

# CONVERSATION REPORT

## 45 Parkside Drive



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## 1.0 Background

Greater Shepparton City Council (Council) adopted the *Greater Shepparton Affordable Housing Strategy: Houses for People 2020* (the Affordable Housing Strategy) at the Ordinary Council Meeting held on 21 April 2020.

In late 2020, the Victorian Government announced \$5.3 billion in funding to realise Affordable Housing across Victoria as part of the Big Housing Build (BHB). The BHB is a four year initiative with 25% of the fund allocated to regional Victoria. Under the BHB, 18 local government areas (LGAs) have been identified for a Minimum Investment Guarantee of \$765 million. The Minimum Investment Guarantee for Greater Shepparton is \$45 million.

On 20 October 2021, Homes Victoria launched a regional round of the Social Housing Growth Fund, part of the BHB, which sought to provide grants to Community Housing Associations (CHAs) to realise new Affordable Housing in nine LGAs in regional Victoria: Greater Shepparton is one of these. Community housing is housing owned or managed by community housing providers. Community housing providers are highly regulated, not-for profit organisations that specialise in housing the diverse range of tenants who require both public and affordable homes.

On 21 December 2021, Council received a request to sell part of the land at 45 Parkside Drive, Shepparton from Women's Housing Ltd for the purpose of realising Affordable Housing for vulnerable women and children. The land measures approximately 1.9 hectares in size and is identified for future residential development. The land is primarily zoned General Residential Zone, with small areas zoned Public Park and Recreation Zone and Urban Floodway Zone, and is a vacant lot that has been identified as suitable for residential development within the Parkside Gardens residential estate, see Figure 1. The proposal seeks to purchase the southern half of the land to realise approximately 45 dwellings that would cater for those in need of Affordable Housing as outlined in Figure 2 below.

The land was valued by Opteon (Goulburn North East Vic) Pty Ltd in January 2022 to be worth \$1,350,000. This figure includes all land included in all three zones: General Residential Zone (9.049 hectares), Public Park and Recreation Zone (1.07 hectares) and Urban Floodway Zone (0.72 hectares). The residential zoned land is valued at \$180,000 per hectare or \$1,305,000 in total.

In early 2022, Council officers engaged Ethos Urban Pty Ltd to undertake a Social Housing Economic Benefit Assessment of the project. The Report quantifies in financial terms the community benefits of the proposal to the Greater Shepparton community.

The Report found that, amongst other things, the development will result in significant short and long term economic and social benefits. Specifically, it quantified that the development would result in direct and indirect benefits of \$7.8 million to the local economy and create 60 construction-related jobs (assuming a 12-month construction phase). Furthermore, at a discount rate of 4%, the development will deliver a net benefit of \$1.8million, based on a construction cost estimate of \$9.7 million and an annual operating cost of \$461,980. This represents a benefit cost ratio of 1.62; that is, a \$1.62 return is realised for every dollar invested. This Report was considered by Council at the February 2022 Ordinary Council Meeting.

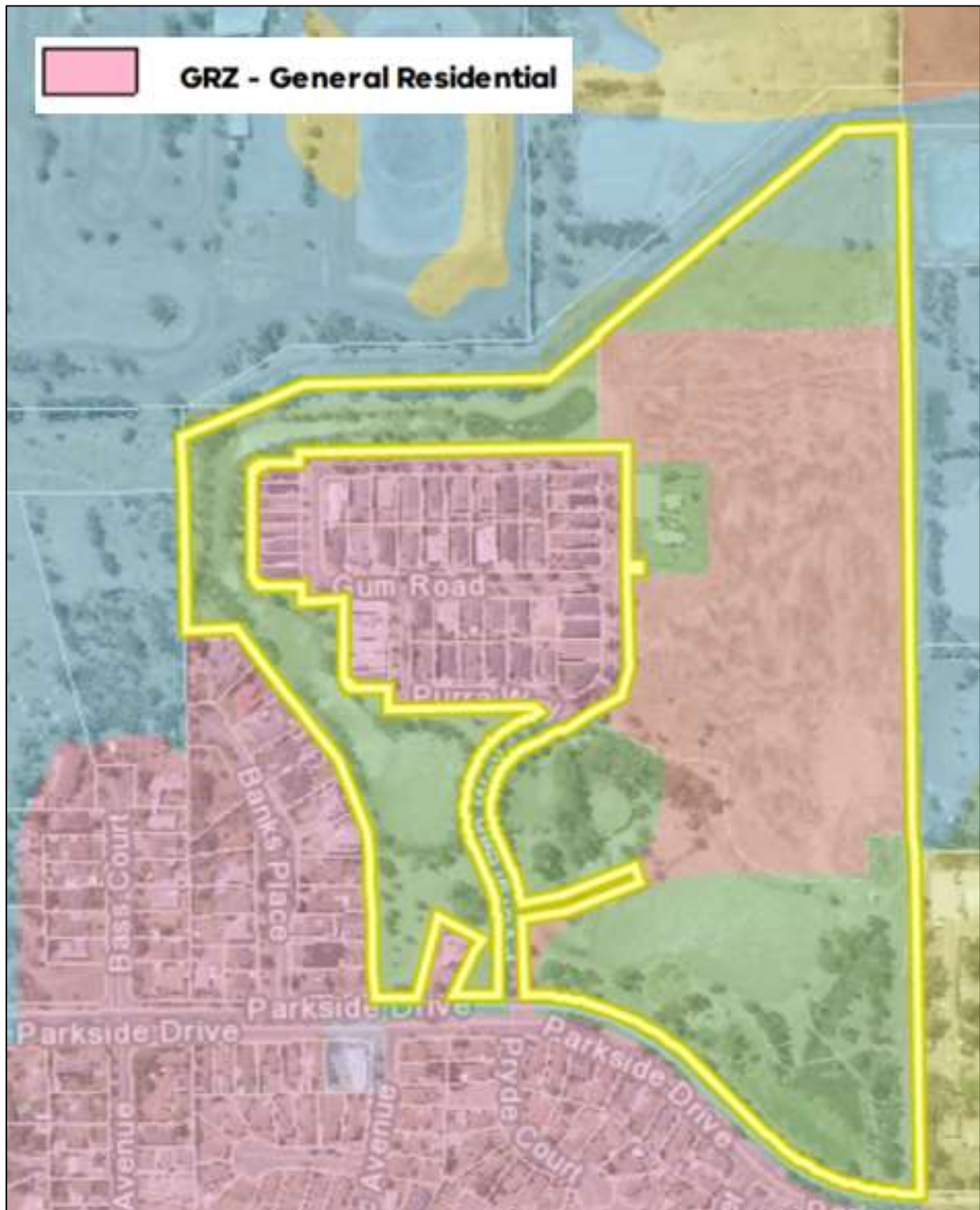


Figure 1: Extract of the Zone Map for Parkside Gardens Estate. 45 Parkside Drive is outlined in yellow and the vacant land within the General Residential Zone is coloured salmon.





Figure 2: Extract of the Parkside Gardens Development Plan. The approximate area subject to the request is outlined in blue.

At the Ordinary Council Meeting held on 15 February 2022, Council resolved, amongst other things, to undertake a community engagement process in relation to its intention to enter into an Agreement for the sale of the land to Women's Housing Ltd in accordance with Section 114 of the *Local Government Act 2020* (the Act).

