitation of affordable and lower cost housing** through removing impediments to affordable and lower cost housing types in local environmental planning instruments, and opening up increased opportunities for well-located affordable and lower cost housing types through the market;
- A range of strategies specifically in relation to **people who are homeless or at significant risk of homelessness** including piloting new models of supported and alternative accommodation, increased access to and support within the private rental market, increased support for early intervention, and measures to increase equitable access to services and the public domain for vulnerable groups.

Together, these strategies aim to address the broad spectrum of affordable housing need for very low, low and moderate income households and those with special housing needs, noting that together these groups make up at least 60% of people in the Central Coast community.



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OUR VISION: For a fair and inclusive region, where everyone has access to affordable and sustainable housing.

PURPOSE OF THE STRATEGY

The *Central Coast Affordable and Alternative Housing Strategy* seeks to provide effective policy solutions to address the growing need for affordable and alternative housing within the Central Coast LGA. It aims to build a vision for a 'fair and inclusive region, where everyone has access to affordable and sustainable housing', and is underpinned by two broad aims:

- To improve access to affordable housing for very low, low and moderate income households, including protecting existing affordable housing, providing new development opportunities and incentives, and providing a broader range of housing options to address affordable housing need in appropriate locations.
- To reduce the number of cases of homelessness and reliance on social support systems, including developing effective transition to the private market, creating strategies for innovative alternate housing and partnerships, supporting programs and services that intercede before the point of crisis, and empowering and resourcing front line support services.

The *Strategy* is strongly evidence based, with detailed research provided in five reports prepared by Judith Stubbs and Associates for Central Coast Council in 2018. These are:

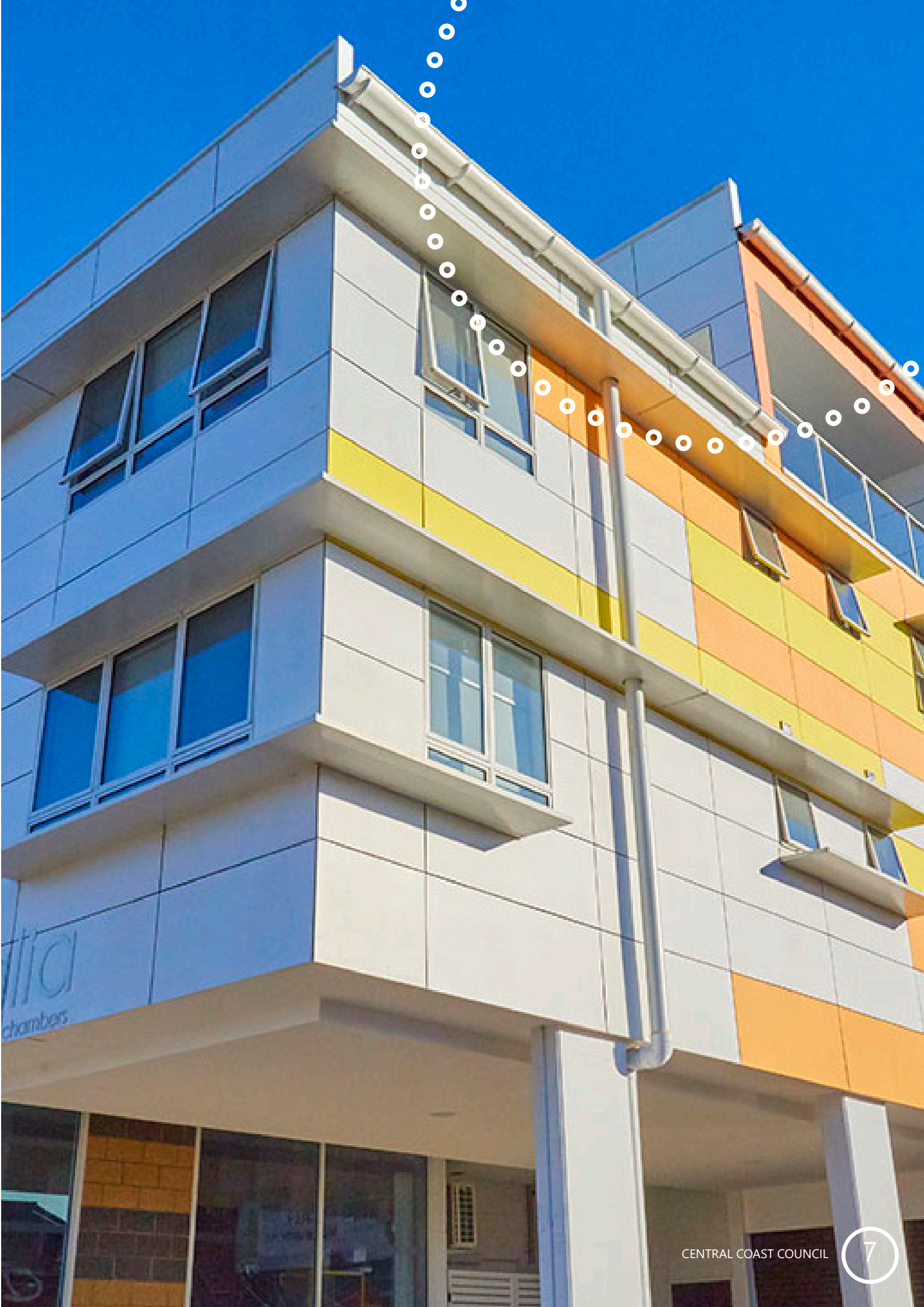
- JSA (2018) *Central Coast Affordable and Alternative Housing Strategy: Background Report*
- JSA (2018) *Central Coast Affordable Housing Strategy: Affordable Housing Case Studies*
- JSA (2018) *Partnership Development Background Paper (Working Draft not for public distribution)*
- JSA (2018) *Strategic Planning Discussion Paper*
- JSA (2018) *Homelessness Intervention & Prevention Background Paper*

The *Strategy* has also been informed by an extensive community consultation process, including interviews with the local housing sector, and internal Council staff, Council briefings, comments on early drafts of reports, and a series of community workshops and focus groups around three main themes – Strategic Planning, Housing Partnerships, and Intervention and Prevention of Homelessness.

