



Affordable Housing Policy

Date Adopted	11 December 2023
Next Review Date	April 2027
Version	2
Responsible Position	Community Life Manager
Administration Reference	5973707

1. PURPOSE

To guide decision making by defining Council's role in relation to affordable housing. The policy includes Council's commitment to increasing the level of affordable housing for moderate income key and essential workers in the Willoughby Local Area and outlines its role in advocating for local, social and affordable housing needs.

2. CITY STRATEGY OUTCOME

Our Future Willoughby 2028 identified five city outcomes guiding our community's future direction in relation to Council's policy making, along with 29 community priorities. The following two community priorities are applicable to a city that is effective and accountable and meet principles of sustainability, social justice and ethical government that govern the Strategic Plan.

5.2 - Demonstrate leadership and advocacy for local priorities

5.4 - Anticipate and respond to changing community and customer needs

3. APPLICATION

This policy guides Council's decision making and advocacy for affordable rental housing and the provision and maintenance of its affordable housing stock.

4. POLICY PRINCIPLES

The following guiding principles outline Council's commitment to the provision of affordable housing in our local area:

- Council recognises a social, ethical and legislative responsibility to address housing affordability on behalf of the community;
- Access to appropriate and affordable housing is a basic requirement for all people as an essential component of social infrastructure;
- Affordable Housing increases economic productivity by providing affordable local housing choices for key and essential workers;

5. POLICY STATEMENT

Although there are limits to the mechanisms Council can use in regards to affordable housing, the need for increased levels in the Willoughby Local Area has been recognised and addressed by Council by way of policies for over two decades. It has used planning mechanisms, strategies and advocacy to facilitate the provision of affordable housing.

Council considers that affordable housing is vital to social and economic development and continues to support this long-standing commitment to increase affordable housing in our local area.

Key and essential worker households support our local communities and economies in frontline services such as health care, education, child care, aged care, emergency services, community services, retail and hospitality. These workers are necessary for the normal functioning of our city and community.

Council is committed to do its part in the provision of affordable housing for key and essential worker households while continuing to advocate for the shortfall in local social and affordable housing needs.

6. COUNCIL FUNCTIONS, ACTIVITIES AND RESPONSIBILITIES

Local government, while not having primary responsibility for affordable housing provision, has local and regional influence. NSW Government plans related to affordable housing are implemented at the local level. Council actively intervenes by developing appropriate planning mechanisms, strategies and via advocacy, facilitation and service provision. Willoughby Council's role in these areas is categorised below.

Demonstrating leadership (analysing trends and establishing direction) - Demonstrating leadership for local and regional affordable housing needs by monitoring affordable trends, identifying the level of need and developing policies to address.

Owner/Custodian - Stewardship of affordable housing assets to increase affordable housing for key and essential workers. Council's affordable housing assets are strategically managed to optimise social outcomes and financial sustainability. Council's allocation of assets in the provision of affordable housing is categorised as;

- Affordable Rental Housing Dwellings – Residential dwellings let to moderate income earners with the aim of addressing housing affordability for key and essential workers;
- Affordable Housing Sites - Council owned land identified for future development as affordable housing;
- Affordable Housing Reserve – Funds reserved exclusively for affordable housing initiatives.

Regulator (enforcer of legislation) - Ensuring development applications and planning proposals consider and include an adequate level of affordable housing dwellings to increase the provision of affordable housing locally as per the obligations articulated in the *Willoughby Local Environmental Plan 2012*, *Willoughby Housing Strategy 2036*, *State Environmental Planning Policy 70 (Affordable Housing)* and the *North District Plan*.

Affordable Housing Contributions – Council's policy is to obtain affordable housing contributions principally through the allocation of complete dwellings, resorting to monetary contributions only in cases where the remaining portion of that contribution falls below the dimensions of the smallest dwelling¹ within the approved development.

¹ must have a gross floor area of at least 50m²

Information provider - Ensuring information is provided regarding affordable housing projects, services and policy.

Advocacy (on behalf of the community and local government sector) - Monitoring local affordable housing need and advocating on the behalf of the community to address identified need.

Facilitator (bringing together relevant parties) - Facilitating partnerships between government, commercial and community housing sectors in order to address local and regional affordable housing priorities.

Deliverer of services (in part or in full) - Delivery of Council's affordable housing program via the appointment of a Community Housing Provider to manage Councils affordable housing dwellings with tenancies prioritised for the needs of key and essential workers.