Women's Housing Ltd is a CHA with a long history of supporting vulnerable women and children throughout Victoria with a range of innovative housing and support services. Urbanxchange Pty Ltd, which is engaged to support Women's Housing Limited, provided data sourced from the Victorian Housing Register (VHR) of Homes Victoria showing that 500 applicants in the Shepparton district area are female and that they have requested one-, two- and three-bedroom properties. Of these 500 applicants, 193 identify as Aboriginal or Torres Strait Islander, 194 have additional needs around family violence and 122 requests for one-bedroom properties were from those aged over 55. As part of the preparation of the Strategy, CHAs have also advised Council that the VHR was not a comprehensive list of those in need as it does not capture the full extent. Areas that are not captured include women and children escaping family violence, as they are only registered once they have left the household.

Women's Housing Ltd noted that it had undertaken qualitative research with partner organisations during the development of its plan to place resources in the northeast of Victoria and noted a significant need for housing for women escaping family violence. Women's Housing Ltd requested in-principle support from Council for the proposal.

## 2.0 Summary of Consultation

Council undertook community consultation in accordance with Section 114 of the Act on its intention to sell part of the land at 45 Parkside Drive, Shepparton.

Community consultation commenced on 14 February 2022 and concluded on 28 March 2022.

Council used multiple methods to engage with key stakeholders and the broader Greater Shepparton community during the additional community consultation phase, including:

- a letter to adjoining landowners and occupiers of land as outlined below in Figure 3;
- a letter to relevant stakeholders and referral agencies;
- a media release, which attracted media attention from the Shepparton News and the Shepparton Advisor;
- public notice in the Shepparton News on Tuesday, 22 February 2022; and
- an online submission portal on the 'Shaping Greater Shepp' website.

Submissions were invited via an online submission form, by email and by post. Submitters were also invited to attend verbal briefings to the Councillors about their submission on 7 April 2022 and 3 May 2022 at Council offices, which were delivered via in person or online.

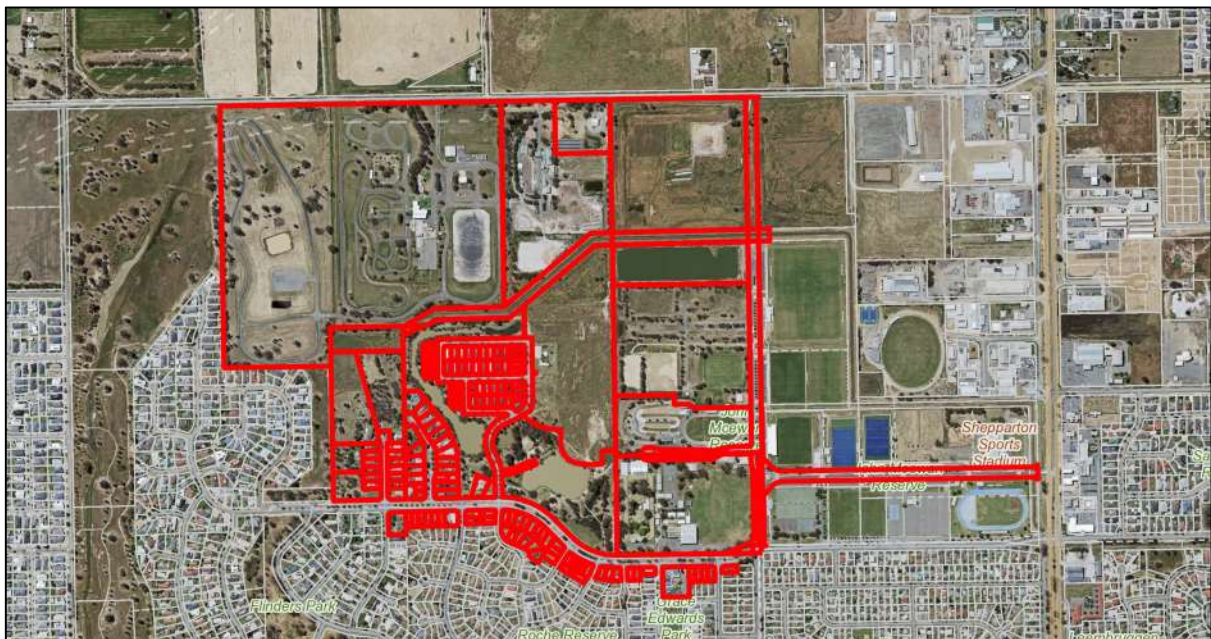


Figure 3: Map of properties outlined in red that were notified by letter.

## 3.0 Who Did We Hear From?

A total of 62 submissions were received and seven verbal briefings presented to Council during the consultation process. This included:

- 49 submissions from landowners and residents within Greater Shepparton;
- four submissions from landowners and residents outside of Greater Shepparton; and

- nine submissions that did not provide a property address.

Additionally, two submissions were also received from affordable housing providers; these were based outside of the municipality in Melbourne. One submission was received from a referral agency: Goulburn Valley Water.

Council received 36 objections to the proposal. Submissions that objected to the proposal were:

- Submissions 1, 2 and 2a, 3, 4, 5, 6, 7, 8, 9, 28, 29, 32 and 32a, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 46, 47, 48, 49, 50, 52, 53, 55, 56, 58 and 58a, 59 and 62.

Council received 25 submissions that supported the proposal. Submissions that supported the proposal were:

- Submissions 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 30, 45, 51, 54, 57, 60 and 61.

One submission (Submission 31) was received from Goulburn Valley Water, which did not object to the proposal.

A breakdown of submissions is included in Figure 4 below.

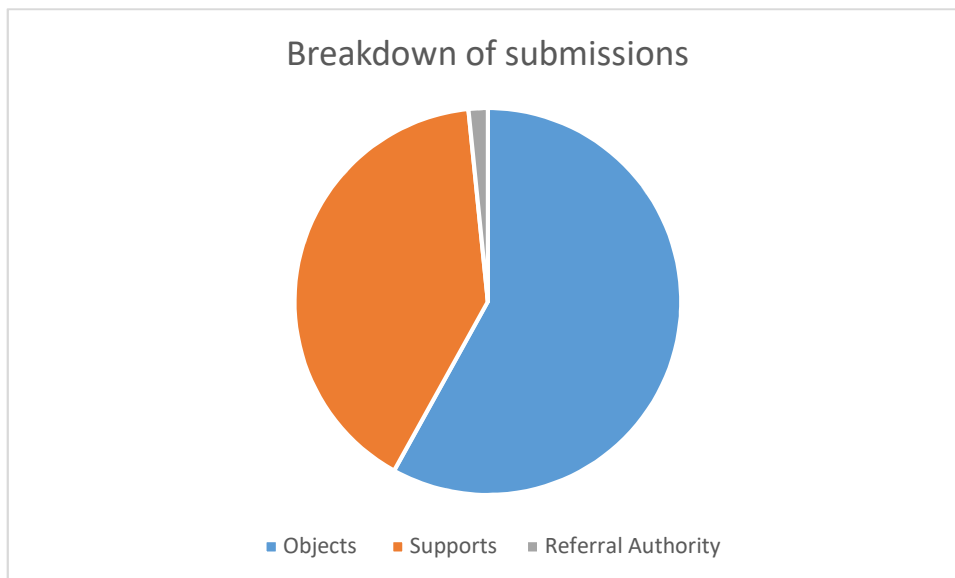


Figure 4: *Breakdown of submissions.*

#### 4.0 What We Heard

Through these forums, Council heard a wide range of comments, queries and concerns. The main themes identified in submissions that emerged are listed below; they are also outlined in Figure 5 below:

1. 'clustering' of houses within a close proximity is inappropriate; it is more appropriate for Affordable Housing to be 'spread out' amongst existing and future residential areas;
2. location of the proposed development is inappropriate;
3. proposal will result in the devaluation of surrounding residential properties;
4. proposal will result in an increase crime and anti-social behaviour in the area;
5. safety of existing residents within Parkside Estate and/or the safety of people housed by the proposal will be jeopardised;
6. proposal will detriment the Parkside Estate residents' mental health;

7. proposal does not provide appropriate outdoor / green space for any future residents;
8. proposal will negatively detriment any potential future redevelopment of the former Wanganui High School and/or any future private residential development of Parkside Estate;
9. no information on the future management of these properties and the tenants has been provided;
10. proposal will increase traffic and access issues for Parkside Estate;
11. proposal will increase the stresses on emergency services; specifically police and ambulance services; and
12. supported the development.