This *Strategy* will be implemented in a number of stages over the next 10 years. The initial focus is on strategies that are most likely to have a practical impact on the supply of affordable housing, including partnership projects on surplus or underutilised Council or other public land, and development and service partnerships to address the growing rate of homelessness.

The *Strategy* also provides for ongoing engagement of Council in affordable and alternative housing through long-term strategies through amendments to planning instruments to remove impediments to and facilitate development of affordable and low cost housing, and incentive-based and mandatory planning interventions.

Finally, although strong Council leadership is critical in resolving this worsening regional issue, Council's role is limited in some areas. The strategies will be far more effective when carried out in partnership with other levels of government, local services and those in the private sector with a commitment to affordable housing and reducing housing vulnerability and homelessness.



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STRATEGY BACKGROUND AND RATIONALE

GROWING NEED FOR AFFORDABLE HOUSING

Although the Central Coast has historically been an affordable area, a range of factors has made the area less affordable than Greater Sydney for local residents, with higher rates of housing stress and higher rates of growth of primary homelessness and those who are marginally housed. This provides particular challenges in the local demographic and housing market context.

Although housing in the Central Coast is still cheaper than the Greater Sydney average, the incomes of local people are also much lower than average largely due to the very high rate of older people on pensions and benefits, the high concentration of very low income renters, the influx of lower income households from Sydney seeking affordable housing and improved lifestyle, and high levels of overall social disadvantage, particularly in the former Wyong LGA.

The constrained supply of diverse housing options and of private rental and social housing is having a significant impact upon housing affordability in the context of a rapidly aging population, increasing demand from the Sydney market and an increase in long-term rental among families and older people who can no longer afford home purchase.

The rate of medium and higher density development in the LGA is much lower than the Greater Sydney average, and has experienced little or no proportional growth over the past decade. There has been no proportional growth in private rental stock in the LGA since 2006, and an actual decline in the amount of social housing since 2011. This is directly related to the lack of growth in medium and higher density housing. The loss of more affordable caravan parks and Manufactured Housing Estates, and relative undersupply of more affordable housing types like New Generation Boarding Houses, is also having a serious impact on very low income renters and those more vulnerable in the local housing market.

The impacts of this are being felt most acutely in the local rental market, where growth in rents for smaller strata dwellings has far outstripped Greater Sydney since 2009. Rents for a one bedroom apartment grew at more than double the Sydney rate, and more than four times the Sydney rate of increase for two bedroom apartments in the former Wyong LGA. Only 2% of available rental stock in the Central Coast was affordable to very low income renters, noting that this group makes up more than 40% of all renters. The relative scarcity of rental accommodation at the more affordable end of the market, and the extreme pressure on existing supply, is contributing to the increasing numbers in housing stress, homelessness and marginal housing, even among groups who would once have been in more secure accommodation.

In 2016, there were around 24,200 households in the Central Coast LGA in 'housing stress', with this figure projected to reach at least 31,000 by 2036. By far the most serious affordability problem is among very low income renters, who make up almost half of all households in housing stress in the Central Coast. When combined with low income renters, these groups make up almost two-thirds of those in housing stress. Around 60% are expected to be smaller households (lone persons and couples) and 40% families with children.

In this context, it is not surprising that there was a 35% increase in homelessness in the Central Coast from 2011 to 2016, with around 6,000 people who are homeless or marginally housed in the LGA. Although most are in severely overcrowded dwellings or in unsuitable or unstable accommodation, 'rough sleepers' increased at double the Greater Sydney rate and people who were marginally housed grew at more than twice the metropolitan rate. More than 40% of people reported that they had been homeless for three months or more, and were thus at serious risk of chronic, long-term homelessness.

People who are homeless or at risk of homelessness often experience particular social, health or personal vulnerability that is exacerbated by the high cost and relatively low supply of appropriate rental. As well as the normal financial barriers, they may need additional support to access and to maintain their tenancies, and will sometimes need more intensive support on an ongoing basis.

The cost to the community of long-term homelessness is generally much higher than even the most intensive housing and support programs, and indicates that the cost of early intervention to prevent homelessness and of programs to reduce homelessness are strongly justified from a social and economic perspective. JSA (2014) calculated the average annual cost of homelessness as between \$48,000 and \$70,000 per homeless person per annum. Strategies related to early intervention approaches like brokerage, information and referral, case management and deeper rental subsidies cost a fraction of this amount, and have been found to be effective in addressing long-term homelessness.



THE MARKET IS FAILING TO SUPPLY AFFORDABLE HOUSING

The private market delivers the vast majority of housing in the Central Coast, as it does across Australia. However, there is compelling evidence that the market is failing to supply affordable, diverse housing for vast majority of those who need it. In the Central Coast, this is predominantly very low income renters, the bottom half of the income range for renters on low incomes, and low income purchasers. Although 60% are likely to need smaller, well-located dwellings, around 40% these households are families, who are a very difficult group to accommodate affordably due to the size, type and cost of dwellings often required.

The *Background Paper* (ISA 2018) that provides the evidence base for this Strategy shows the seriousness of the situation for **renters on very low and low incomes** in the local housing market. It shows that there are virtually no market-delivered housing products affordable to very low income renters in any part of the LGA, and that low income families and those in the bottom half of the low income range are also very difficult groups to accommodate affordably.