7. MONITORING AND REVIEWS

The Community Life Manager is responsible for:

- Implementing, maintaining, monitoring and suggesting improvements to the policy
- Advocating for social and affordable housing

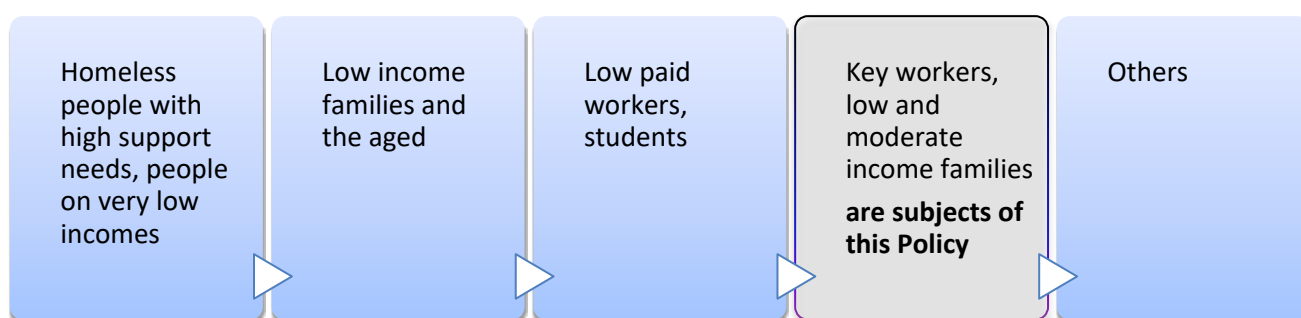
- The review of the policy every four years or more frequently if legislative or policy changes occur.

8. SUPPORTING INFORMATION

8.1 WILLOUGHBY CITY COUNCIL AFFORDABLE HOUSING STRATEGY

Council's *Affordable Housing Strategy* (Strategy) outlines the need to increase affordable rental housing available within the Willoughby Local Area to key and essential workers households.

Figure 1 shows the spectrum and relationships between the different types of housing across the income levels and associated levels of government support (source: *NSW Government Affordable Housing Taskforce: Interim Report*, March 2012). It is in the provisions for these key local workers that Council has identified a significant gap in which it can assist.



Affordable Housing Options				
Crisis accommodation	Social housing (managed by government & community housing providers) Group Homes	Affordable housing (managed by community housing providers) Boarding houses	Below market rental housing Low Cost rental dwellings Granny flats	Market rental Assisted home ownership Shared home ownership Unassisted home ownership

8.2 AFFORDABLE HOUSING PROGRAM

The affordable housing program assists in the delivery of *Our Future Willoughby 2028* priorities and objectives by increasing the affordable rental housing available in the local area to key and essential workers (outlined in 8.1).

Council's affordable housing program and assets are strategically managed to optimise social outcomes, asset development and financial sustainability. Council's activities in the provision of affordable housing is categorised under;

- Affordable Rental Housing Dwellings – Residential dwellings let to moderate income earners with the aim of addressing housing affordability for key and essential workers;
- Affordable Housing Sites - Council owned land identified for future development as affordable housing;
- Affordable Housing Reserve – Funds reserved exclusively for affordable housing initiatives.

8.3 ADVOCACY

Council recognises affordable housing is a vital element of social and economic infrastructure. Advocating for the increased delivery of diverse affordable housing products to meet unmet needs within the Willoughby local area and the region is regarded as essential in meeting the outcomes of both the *Community Strategic Plan* and the *Affordable Housing Strategy*.

Governing laws and standards	<ul style="list-style-type: none">▪ <i>Environmental Planning and Assessment Act 1979 No 203</i>▪ <i>State Environment Planning Policy No 70 – Affordable Housing</i>▪ <i>State Environmental Planning Policy (Affordable Rental Housing) 2009</i>▪ <i>Community Housing Providers (Adoption of National Law) Bill 2012</i>▪ <i>Local Government Act 1993</i>
Related policies and other documents	<ul style="list-style-type: none">▪ <i>Our Future Willoughby 2028</i>▪ <i>Willoughby Local Environmental Plan 2012</i>▪ <i>(Draft) Affordable Housing Strategy 2020 to 2026</i>▪ <i>Willoughby Affordable Housing Program</i>
Document History	<ul style="list-style-type: none">▪ Date adopted: 11 December 2023 reviewed and amended▪ Date adopted: 10 August 2020▪ Date adopted: 2005 Willoughby’s Housing Needs Policy▪ Date adopted: 1998 Willoughby Housing Policy

Appendix A

Definition	
Affordable Housing	Refers to rental housing offered at rent of up to 30% of household income to very low to moderate income households. Affordable housing must be appropriate to the needs of tenants regarding size, quality, accessibility, location and access to public transport; it must not incur unreasonable costs relating to maintenance and provide security of tenure for a reasonable period.
Affordable housing program	Refers to Council's owned affordable housing assets that it acquired through inclusionary zoning, voluntary planning agreements or captured via other means.
Key & Essential Workers	Key and essential workers are persons employed in roles that are Essential to the functioning of a city. While there is no universal definition of the term, key workers typically include police, fire fighters, teachers, childcare workers, retail and other employee groups who undertake work considered essential for the day-to-day functioning of a city, and who are Typically paid low to moderate salaries.
Planning Agreement	A voluntary agreement between a planning authority and a developer in which a developer agrees that as part of a development proposal or rezoning that they will make a contribution towards a public benefit which is sometimes the dedication of land or dwelling units for the purpose of affordable housing. <i>The Environmental Planning and Assessment Amendment (Development Contributions) Act 2005</i> sets out certain provisions regulating the making and implementation of planning agreements sometimes referred to as Developer Agreements.
Rental Stress	The state of households who are paying more than 30% of their gross income on rent and are also in the bottom 40% of national equivalised incomes.