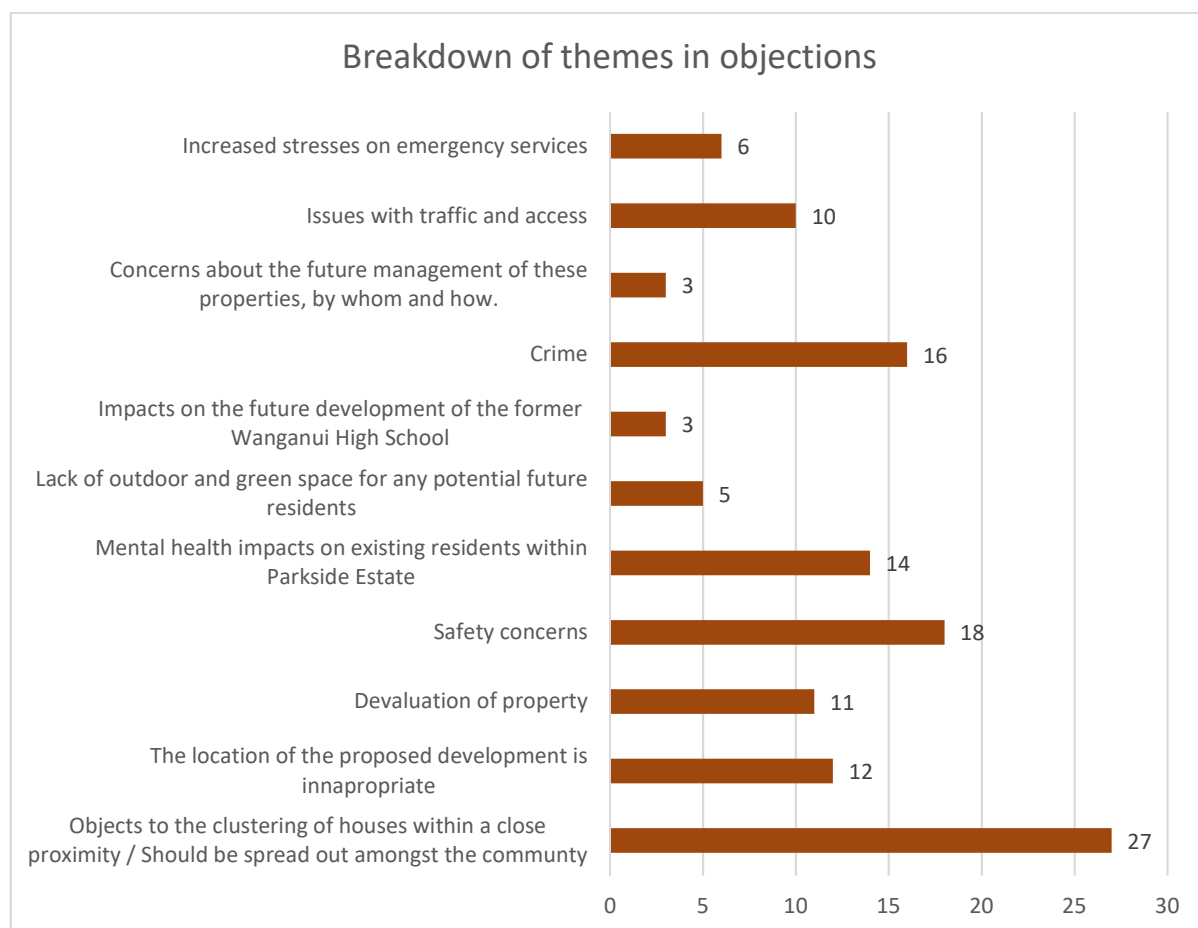


Figure 5: *Breakdown of themes in objections.*

Council officers' responses to each of these themes is outlined in Table 1.

Table 1: *Feedback received to the proposal and Council officers' responses.*

Submission numbers	Feedback received	Council officers' response
1, 2, 2a, 3, 6, 7, 9, 28, 29, 32 and 32a, 33, 34, 36, 37, 38, 39, 40, 41, 42, 43, 44, 46, 47, 48, 55, 56, 58, 58a, and 59.	The 'clustering' of houses within a close proximity is inappropriate; it is more appropriate for affordable housing to be 'spread out' amongst existing	Nation-wide, due to an increased demand and less availability, the price of renting is soaring. For people on low income, rent needs to be no more than 30% of a household budget to not cause financial stress. The Anglicare Australia Rental Affordability Snapshot, a nation-wide based study, found that a single-person working full time on minimum wage will find that 1.6% of



	and future residential areas.	<p>rentals are affordable. Shortage of sales and unprecedented demand for housing has resulted in a 'housing crunch'. Source: <a href="https://www.anglicare.asn.au/wp-content/uploads/2022/04/Rental-Affordability-Snapshot-National-report.pdf">https://www.anglicare.asn.au/wp-content/uploads/2022/04/Rental-Affordability-Snapshot-National-report.pdf</a>.</p> <p>The proposal will represent 28% of the dwellings within Parkside Gardens Estate. In all local and state government policy, there is no 'ideal' mix of public/private housing.</p> <p>The Affordable Housing Strategy prioritises integration and notes that clustering of Affordable Housing dwellings may be appropriate in some circumstances due to proximity to transport and/or availability of land or sites or government redevelopment or investment strategy, or if "supported by a Registered Housing Agency" reflecting that Agencies may have practical reasons for clustering and have experience to determine the optimal mix and scale for any single location.</p> <p>Whilst the demand for and supply of Affordable Housing is a complicated and fluid issue, the cost of not responding is too great to ignore.</p> <p>Women's Housing Ltd have outlined that they seek single women and women headed households. Their targeted households are women who have experienced family violence, older women (55+) and first nations and culturally diverse women.</p>
1, 2, 2a, 3, 8, 32, 32a, 39, 40, 41, 42, 46, 50 and 56.	The location of the proposed development is inappropriate.	<p>Greater Shepparton City Council believes that housing is a basic human right; every member of our community deserves the certainty of knowing they will have a roof over their head every night. This is regardless of a person's financial circumstances, age, gender, race, religion or sexual orientation. The provision of housing enables participation in community life in Greater Shepparton.</p> <p>The land is currently vacant and is zoned for housing. The site is ideally located for affordable housing due to its proximity to other services including the Maternal Child and Health Centre on Parkside Drive, Shepparton Sports City, shops on Numurkah Road, the Parkside Gardens Playground, the number 2 and 3 bus lines providing sufficient access to public transport, and close proximity to the former Wanganui High School (earmarked to remain as a school site by</p>