The only type of accommodation affordable to very low income renters in the LGA is site rental in a caravan park, or a room in a New Generation Boarding House (the upper 25% of the income band). Low income renters could only afford a one-bedroom unit, whilst some could afford a two-bedroom unit (the top 30-50% of the band). Three-bedroom houses were only affordable to some moderate income renters. Dwelling, lot size and parking requirements were also found to have a significant impact on housing cost and affordability.

The situation for very low and most low income **purchasers** is equally or more problematic in the local context, although *renters* are by far the largest group in housing stress.

As such, an important way of improving affordability for *some* groups is by ensuring that there is an adequate supply of well-located smaller strata dwellings in Residential Flat Buildings and multi-dwelling housing, lower cost housing types like New Generation Boarding Houses and Secondary Dwellings, and entry level project homes on smaller lots, as well as reducing parking requirements near key centres in line with *actual* rates of car ownership for strata dwellings. Making sure that there are no unnecessary planning impediments to the supply of smaller, lower cost dwellings and encouraging or mandating lower cost housing types in specific types of developments can also be effective strategic actions. Housing provided through such '**market**' **solutions** will also be more likely to be affordable when such lower cost housing types are built in cheaper areas, particularly those in the former Wyong LGA.

Increasing the supply of well-located and lower cost housing types also has benefits for an aging population, and may exert some downward pressure on rents generally. The creation of 'lower cost' housing through removing unnecessary planning impediments, for example, can also help to alleviate housing stress, even where such housing is not strictly speaking 'affordable'.

However, such market solutions are likely to provide for the needs of only 23% of those in housing stress in the LGA (smaller low income households and moderate households), and these are not the groups most in need of affordable housing. The majority of those who need affordable housing will not have their needs met through strategies to improve market delivery of particular housing types, even in lower cost areas.

Specific strategies to increase the supply of **non-market or more deeply subsidised housing** are required to meet the needs of the majority of people who need affordable housing in the Central Coast. This includes stronger (or mandatory) intervention through the planning system to create affordable housing in perpetuity through mandatory contributions; and the direct creation of affordable housing, for example, on Council- or other publicly-owned land in partnership with a registered community housing provider.

Early intervention strategies and housing programs that are directly funded by government, use more innovative partnership approaches, or have deeper subsidies are also needed to meet the needs of people who are homeless and most at risk of homelessness.

COUNCIL'S ROLE AND STATUTORY RESPONSIBILITIES

The inability of the market to provide for most very low income renters, and for many low income renters and purchasers is a serious issue, and is a particular focus of this *Strategy*. The growing number of homeless people and those at risk of homelessness is also a priority. The creation of affordable housing for very low, low and moderate income households through the planning system becomes more important in the context of local housing need.

There are significant opportunities for local government to support the creation and maintenance of affordable housing through core planning legislation and policies in NSW, and a statutory responsibility for local government to consider this issue. Local government has an **implicit role** in affordable housing and has an impact on housing affordability through land use zoning, controls, the timing of land release, location of services and facilities, and the levying of rates and development contributions.

Local government can also **choose to play a more proactive role** in the creation and retention of affordable housing through active intervention in the market, including through the development of appropriate planning mechanisms and strategies, and the use of its own resources in partnership with others to directly create affordable housing. Advocacy to other levels of government is also important to gain an equitable share of available resources for the Central Coast.

In NSW, a range of provisions have been progressively included in the *Environmental Planning and Assessment Act 1979* to support affordable housing. This includes section 1.3(d) which provides that an objective of the Act is the **'delivery and maintenance of affordable housing'**. Any local environmental planning instruments made in accordance with the Act are implicitly made with regard to this and other objectives.

There are likewise **definitions and benchmarks** related to 'affordable housing' in core legislation and related policies such as *State Environmental Planning Policy No. 70 - Affordable Housing*, which have been adopted in this *Strategy* and *State Environmental Planning Policy (Affordable Rental Housing 2009)*.

It is also a requirement of the Act that a consent authority take into account the **social and economic impacts** of a development application as part of a merits assessment under section 4.15(1)(b). This has obvious applicability to development applications that may result in the loss of affordable or low cost housing, as well as the assessment of the benefits of an application involving the creation of affordable housing.

Likewise, a consent authority is required to consider whether a proposed development is in the **public interest** under section 4.15(1)(e). A growing body of case law has likewise determined that it is in the public interest to give effect to the objectives of relevant legislation, including *'the delivery and maintenance of affordable housing'* under section 1.3(d) of the Act.

Section 7.4 of the *Act* provides for the making of a **Voluntary Planning Agreement** in relation to a proposed amendment to a planning instrument or standard. Under such a VPA, the developer may dedicate land free of cost, make a monetary contribution, or provide any other material public benefit, to be used for a public purpose (including 'Affordable Housing'). This mechanism is used by a range of NSW councils in securing resources in perpetuity for affordable rental housing.

The *Act* also provides for the **levying of mandatory contributions** under section 7.2 of the *Act*. Like all council areas in NSW, the Central Coast was included under *SEPP70 Affordable Housing* through amendments to the SEPP in early 2019. This means that Council can apply to the Department of Planning, Industry and Environment to levy mandatory affordable housing contributions, provided Council can demonstrate need and economic feasibility.¹ This provides significant opportunities where there is sufficient uplift through up/rezoning, noting that the evidence that underpins this Strategy would likely fulfil the 'need' requirements of the Guideline. Moreover, local government has an increasing role and indeed a **statutory responsibility** to seek to create affordable housing through the planning and assessment process, particularly where the market is failing to provide such accommodation.

DEFINITION OF 'AFFORDABLE HOUSING'

Housing is generally considered to be 'affordable' when very low, low and moderate income households are able to meet their housing costs and still have sufficient income to pay for other basic needs such as food, clothing, transport, medical care and education. This is generally accepted to be where such households pay no more than 30% of their gross household income on housing costs, although other factors such as cost of transport and access to services are also important.

Affordable housing can include a wide range of housing products, tenure types and price points. This includes, but is not limited to, social (public and community) housing, where rental is charged as a proportion of income and there are stringent eligibility criteria. It can also include affordable rental housing for lower income workers, with rents calculated at a discounted market rate. Housing provided through the market may also be affordable, but must cost the renter or purchaser no more than 30% of gross household income to be considered 'affordable'. It also includes alternative housing products for those with particular needs, such as crisis accommodation for people leaving violence, or transitional housing where additional support may be required before entry to mainstream private rental is feasible.

It is important to clearly set out relevant definitions and benchmarks for 'affordable housing' for the purpose of this *Strategy*, and for Council assessments more generally. The income and housing cost benchmarks set out in the following table are consistent with the *NSW Environmental Planning and Assessment Act 1979 (NSW)*, and related policies.

Table 3.1: Relevant Affordable Housing Income and Cost Benchmarks

	Very low-income household	Low-income household	Moderate-income household
Income Benchmark	<50% of Gross Median H/H Income for Greater Sydney	50-80% of Gross Median H/H Income for Greater Sydney	80%-120% of Gross Median H/H Income for Greater Sydney
Income Range (2)	<\$913 per week	\$914-\$1,460 per week	\$1,461-\$2,190 per week
Affordable Rental Benchmarks (3)	<\$274 per week	\$275-\$438 per week	\$439-\$657 per week
Affordable Purchase Benchmarks (4)	<\$281,000	\$281,001-\$456,000	\$455,001-\$681,000

Source: JSA 2019, based on data from ABS (2016) Census indexed to March Quarter 2019 dollars

- (1) All values reported are in March Quarter 2019 dollars
- (2) Total weekly household income
- (3) Calculated as 30% of total household income
- (4) Calculated using ANZ Loan Repayment Calculator, using 13 May 2019 interest rate (4.76%) and assuming a 20% deposit for a 30-year ANZ Standard Variable Home Loan and 30% of total household income as repayments.

“ Affordable housing can include a wide range of housing products, tenure types and price points.



STRATEGIC ACTIONS

A. KEY DEFINITIONS, INDICATIONS AND TARGETS

Rationale

It is important to clearly set out relevant definitions and benchmarks for 'affordable housing' for the purpose of implementing this Strategy, and for Council assessments more generally. The definition, and income and housing cost benchmarks set out below are consistent with the *NSW Environmental Planning and Assessment Act 1979 (NSW)*, and related policies. The targets that follow are based on a robust methodology for assessing current and projected housing need as set out in background papers to the Strategy.

Strategy 1

For the purpose of this Strategy,

- a. Council adopts the following definitions and benchmarks for 'affordable housing':

Housing is generally considered to be 'affordable' when very low, low and moderate income households are able to meet their housing costs and still have sufficient income to pay for other basic needs such as food, clothing, transport, medical care and education. This is generally accepted to be where such households pay no more than 30% of their gross household income on housing costs, although other factors such as cost of transport and access to services are also important.
- b. The following table will be indexed annually to reflect CPI.

	Very low-income household	Low-income household	Moderate-income household
Income Benchmark	<50% of Gross Median H/H Income for Greater Sydney	50-80% of Gross Median H/H Income for Greater Sydney	80%-120% of Gross Median H/H Income for Greater Sydney
Income Range (2)	<\$913 per week	\$914-\$1,460 per week	\$1,461-\$2,190 per week
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- (4) Calculated using ANZ Loan Repayment Calculator, using 13 May 2019 interest rate (4.76%) and assuming a 20% deposit for a 30-year ANZ Standard Variable Home Loan and 30% of total household income as repayments.

Strategy 2

For the purpose of this Strategy:

- a. Council recognises the following indicators:
 - Number of affordable rental dwellings for very low and low income households created as a result of partnerships between Council and community housing providers and/or the private sector. Data can be collected by Council.
 - Net change (loss/gain) in Social (Public and Community) Housing. Data can be obtained from FACS – Housing NSW and local community housing providers
 - Number of affordable rental dwellings for very low and low income households created through other agencies or mechanisms, including FACS – Housing NSW and other community housing providers. Data can be collected by Council
 - Number of affordable housing dwellings for very low and low income renters and low income purchasers provided through the market. Data can be obtained from FACS – Housing NSW Rent and Sales Reports and Council's approvals data
 - Increase in supply of lower cost housing types/products created through the market. Data can be obtained from FACS – Housing NSW Rent and Sales Reports and Council's approvals data
 - Reduction in local homelessness, including appropriate accommodation of rough sleepers, people living temporarily with others, or living in inappropriate, unsafe or severely over-crowded accommodation. Data can be provided by local agencies; and each 5 years through the ABS Census, or other periodic publications
 - Reduction in the proportion of very low and low income households in housing stress. Data can be obtained from the ABS Census every five years
 - Retention of diverse income, age and employment groups in the LGA. Data can be obtained from the ABS Census every five years
 - Increase in supply of alternative housing options including temporary, crisis and transitional housing. Data can be obtained from relevant NGOs and Council's approvals data.
- b. Council will establish a baseline, in partnership with other agencies, and update the indicators on an annual basis.

Strategy 3

For the purpose of this Strategy, Council adopts the targets in the following table:

		Small renting households	Family renting households	Small purchasing households	Family purchasing households
Additional Required 2016-2036	Affordable to Very low income households	1,900	1,400	500	500
	Affordable to Low income households	500	900	500	600
	Affordable to Moderate income households	100	100	200	400
Total required in 2036	Affordable to Very low income households	8,000	5,900	2,100	1,400
	Affordable to Low income households	2,100	3,800	1,900	2,300
	Affordable to Mod- erate income house- holds	500	900	800	1,800

Source: JSA 2019, based on data from ABS (2016) Census

B. AFFORDABLE HOUSING PARTNERSHIPS USING COUNCIL LAND

Rationale

Most of the need for affordable housing in the Central Coast is from very low income households, and from the bottom half of the lower income band and lower income families. Affordable rental is particularly important for these groups; however, the private market is not providing affordable accommodation, and is unlikely to do so even with strong planning intervention.