		<p>the Department of Education and Training, subject to redevelopment), etc.</p> <p>The Parkside Gardens Development Plan (the overarching strategic plan for the area) always envisaged that this land would be identified for residential purposes. The land is located within the General Residential Zone, social housing is one form of housing, in-keeping with the area and the Parkside Gardens Development Plan.</p>
1, 2, 2a, 3, 4, 5, 6, 8, 33, 37, 44 and 59.	The proposal will result in the devaluation of surrounding residential properties.	<p>This is a commonly raised issue regarding affordable housing in Australia.</p> <p>For most homeowners, their property is their biggest investment, so it is natural to be concerned about the potential effect on its value as a result of changes in the neighbourhood. However, there is evidence from a number of studies showing property values are not affected by nearby social/affordable housing.</p> <p>A study by the Australian Housing and Urban Research Institute (2013) undertook modelling of property values surrounding affordable housing developments. The study found that ‘the impact of affordable housing development on property sales values can be positive or negative, but it is usually minimal either way and far outweighed by other factors. The study found no evidence to suggest that affordable housing development has a universally damaging impact on property sales values.’ (Source: Understanding and addressing community opposition to affordable housing development <a href="https://www.ahuri.edu.au/research/final-reports/211">https://www.ahuri.edu.au/research/final-reports/211</a>).</p> <p>Property values are impacted by a large number of factors. In general, property prices have significantly increased in Shepparton since the commencement of the COVID-19 pandemic. If Council resolved to sell part of the land to Women’s Housing Ltd; the housing would be just like housing in the surrounding streets and would constitute a high-quality development.</p> <p>The houses would be managed by a community housing organisation with proven expertise in property management, tenancy management and community development.</p> <p>Women’s Housing Ltd would engage a builder to construct the approximately 45 dwellings. These would be two and three bedroom single storey brick veneer dwellings with a similar built form to</p>

		most other new residential estates in Greater Shepparton. These buildings would be constructed to have a seven star energy rating and meet the silver standard of the <i>Liveable Housing Association Guidelines</i> .
3, 5, 6, 7, 8, 28, 29, 32, 32a, 35, 36, 37, 39, 43, 47, 55 and 59.	The proposal will result in an increase crime and anti-social behaviour in the area.	<p>There is no proven link between criminal behaviour and affordable housing; rather there is a greater risk of crime when people do not have access to safe, secure and affordable housing. (Source: Understanding and addressing community opposition to affordable housing development <a href="https://www.ahuri.edu.au/research/final-reports/211">https://www.ahuri.edu.au/research/final-reports/211</a>).</p> <p>Council officers reject the assumption that the proposal will result in an increase in criminal activity or anti-social behaviour.</p>
2, 2a, 3, 4, 6, 8, 33, 34, 35, 37, 38, 39, 40, 42, 53, 55, 56, 58, 58a, ad 59.	The safety of existing residents within Parkside Estate and/or the safety of people housed by the proposal will be jeopardised.	<p>Council will work with Women's Housing Ltd to ensure that the ongoing management of the housing provided is safe and successful for existing and new residents.</p> <p>Community housing organisations, just like any other landlord, have obligations under the <i>Residential Tenancies Act 1997</i> to ensure that the privacy, peace and quiet enjoyment of neighbouring residents are not affected by tenants and their visitors.</p> <p>Tenants who do not meet the obligations of the <i>Residential Tenancies Act 1997</i> and the obligations set out by the community housing organisation can be vacated from the property. The <i>Residential Tenancies Act 1997</i> provides a process for this. But as with any person, serious criminal behaviour can result in a person being arrested on the spot.</p>
3, 5, 6, 7, 8, 28, 29, 33, 36, 37, 41, 44, 55 and 59.	The proposal will detriment the Parkside Estate residents' mental health.	<p>Women's Housing Ltd is a registered housing provider; any impacts on the existing residents within Parkside Estate can be managed.</p> <p>Community housing organisations, just like any other landlord, have obligations under the <i>Residential Tenancies Act 1997</i> to ensure that the privacy, peace and quiet enjoyment of neighbouring residents are not affected by tenants and their visitors.</p> <p>Tenants who do not meet the obligations of the <i>Residential Tenancies Act 1997</i> and the obligations set out by the community housing organisation can be vacated from the property. The <i>Residential Tenancies Act 1997</i> provides a</p>

		process for this. But as with any person, serious criminal behaviour can result in a person being arrested on the spot.
3, 5, 8, 39 and 56.	The proposal does not provide appropriate outdoor / green space for any future residents.	The proposal is within a close proximity to the Parkside Gardens Playground and Shepparton Sports City. Any future residents will be able to freely access these facilities.
3, 8 and 9.	The proposal will negatively detriment any potential future redevelopment of the former Wanganui High School.	<p>The Department of Education and Training has advised Council in writing that “the Minister for Education has approved the retention of the site for future education.....and planning for this use is well underway”. Council and the Department of Education and Training will work towards the continual use of the site as an educational facility. Further that the recreational assets on the site (specifically, the VISY Centre) will be shared between the community (through Council) and the future education facility established at the site.</p> <p>Council officers submit that any residents facilitated by the proposal could use the educational facility / recreational assets; obviously, this would include existing members of the community irrespective of whether Council resolves to support the sale of part of the land to Women’s Housing Ltd.</p> <p>There is no proven link between criminal behaviour and affordable housing; rather there is a greater risk of crime when people do not have access to safe, secure and affordable housing. (Source: Understanding and addressing community opposition to affordable housing development <a href="https://www.ahuri.edu.au/research/final-reports/211">https://www.ahuri.edu.au/research/final-reports/211</a>).</p>
4, 8 and 59.	No information on the future management of these properties and the tenants has been provided.	<p>Registered Housing Associations are required to comply with performance standards and other requirements set out in the <i>Housing Act 1983 (Vic)</i>. These standards are governed and audited annually by the Victorian Housing Registrar. These requirements provide the regulatory oversight environment that the State Government (public housing) or private landowners are not required to comply with.</p> <p>Women’s Housing Ltd is a Registered Housing Provider, which is required to comply with performance standards and other requirements set out in the <i>Housing Act 1983 (Vic)</i>. The performance standards outline the requirement for the provision of a Tenancy Management</p>



		Framework Plan for community housing, which among things includes the screening for future tenants, allocation of housing, eligibility criteria, and assets and income criteria. The Tenancy Management Plan commits the safety of existing, adjacent residents and tenants housed by the proposal as a priority and outlines ways this can be achieved.
6, 8, 29, 32, 32a, 37, 39, 40, 41, 42 and 43.	The proposal will increase traffic and access issues for Parkside Estate.	<p>Should Council resolve to sell part of the land; Council will require that Women's Housing Ltd engage a suitably qualified traffic engineer to prepare a Traffic Impact Assessment Report (TIAR). The TIAR would be required to be prepared prior to the commencement of any development. The TIAR would assess the existing and future volumes on traffic and the impact on the surrounding road network. It will also evaluate whether an upgrade of the Parkside Drive / Evergreen Way development is required to accommodate the development, amongst other things.</p> <p>Traffic and access is one of several key considerations Council must consider to ensure the development has sufficient car parking for future residents and efficient connections with other local roads.</p>
37, 39, 41, 42, 43 and 55	The proposal will increase the stresses on emergency services; specifically police and ambulance services.	<p>Council officers submit that this is not a valid reason to refuse the sale of the land. Post occupancy evaluations of similar density affordable housing projects (for example, the Woodstock Street development in Balaclava) found that it was the view of the St Kilda police that the residents had not cause any problems in the neighbourhood, rather that property crime had actually decreased in the area.</p> <p>The proposal meets the objectives and actions envisaged in the Affordable Housing Strategy and is underpinned by the 'Housing First' approach, aiming to support investment and action to increase crisis/specialised accommodation; increase Social Housing; improve the diversity of housing choice, and increase.</p>
10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 30, 45, 54, 57, 60 and 61	Supported the development.	Council officers note the response from these submitters.