The **direct creation of social and affordable rental housing** for diverse groups including lower income key workers, older pensioners and retirees, people with a disability, people at risk of homelessness, and very low and low income families will be necessary to meet the growing need for such housing in the future. This is the only effective strategy for such groups.

An effective way of delivering affordable housing is through development of affordable rental on Council- or other publicly owned land as a development and/or management partnership with a registered community housing provider (CHP) and/or the private sector. Partnering with a registered CHP is the preferred option due to their experience, management expertise, and access to government grant funding and their own revenue raising capacity.

Multi-tenure models that incorporate social housing, affordable (discount market rent) housing, and private rental and/or owner-occupied housing are preferred as they generally improve social inclusion, reduce stigma and have the ability to cross subsidise the social or alternative housing components of a development.

Strategy 4

- a. Council will dedicate at least three Council-owned sites for affordable housing partnerships as the Strategy is rolled out, ensuring that sites are:
 - well located with regard to transport and/or services
 - not environmental lands or have environmental constraints that render the site unsuitable
 - maximise the yield of social and affordable housing and
 - are able to achieve favourable economics (at least break even in the first year).
- c. These lands will be identified through a 'Council Affordable Housing Land (CAHL) Proposal' that may be initiated during each term of Council.
- d. This process will:
 - identify up to 10 suitable sites owned by Council
 - exhibit a proposal to utilise these sites for affordable housing partnerships and
 - consider submissions before resolving on locations and initiating any partnership process.

- e. Through the exhibition of the CAHL Proposal, Council will set parameters for each site that will ensure that any resulting development is compatible with the local character of that area.
- f. Of these sites, one will be developed in the short-term, and others will be investigated and developed as the Strategy is rolled out.
- g. Development through this affordable housing partnership process, on Council land, will be required to use Council certifiers through the development process.

Strategy 5

- a. Council will facilitate a multi-tenure development on Council-owned land (site to be identified as part of the CAHL proposal) within a town centre in partnership with a registered community housing provider and/or other not for profit service provider in the short-term
- b. This development will be a multi-tenure development and will be targeted to very low and low income renting households and to low income purchasing households, and will seek to include:
 - A portion as a new generation boarding house providing rental accommodation to very low income renting single person or couple households, and including some people who are formerly homeless in Temporary or Transitional Accommodation arrangements
 - Principally one and two apartments providing rental accommodation to very low income and low income renters who are singles, couple and smaller family households and purchase for low income households, possibly including some shared equity
 - Adequate provision for Adaptable Dwellings on the ground floor per AS 4299;
 - Space for on-site or outreach services and a manager's dwelling as part of the new generation boarding house.
- c. Council will seek to develop the site through a competitive tendering process (an expression of interest) or preferred partnering arrangement with a registered community housing provider that clearly specifies requirements for the site including maximisation of affordable housing yield, indicative dwelling type and tenure mix, risk apportionment and long-term management and maintenance arrangements.

Strategy 6

- a. Council will investigate and dedicate at least a further two sites to multi-tenure affordable housing developments within or in close proximity to town centres, with sites being identified through the CAHL proposal.
- b. The other two Council sites will be identified by Council, and likewise developed in partnership with a registered community housing provider and/or appropriate NGO under an EOI or preferred partnering arrangement.

Strategy 7

- a. Council will investigate an appropriate site in the short term for the development of affordable and temporary dwellings (such as caravans, cabins and tiny homes) in partnership with a registered community housing provider and/or not for profit service provider with a best practice management model to accompany the business case including a combination of temporary and crisis accommodation through rented manufactured homes/tiny homes on sites for rent, and sites for rent where people can place their own home.
- b. This site will be identified by Council, as part of the CAHL proposal, and likewise developed in partnership with a registered community housing provider and/or appropriate NGO under an EOI or preferred partnering arrangement.

Strategy 8

Council will ensure that partnering and management arrangements with any Community Housing Provider include adequate budgetary provision and planning for maintenance and facilities management including:

- a. Responsive maintenance within the required timeframe;
- b. Recurrent maintenance, such as minor works, gardening, etc to ensure high quality amenity;
- c. Planned maintenance, such as external painting, roof and fence replacement, including a planned maintenance schedule and regular asset condition audits.

C. DEVELOPMENT OF THE COMPREHENSIVE LEP

Rationale

The provision of smaller studio, one and two bedroom strata dwellings, is the main way that lower cost housing can be provided through the private market. This is mainly in the form of **New Generation Boarding Houses, Multi Dwelling Housing and Residential Flat Buildings**, which are affordable to all moderate income household and many smaller low income households.

It is important to open up opportunities wherever possible for these affordable and lower cost dwelling types in the consolidated LEP and DCP, and to ensure that there are no impediments to the creation of such housing in established and newly developing areas in the Central Coast LGA. Providing incentives to the development of affordable rental housing through Voluntary Planning Agreements, and mandating housing diversity where appropriate, are also important mechanisms.

Parking also significantly adds to the cost and decreases the affordability of Multi Dwelling Housing and Residential Flat Buildings, and existing parking requirements under Council's DCP are well above actual ownership rates in such dwellings and could reasonably be reduced.

Strategy 9

Council will investigate opportunities for rezoning developable land within 400 metres of the town centres and 800 metres of railway stations and transport nodes to R1 or R3 so as to facilitate the construction of multi-dwelling housing and Residential Flat Buildings. It is noted that any such rezoning is subject to a detailed assessment process.