Goulburn Valley Water was notified of Council's intention to sell the land on 18 February 2022, as well as several other government agencies and referral authorities. A response was received from Goulburn Valley Water on 24 March 2022, which stated that it did not object to Council the sale of this land.

A number of submissions raised additional concerns that could not be grouped into the themes in Table 1 above. The content of these submissions and Council officers' response is outlined below.

Submissions 2, 2a and 42 noted that the proposed development will jeopardise any future residential development of Parkside Estate.

- Council officers' response: The Parkside Gardens Development Plan (the overarching strategic plan for the area) envisaged that this land would be identified for residential purposes. This proposal is in keeping with the Parkside Gardens Development Plan that continues to guide any further development of the land. The site is located within the General Residential Zone, social housing is one form of residential housing.

Submission 3 noted that the land at 45 Parkside Drive, Shepparton comprises part of a wetland.

- Council officers' response: Any future development of the land will require planning permission. Part of the land is zoned Urban Floodway Zone and the Land Subject to Inundation Overlay applies to part of the land. The developer of any future subdivision and development of the land must provide plans to Council that respond to these flood controls to the satisfaction of the Goulburn Broken Catchment Management Authority, which is the relevant floodplain management authority.

Submissions 8 and 38 noted that the price of the land to be sold to Women's Housing Ltd is undervalued.

- Council officers' response: The land was valued by Opteon (Goulburn North East VIC) Pty Ltd in January 2022 to be worth \$1,350,000. This figure includes all land included in all three zones: General Residential Zone (9.049 hectares), Public Park and Recreation Zone (1.07 hectares) and Urban Floodway Zone (0.72 hectares) Urban Floodway Zone. The residential zoned land is valued at \$180,000 per hectare or \$1,305,000 in total. Council officers will obtain a revised valuation before any sale of land as Section 114 (2)(c) of the Act requires Council to obtain a valuation of the land which is made not more than 6 months prior to any sale or exchange.

Submission 56 noted that the proposal would result in a loss of recreation space for residents.

- Council officers' response: The Parkside Gardens Development Plan (the overarching strategic plan for the area) always envisaged that this land would be identified for residential purposes. This proposal is in keeping with the Parkside Gardens Development Plan. The land is currently not being used for recreational purposes.

Submission 52 stated that Council should investigate social housing opportunities for both men as opposed to this proposal for just women.

- Council officers' response: The development of part of 45 Parkside Drive, Shepparton for affordable housing does not preclude the investigation into the

redevelopment any other site for affordable housing for either men, women or a mixed-use cohort as part of a separate process. Council will continue to advocate for and facilitate the development of Affordable Housing in other areas of Greater Shepparton to address the critical undersupply of Affordable Housing.

Submissions 8 and 32, 32a, 32b and 32c noted that the proposed development would put the Bangerang Cultural Centre / Philippines House at a higher risk of damage.

- Council officers' response: There is no proven link between criminal behaviour and affordable housing; rather there is a greater risk of crime when people do not have access to safe, secure and affordable housing. (Source: Understanding and addressing community opposition to affordable housing development <https://www.ahuri.edu.au/research/final-reports/211>).

Submissions 29 and 32 and 32a submitted that inadequate community consultation has occurred and that Council must be more transparent with its decision making.

- Council officers' response: Community consultation commenced on 14 February 2022 and concluded on 28 March 2022. During this time Council engaged with key stakeholders and the broader community including letters, social media advertisements, advertisements in the Shepparton News, and media releases, amongst others.

The number of submissions, or there lack of, does not necessarily constitute an inadequate consultation process but rather the level of interest the project has amongst the wider community.

At the February 2022 OCM, Council resolved to consider the request from Women's Housing Ltd to sell part of the land at 45 Parkside Drive, Shepparton for Affordable Housing, in accordance with a community consultation process under Section 114 of the *Local Government Act 2020*. This process has since been undertaken attracting 61 submissions and seven verbal briefings by submitters.

Council will resolve whether to sell part of the land at 45 Parkside Drive, Shepparton to Women's Housing Ltd for Affordable Housing at the 21 June 2022 Ordinary Council Meeting. This meeting will be livestreamed and copies of the minutes will be made publicly available shortly after.

Submissions 29 and 38 cited concerns about the quality of the dwelling's being provided to any potential future residents by Women's Housing Pty Ltd.

- Council officers' response: Women's Housing Ltd would engage a builder to construct the approximately 45 dwellings. These would be two and three bedroom single storey brick veneer dwellings with a similar built form to most other new residential estates in Greater Shepparton. These buildings would be constructed to have a seven star energy rating and meet the silver standard of the Liveable Housing Association Guidelines.

Submissions 32 and 32a and 42 submitted that no risk assessment has been undertaken in support of the development.

- Council officers' response: Registered Housing Associations are required to comply with performance standards and other requirements set out in the *Housing Act 1983 (Vic)*. These standards are governed and audited annually by the Victorian Housing Registrar. These requirements provide the regulatory oversight environment that the

State Government (public housing) or private landowners are not required to comply with.

Submission 38 cited concerns with the findings and recommendations of the report prepared by Ethos Urban Pty Ltd (the Report) in support of the development. Specifically, that the report lacks an understanding of family violence or 'clustering' of affordable housing. The submitter goes on to note that the impacts of family violence are ongoing and do not end, and that the anticipated cost savings cited in the Report by finding housing for victims are therefore flawed.

- Council officers' response: Council officers note the concerns raised by submitter 38. Council officers have requested comments from Ethos Urban Pty Ltd to response to the concerns raised by submitter 38, these are included in Appendix 7.1 of this Report.

Submission 50 suggested that Council investigate rebuilding the former Mooroopna Hospital site for Affordable Housing instead of supporting this proposal.

Council officers' response: Council officers agree that the former Mooroopna Hospital site represents a redevelopment opportunity. The *City of Greater Shepparton Commercial Activity Centres Strategy, November 2015* and the *Greater Shepparton 2050: Regional City Growth Plan 2021* recognise the significant opportunity presented by future renewal of the former Mooroopna Hospital site. Development applications for the site from any private developer will be considered on a case-by-case basis.

The development of part of 45 Parkside Drive, Shepparton for affordable housing does not preclude the investigation into the redevelopment of the former Mooroopna Hospital site, or any other site for affordable housing as part of a separate process. Council will continue to advocate for and facilitate the development of Affordable Housing in other areas of Greater Shepparton to address the critical undersupply.

A number of submissions noted that social housing was never identified to form part of Parkside Estate when the land was initially advertised.

- Council officers' response: The Parkside Gardens Development Plan (the overarching strategic plan for the area) always envisaged that this land would be identified for residential purposes. The land is located within the General Residential Zone. Social housing is one form of housing, in-keeping with the area and the Parkside Gardens Development Plan.

A number of submissions also noted the history of the area and the previous Neighbourhood Renewal Program.

- Council officers' response: The Parkside Gardens Estate which was a joint venture between Council and VicUrban (now Places Victoria). This was to be delivered in accordance with the approved Parkside Gardens Development Plan, which provided for single detached dwellings on single lots



## 5.0 Additional work

### 5.1 Economic Impact Assessment for 45 Parkside Drive, Shepparton by Ethos Urban Pty Ltd

In early 2022, Council officers engaged Ethos Urban Pty Ltd to undertake a Social Housing Economic Benefit Assessment of the project. The Report quantifies in financial terms the community benefits of the proposal to the Greater Shepparton community. The findings of this are outlined in Section 2 of this Report.

Following the completion of the consultation period, Council sought additional commentary from Ethos Urban Pty Ltd regarding specific commentary raised in submission 38 to the Social Housing Economic Benefit Assessment. Ethos Urban Pty Ltd provided a response to this submitter addressing their concerns (attached in Appendix 7.1 to this Report) and noted that no changes are proposed to the Social Housing Economic Benefit Assessment.

### 5.2 Greater Shepparton Affordable Housing Projects: Review and Advice, June 2022 from Affordable Development Outcomes Pty Ltd

Council officers also engaged Affordable Development Outcomes Pty Ltd to prepare the *Greater Shepparton Affordable Housing projects: Review and Advice, June 2022* (the Summary Document). The Summary Document:

- reviews and comments upon the objectives and framework for affordable housing delivery in the Greater Shepparton Affordable Housing Strategy: Houses for People 2020;
- provides an update on affordable housing demand in Shepparton; and
- provides an informed response to the key community concerns.

The Summary Document provided an updated analysis of key data since the Strategy was developed which indicate that housing affordability has declined significantly in Greater Shepparton. Specifically, the Summary Document found:

- a 40% increase in the median housing price between 2010 and 2022;
- a 7% decline in affordability of two-bedroom new private rental dwellings (2010 and 2022);
- a 17% increase in presentations to local homeless service over a 12 month period to 1,488 households in 2020-21 (66% clients were new to the service); and
- an 80 per cent increase in households on the Social Housing waiting list (Victorian Housing Register) between December 2018 and June 2022 for the Greater Shepparton from 1,041 households to 1,674 households (904 households are priorities for housing assistance).

The Summary Document assessed the proposal and made the following comments, amongst others:

- the site is located within the General Residential Zone; social housing is one form of residential development;
- the provision of land and attraction of government funding reflects Council's strategy and committed actions;
- there are limited options for affordable housing providers to develop a reasonable number of dwellings in Shepparton, for affordable housing, thereby investing in establishing a presence in the region;

- the proposal is expected to result in significant social and economic benefits which will also have positive benefits for the wider community;
- the land is proposed to be purchased, providing a financial return to Council as well as the activation and progression of the Parkside Estate development; and
- Women's Housing Ltd has extensive experience supporting the proposed cohort of residents and delivering award winning Social Housing.

### 5.3 Commentary from Women's Housing Ltd on a management framework

A number of submissions received by Council cited concerns about the future management of these properties. Council officers sought advice from Women's Housing Ltd on the future management of their properties. Women's Housing Ltd have noted that they are a Registered Housing Provider, which is required to comply with performance standards and other requirements set out in the *Housing Act 1983 (Vic)*. The performance standards outline the requirement for the provision of a Tenancy Management Plan for community housing, which among things includes the screening for future tenants, allocation of housing, eligibility criteria, and assets and income criteria. The Tenancy Management Plan commits the safety of existing, adjacent residents and tenants housed by the proposal as a priority and outlines ways this can be achieved.

### 6.0 What happens next?

Council will consider the findings of the community consultation, in respect of the proposal before considering the potential sale of the land at the 21 June Ordinary Council Meeting.

**7.0 Appendix**

**7.1 Response from Ethos Urban Pty Ltd**

7 June 2022

Project Ref: 3220148

[REDACTED]  
Greter Shepparton City council  
Welsford Street  
Shepparton VIC 3630

Email: [REDACTED]

Dear [REDACTED]

**RE: RESPONSE TO SUBMISSION – PROPOSED SALE OF LAND (45 PARKSIDE DRIVE)**

You have requested that we provide a response to a submission in relation to the proposed sale of Council-owned land at 45 Parkside Drive, Shepparton. The sale of the land would facilitate a development by Women's Housing Ltd (WHL) that would see 45 new dwellings constructed for the purpose of housing low income and at-risk women and their children. The economic assessment undertaken by Ethos Urban quantifies the economic and social benefits of providing social housing at the subject site.

**Submission**

The submission argues that the report lacks depth. Specific criticisms include:

- Use of the cost of youth homelessness in place of specific costs associated with women-specific cohort
- Housing women and children who have escaped family violence does not guarantee their emotional and physical safety. Impacts are ongoing and debilitating, therefore the forecast costs savings are flawed.
- Reality of family violence is that a good proportion of women will reconcile with their partners and/or experience ongoing violence/abuse, with an increased likelihood of breaches of intervention orders and ongoing family law proceedings. Therefore, the resultant poor health and parenting outcomes may negate many of the anticipated economic benefits referred to in the report.

**Response**

The methodology employed in the economic benefits assessment is generally consistent with that used in similar reports. In this regard, the approach represents a good practice approach. It is acknowledged however that each and every scenario is different (for example, in this instance the proposal would accommodate at-risk women and children) and sometimes available data does not match perfectly with the outcome of the proposed development.

The submission notes that a good proportion of women will reconcile with their partners. This may well be the case. The economic report assumes 100% occupancy of the housing. In this context, it is assumed that should a resident move out of the development, another will take their place.

Although the submission raises some interesting points, we do not propose to amend the report.