Strategy 10

Council will seek to zone precincts within Greenfield urban expansion areas as R1 residential to allow a range of housing typologies and lot sizes, including multi-dwelling housing such as villas and townhouses. These should be in areas that are well located i.e. within 400 metre walking distance of designated urban centres and railway stations/transport hubs/bus routes.

Strategy 11

As part of the broader Central Coast Housing Strategy and forthcoming comprehensive LEP, and/or forthcoming DCP, Council will consider permitting Multi dwelling housing in R2 zoning, where lots have a minimum street frontage of 18 metres to provide sufficient opportunities for lower cost and affordable market accommodation in diverse areas.

Strategy 12

Through the broader Central Coast Housing Strategy, Council will consider amending its Comprehensive DCP to reduce parking standards for residential flat buildings:

- a. In line with actual rates of car ownership and in consideration of affordability and equity, and to make this form of development more competitive
- b. Within 400 metres of business zones and 800 metres of key transport nodes.

“Smaller studio, one and two bedroom strata dwellings, is the main way that lower cost housing can be provided”



Strategy 13

- a. Council will develop an appropriate Social Impact Assessment Policy and Guidelines which will include a chapter for the development of Supported and New Generation Boarding Houses. This will inform their development taking into account local needs, local character and the housing market context, and best practice in design and management, and seek to facilitate good quality developments.
- b. Guidelines would include the following provisions:
 - Need for consistency with local character
 - Shared ('private') open space be provided at 5m² for each ten lodgers, with a minimum of 20m² for any Boarding House development
 - Where boarding rooms are not fully self-contained (with ensuite bathroom, laundry and kitchen facilities) the following criteria will be considered:
 - The communal kitchen/dining area is to be a minimum of 15m², with at least 1m² per lodger over 6 lodgers
 - One washing machine and tub should be provided for every 10 lodgers
 - One clothes drier or 20m of external line should be provided for every 10 lodgers
 - Bathrooms must be at least 5m² and comply with BCA requirements.
- c. A Plan of Management should be provided which addresses:
 - Fees for residency
 - Management and supervision through an on-site manager or regular visits
 - Kitchen usage, the provision of meals or resident provision of meals
 - Noise inside the boarding house and in adjacent private open space areas
 - Use of communal space and facilities
 - Parking for cars
 - Cleanliness and maintenance of the property and grounds
 - House rules (covering issues such as access to rooms, keeping shared facilities clean and tidy, visitors, pets, quiet enjoyment etc)
 - 24 hour contact details.

Strategy 14

- a. Council will investigate a Voluntary Planning Agreement Policy (Affordable Housing) to allow for additional FSR and/or Height and/or variation to other controls in accordance with section 7.4 of the Environmental Planning and Assessment Act in return for a contribution toward affordable rental housing in perpetuity as public purpose.
- b. The Policy will set out the areas to which the Policy will apply, the contribution rates and method of calculation, and the variations to controls that will be considered (for example, maximum of 15-20% GFA), and any other relevant matters.
- c. Council will consider, and set out in its Policy, an appropriate method of calculating the contributions that apply, taking into account matters set out in the Rationale above. These include either:
 - (i) a determination of value uplift and appropriate profit share on a case by case basis, for example, a contribution of 50% of the profit from additional floor area created from variations to controls as assessed by independent valuation
 - (ii) a contribution of a fixed proportion of additional floor area, or an equivalent dollar value based on current sales prices based on an initial assessment of likely additional profit or value uplift from the variation to controls.

Strategy 15

As part of the broader Central Coast Housing Strategy, Council will consider amendments to the forthcoming Comprehensive LEP to require:

- a. A proportion of one bedroom, one bathroom dwellings with a floor area of 50 to 55 m² in Residential Flat Buildings in areas within 400 metres of business zones in the Town Centres and within 800 metres of Railway stations (1 dwelling in 10 or 10% of dwellings in development of 10 or more dwellings); and
- b. A proportion of two bedroom, one bathroom dwellings with a floor area of 70 to 75 m² in Multi dwelling Housing developments and Residential Flat Buildings in areas within 400 metres of town centres and 800 metres of Railway stations (1 in 10 or 10 % of dwellings in developments of 10 or more dwellings).

Strategy 16

As part of the broader Central Coast Housing Strategy, Council will consider amendments to the forthcoming Comprehensive DCP to include a range of lot sizes at the sub-division stage to allow for different housing typologies in Greenfield areas.

Strategy 17

Council will consider as part of the broader Central Coast Housing Strategy:

- a. Ensuring that the impacts of the loss of low-cost housing continue to be considered in accordance with SEPP Affordable Rental Housing 2009 in relation to all relevant developments including caravan parks, boarding houses and lower cost flat buildings through redevelopment, conversion or demolition;
- b. Including a specific Clause to be applied (similar to Gosford 2014) as part of the Comprehensive LEP which extends beyond caravan parks and MHEs to boarding houses and lower cost Residential Flat Buildings. This would include identification of specific sites for the northern part of the LGA (currently already applies in the south).

D. STRATEGIES ADDRESSING HOMELESSNESS

Rationale

Homelessness has grown 35% over the past five years on the Central Coast (or 25% when adjusted for population growth), whilst rates of primary homelessness and those that are marginally housed in the LGA have grown at much higher rates than for Greater Sydney. Given the serious constraints in the local housing market and the very high and growing rates of housing stress among very low income renters, this is a problem that is likely to significantly worsen in coming years.

The social and economic cost of homelessness to the community warrants strong action to respond to existing homelessness and prevent it from worsening as a matter of priority. A number of the strategies below require excellent co-ordination and leadership by Council in partnership with local agencies and networks.