Yours sincerely,



**Chris McNeill**  
Director, Economics

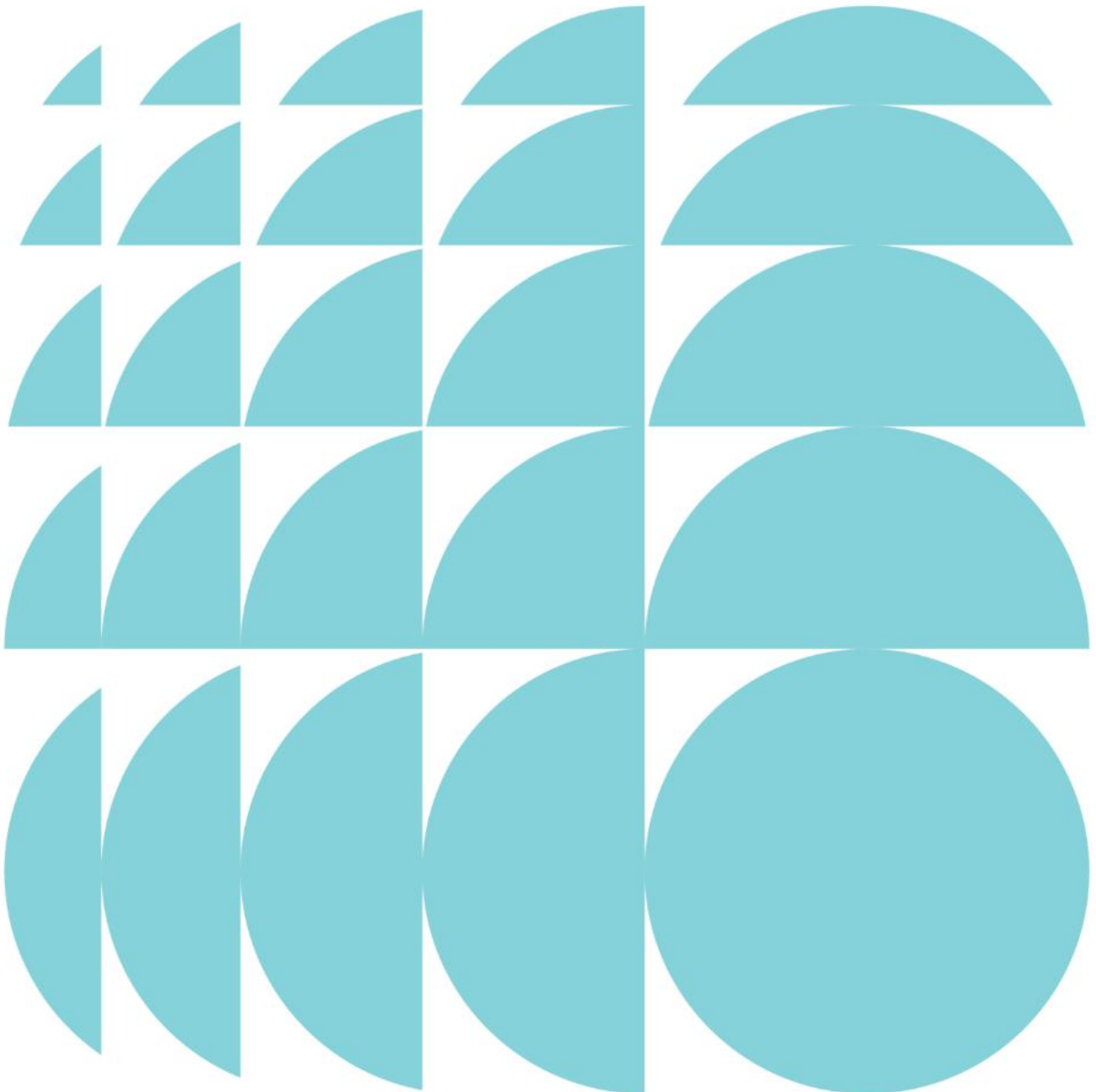


**ETHOS  
URBAN**

**Greater Shepparton (45  
Parkside Drive) Social  
Housing Economic Benefits  
Assessment**

Prepared for Greater Shepparton City Council

June 2022 | 3210423



*Authorship*

Report stage	Author	Date	Director Review	Date
Draft report	Rajiv Mahendran Zack Heap	3 February 2022	Chris McNeill	4 February 2022
Final report			Chris McNeill	7 June 2022

*Disclaimer*

Every effort has been made to ensure the accuracy of the material and the integrity of the analysis presented in this report. However, Ethos Urban Pty Ltd accepts no liability for any actions taken on the basis of report contents.

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***Our Reference: 3210423***

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## Executive Summary

- 1 A potential social housing project is being considered by Greater Shepparton City Council (Council). The project, which would involve a development by Women's Housing Ltd (WHL), would involve the sale of Council land at 45 Parkside Drive, Shepparton (the subject site)). This economic assessment quantifies the economic and social benefits of providing social housing at the subject site.
- 2 The proposed development would see approximately 45 new dwellings constructed for the purpose of housing low-income and at-risk women and their children.
- 3 Lack of access to safe, stable, and appropriate housing (homelessness) is considered a growing problem in Victoria. Approximately 35,000 people are on the waiting list to enter social housing in Victoria and 200,000 persons across Australia.
- 4 Shepparton has the highest homelessness rate in Regional Victoria, coupled with increasing demand for priority access housing in the area.
- 5 Homelessness presents substantial economic and social costs to the community. With homelessness expected to continue to increase, the provision of social housing is a priority for all levels of government.
- 6 Available evidence indicates the provision of social housing delivers significant benefits to both individuals and the broader community in the form of health sector savings, individual health and lost income benefits, justice sector savings, and employment and income benefits.
- 7 For each person housed in the proposed social housing development, \$24,950 per year in economic benefits can be identified. Of this amount, approximately \$2,910 per year accrues directly to the person being housed, while \$22,040 per year represents a benefit to the State (i.e. in the form of expenditure savings and increased economic activity). Accordingly, the project will generate an annual economic benefit of \$1.7 million or \$28.4 million over the 30-year life of the building.
- 8 At a discount rate of 4%, the development will deliver a net benefit of \$1.8 million, based on a construction cost estimate of \$9.7 million and an annual operating cost of \$461,980. This represents a benefit cost ratio of 1.62; that is, a \$1.62 return is realised for every dollar invested.
- 9 Construction of the proposed development will deliver additional benefits to the local economy. Including direct and indirect impacts, the development is expected to generate \$7.8 million in value added and support 60 jobs (assuming a one-year construction period).
- 10 Overall, the benefits associated with the provision and construction of the proposed social housing development will generate substantial benefits for the broader community and represents a positive investment proposition.

## Introduction

### Background

Council owns land at 45 Parkside Drive, approximately 3km north-west of the Shepparton CBD.

Women's Housing Limited (WHL) proposes the construction of approximately 45 social housing dwellings on the subject site. WHL is currently the lead agency in Victoria in the provision of affordable housing for women, with some 600 properties in their property portfolio.

In assessing the project, Council has engaged Ethos Urban to analyse the economic benefits associated with the project and, in particular, the economic benefits associated with the provision of social housing.

### Objective

This assessment quantifies the economic benefits associated with the proposed development.

### This Report

This report contains the following chapters:

- Chapter 1:** Locational Context and Proposed Development
- Chapter 2:** Economic and Social Benefits Associated with the Provision of Social Housing
- Chapter 3:** Economic Benefits Associated with the Construction of the Proposed Development