Strategy 18

- a. Council will consider the appointment of a Housing and Homelessness Officer to further develop and implement actions in this Strategy and to support and monitor progress;
- b. Council will convene and/or support an appropriate homelessness taskforce to further develop, implement and monitor progress on relevant actions in this Strategy;
- c. Council will evaluate the success of Strategy 18 after two years.

Rationale

Most rental is provided through the private market, and is likely to be in the future. As such, specific strategies are needed to increase access to private rental for those on very low incomes, who often have other vulnerabilities that make securing and maintaining private rental housing problematic. The following strategies are supported by research and were also favoured by a range of key informants during the preparation of the Strategy.

Strategy 19

Council will advocate to State and Federal Government for a fair and equitable increase in resources to meet growing homelessness in the Central Coast, including:

- a. Increasing the capacity/resources of community housing providers and not for profit homelessness services to head-lease properties on the private market, noting the effectiveness and relatively high efficiency of this mechanism through initiatives such as the Lease Hold Program;

- b. Access to an increased amount of brokerage funding with a broader scope of criteria to support tenancy establishment and assist with rent arrears, noting frequent comments that this is currently insufficient to support the number of tenancies for those at risk of homelessness required;
- c. Implementation of positive schemes which increase subsidies to a broader target group including but not limited to people with complex needs seeking to access private rental, in particular those with longer-term and repeat episodes of homelessness, noting the increased risk of this group, the highly unaffordable cost of rental, and the cost of chronic homelessness to the community.

Strategy 20

Council will support the following actions to increase sustainable access to the private rental market for homeless and at-risk people including:

- a. A structured pilot with local real estate agents, local housing services and peak bodies and networks that seeks to proactively build relationships with local homelessness services, raise the profile of homelessness and take positive action on housing formerly homeless people part of their accreditation or registration process;
- b. A local pilot for home share opportunities in under-occupied private owner occupied housing, for example, an older person sharing their home with a younger person at risk of homelessness, or older asset poor person, including screening, matching, setting 'house rules', and mediation in resolving issues that may arise early in the tenancy;
- c. A Central Coast shared accommodation model between suitable formerly homeless people, again including screening, matching, setting 'house rules', and mediation in resolving issues that may arise early in the tenancy, drawing on the experiences of existing youth share models;
- d. Investigation of a model to incentivise property owners to make use of existing stock e.g. unoccupied dwelling and lone person households;
- e. Partner with Central Coast Council's Credit Management Team to expand existing hardship policies to cater for a broader section of vulnerable groups to assist people at risk of homelessness.

Strategy 21

Council will advocate to State and Federal Government for an increase in resources, such as assertive outreach, to address factors contributing to homelessness including, but not limited to, domestic violence, mental health, substance abuses and unemployment.

Rationale

Although many formerly homeless people successfully access and maintain private tenancies, social (public and community) housing remains a critical tenure for many homeless and vulnerable people with special social, health and housing support needs. There is a much lower than average rate of social housing in the LGA compared with Greater Sydney, despite the much higher rate of very low income renters, the higher local rate of housing stress, and higher than average growth in street homelessness and marginally housed people.

There are particular access issues for people who are chronically homeless and more mobile, and less likely to maintain up to date contact details and to 'fall through the cracks' of the social housing system. There are also serious problems for people who face episodic or chronic mental health problems, which may jeopardise their tenancy. More proactive approaches to accessing social housing are likely to be needed by these groups, as well as those who chronically 'cycle' through public hospitals and mental health facilities, creating 'exit blocks' in the hospital system in the absence of sufficient housing options, and who regularly 'exit into homelessness' from institutional settings.

Strategy 22

Council will actively support the following actions to increase access to the social housing for those who are particularly at risk of long-term and chronic homelessness:

- a. Incorporate transitional accommodation options for formerly homeless people within multi-tenure pilot projects developed on Council land so as to increase social inclusion and the option for people to transition into other affordable housing dwellings within the complex as their capacity increases;
- b. Lobby the State and Federal Government to ensure that any new public housing is a mix of public, private and affordable homes;
- c. Lobby the State and Federal Government to conduct a comprehensive review of the centralised waiting list to ensure that it operates efficiently to accommodate those most in need of housing.

Rationale

Transitional housing with case management support is likely to be effective for those with higher needs, including homeless people, to access the private market and sustain their tenancy. The following strategies have been identified by key informants as areas that require more investment to strengthen pathways and overall effectiveness.

Strategy 23

- a. Council will support the development of a Central Coast Pilot Transitional Housing Model to support effective transition to the private rental market for homeless people, for example, a dedicated number of properties by community housing providers for this purpose, with guaranteed support services and a maximum tenure of 12 months.
- b. Piloting a transitional housing model to support effective transition to the private rental market for homeless people, for example, working with community housing providers to dedicate an increased number of properties to the transitional housing pilot for a 12- month period with guaranteed support services provided by relevant Specialist Housing Services or Not for Profits.

“Ensure that any new public housing is a mix of public, private and affordable homes



Strategy 24

Council will advocate to the State and Federal Government for:

- A significant increase in funding for case management services for people at risk of homelessness;
- Extension of higher rental subsidy programs to wider target groups, and particularly those at risk of long-term and repeat homelessness, and with chronic mental health issues as an acknowledgement of the cost of homelessness to the community, and the inability of these group to sustain private rental without such deeper subsidies;
- Access to an increased amount of brokerage funding with broader scope of criteria to support tenancy establishment and household items, noting frequent comments that this is currently insufficient to support the number of tenancies for those at risk of homelessness required.

Rationale

There is a severe lack of accommodation options for Temporary Accommodation in the Central Coast, and a progressive loss of lower cost caravan parks, motels and older boarding houses that have traditionally provided such accommodation. The lack of funding for support linked to Temporary Accommodation and limited funding for brokerage services to assist with rapid re-housing of people who are homeless or at risk of homelessness is also a serious problem.

Private facilities like motels currently providing Temporary Accommodation are inadequate with regard to amenity and the lack of interview rooms for services to work with homeless people, lack of storage for their belongings, poor management, and the high cost of accessing some of this accommodation. The potential to better use Government funding for Temporary Accommodation in a purpose built, or repurposed facility was also raised by a number of informants, and the potential for more innovative models like 'Pop-Up' facilities and Abbeyfield supported boarding house models was also noted (see also JSA (2018) *Case Study Booklet*).

The following strategies were put forward by a range of stakeholders and are also supported by the literature.

Strategy 25

Council will support and/or advocate for the development or expansion of a range of service, subsidy and accommodation options to facilitate early intervention and prevention of homelessness. For example:

- a. Better resourcing and promotion of one stop shop services to provide drop in information and referral including support in seeking rental accommodation to address imminent homelessness, internet access, telephone advice lines, and toilet, shower and laundry facilities. as well as access to brokerage and case management services as an integrated approach to service delivery;
- b. Additional funding and resources for brokerage and rent start packages for the Central Coast;
- c. Obtaining additional funding and resources that enable better links between case management/intensive support services and Temporary Housing for the first 2-4 weeks to avoid more chronic homelessness among this group;
- d. A register of church, Council, government and Not for Profit facilities that could be used for Temporary

Accommodation, and protocols regarding the use of these facilities in close consultation with the owners of these facilities and homeless support services;

- e. Identify facilities that are currently vacant and/or in the process of longer-term redevelopment that could be repurposed as a 'Pop-Up' Temporary or Transitional Accommodation Pilot, accompanied by appropriate support and protocols (see Pop-Up Transitional/Temporary Accommodation model in the JSA (2018) Case Study Booklet);
- f. A Temporary Accommodation facility with on-site management to support clients such as women experiencing domestic violence with adequate support arrangements, and ancillary facilities such as an interview room, consultation room, and adequate storage, with funding under a contract to provide such accommodation from State Government;
- g. A component of Temporary Accommodation within a community-managed MHE/Tiny Homes partnership development, and the New Generation Boarding House component of a partnership multi-tenure partnership developed under the Partnership plank of Council's Affordable and Alternative Housing Strategy, ensuring good on-site management and appropriate protocols are in place (see also Strategies 4 and 5);
- h. Work with hospitals, mental health and drug and alcohol rehabilitation facilities, and with social housing providers and homelessness services to identify and agree a 'core' chronic homelessness list and proactively target this group for housing, including under a Central Coast Transitional Housing Pilot, outlined in Strategy 23a) above;
- i. Work with social housing providers and homelessness services to implement regular 'assertive outreach' to mental health facilities, public hospitals and other institutional settings to ensure those most at risk of homelessness are accommodated;
- j. Support the development of agreements with relevant local mental health, health and correctional institutions so that no one leaving institutional care will 'exit into homelessness'.

Rationale

There is a group of homeless people for whom homelessness is a more intractable problem, despite their use of supported housing programs and intensive services. Some are unable to sustain permanent accommodation, even in programs with very high levels of service intervention and guaranteed housing. This group is likely to include a high proportion of people with chronic mental health and substance abuse problems.

For these largely street homeless people, there is a need to provide services and public facilities that enable them to have the best possible quality of life, to be socially included, to maintain their dignity, and to be protected from violent attacks.

The following were suggestions put forward during interviews and also supported by research and international human rights instruments.

Strategy 26

- a. Council will advocate for increased resources for 'one-stop-shops' that provide information and referral, as well as services for chronically homeless people such as outreach medical and counselling services, low cost meals, laundry, shower and internet access and storage facilities for belongings;
- b. Council will consider the principles of social inclusion policies and procedures in relation to the design of public open space and public amenities in accordance with best practice on social equity for all groups in the Central Coast community. This includes design elements like:
 - All weather/covered seating areas
 - Landscaping and layout that allows for quiet enjoyment by a variety of users with different needs
 - Accessible/continuous paths of travel
 - Safe sleeping areas that are well lit, visible and under cover
 - 24-hour toilets, showers and facilities to fill drink bottles in key areas used by homeless people
 - Undercover areas that can be used by food and medical outreach services
 - Welcoming and integrated facilities like movable chess boards, outdoor ping pong tables etc.
- c. Council will provide information to the community on issues of homelessness, the rights of homeless people and how the community can support and include homeless people in public space. This can help to encourage tolerance and understanding within the community, and awareness of the need for social inclusion strategies as outlined in Strategy 26b;
- d. Council will support regular public events that bring together local homeless support services, and give them an opportunity to connect with chronically homeless people, assist them in seeking and/or applying for housing, advertising their services, and linking in local business who will donate their time and/or product to the benefit of homeless people such as free haircuts, or new clothes;
- e. Council, in close consultation with stakeholders and service providers, will identify facilities from the register of church, Council, government and Not for Profit facilities outlined in Strategies 25d) and e) above that could also be used by street homeless people in inclement and extreme weather events.

E. MONITORING AND REPORTING

Rationale

There is a need for transparent reporting and accountability with regard to administration of Council's affordable housing program, and to ensure that the Strategy is effective in achieving its objectives. Adequate responsive, recurrent and planned maintenance of any properties dedicated or constructed under this program is also vital to ensure the amenity of the properties and locality, and the longevity of affordable rental stock.

Strategy 27

- a. Council will publish the background reports and discussion papers that provide the evidence base for this Strategy so that they can be used by local services to advocate for increased resources;
- b. Council will regularly update and publish the data and information in the Strategy so as to provide an up-to-date evidence-base, and to understand the extent to which trends are worsening or improving;
- c. Council will undertake a full review of the Strategy against indicators (detailed in Strategy 2) in 2023.



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