# 1 Locational Context and Proposed Development

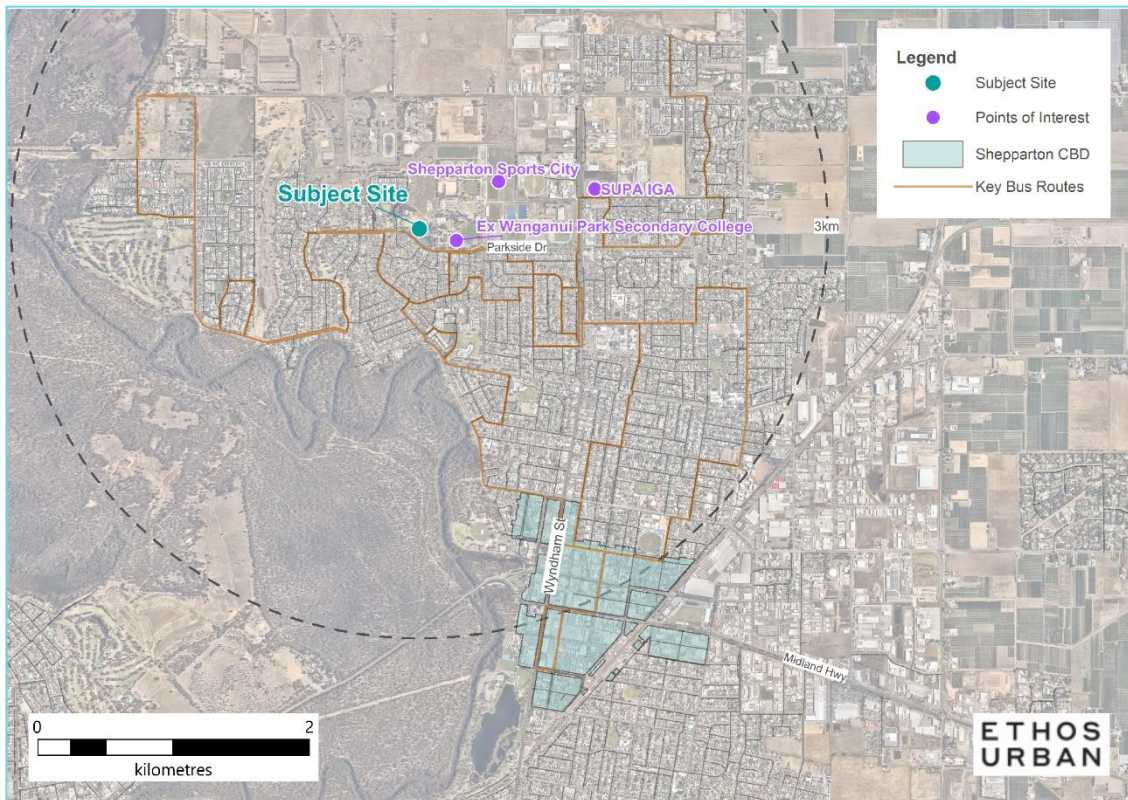
This Chapter provides an overview of the subject site and its surrounding context, as well as the proposed development scheme.

## 1.1 Context

Located in the north-west of the established urban area of Shepparton, the subject site is part of the Parkside Gardens estate area.

The subject site is proximate to significant recreational areas and sporting facilities, and approximately 1.5 kilometres west of retail and commercial facilities situated on Numurkah Road (the Goulburn Valley Highway). The Shepparton CBD is approximately 3.5 kilometres south-east of the subject site.

Figure 1.1 Local Context



Source: Ethos Urban

## 1.2 Proposed Development and Resident Population

Redevelopment of the subject site is proposed to include:

- Approximately 45 dwellings on the identified land at Parkside Gardens, Evergreen Way

Based on an average of 1.5 persons per dwelling it is estimated the proposed development would accommodate approximately 70 persons.

## 2 Economic and Social Benefits Associated with the Provision of Social Housing

This Chapter estimates the economic benefits associated with the provision of social housing, based on a review of relevant studies and academic research.

### 2.1 The Need for Social Housing

Homelessness is defined by the Australian Bureau of Statistics (ABS) as a lack of access to safe, stable and appropriate housing. That includes both people living on the street as well as those in unstable or inappropriate circumstances such as 'couch surfing' at friends and family. Approximately 35,000 people are on the waiting list to enter social housing in Victoria and 200,000 persons across Australia.

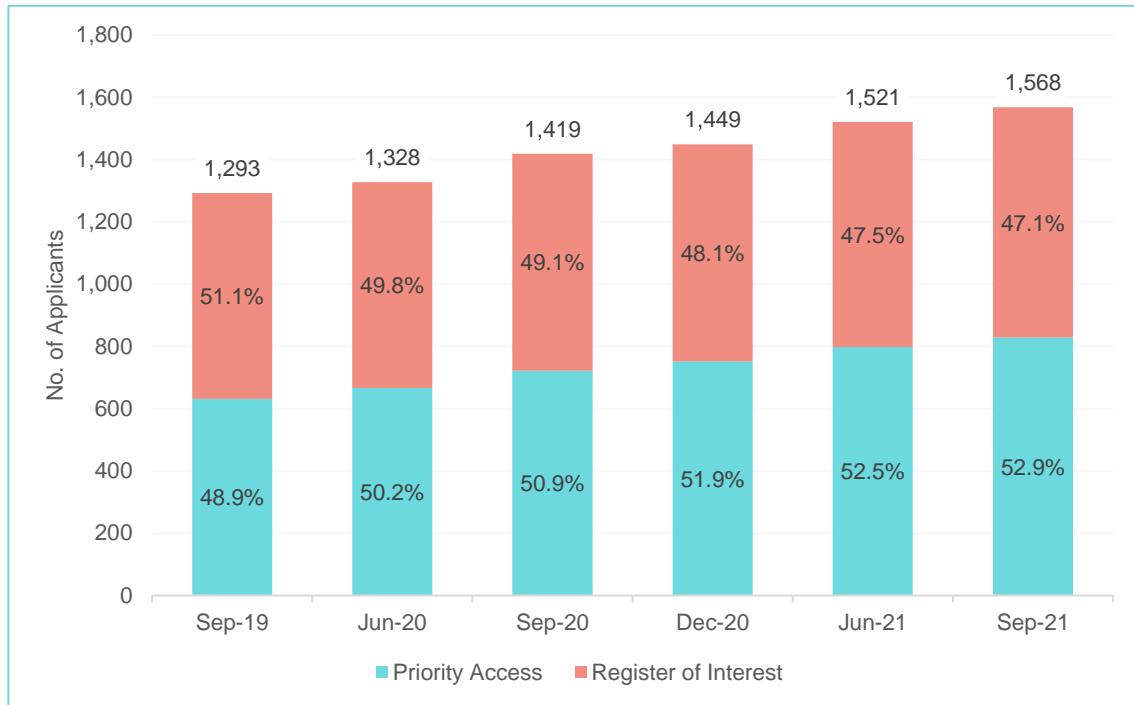
The need for increased social housing in Shepparton is evident, with Greater Shepparton facing the highest rates of homelessness in Regional Victoria (ABS Census, 2016). Shepparton is facing increased demand in both priority access and register of interest social housing (refer Figure 1). Importantly, since September 2019, the demand for priority access has increased at a faster rate than register of interest applicants, suggesting that households increased vulnerability to homelessness has been exacerbated by COVID-19.

Note: the actual scale of homelessness could be higher as, given the size of the waiting list, not all people experiencing homelessness will have registered.

Social Housing is defined as housing provided for people on low incomes or with particular needs by government agencies or non-profit organisations. Social housing is owned by the State, Council, or non-profit organisations and leased to eligible households with rental payments based on a share (typically up to a maximum of 25%) of their income.

Available evidence shows that social housing provides significant economic and social benefits for individuals and the community. Benefits largely revolve around reducing the costs associated with homelessness, such as pressure on the health care system, justice agencies including the police, as well as the output improvements of higher employment and productivity outcomes, and individual benefits such as better mental health, social connections and overall participation in society.

**Figure 2.1: Victorian Housing Register and Transfer List, Goulburn (Shepparton) Office**



Source: Victorian Housing Register, Housing VIC  
 Note: Dec-19 data not available

## 2.2 Economic and Social Benefits of Providing Social Housing

### Health Sector Savings (State-wide Benefit)

Significant cost savings in health care and emergency services have been estimated for the provision of social housing and reducing homelessness. Savings are derived from fewer emergency room presentations, a reduction in general hospitalisation days, and lower levels of stress, depression and anxiety.

In *The Cost of Youth Homelessness (2016)* in Australia, the cost of youth homelessness is estimated at \$8,500 in health services per person housed per year. The study observed a group of young people who were homeless or at a very high risk of homelessness and a group of disadvantaged young job-seekers. Although both groups reported experiencing difficult circumstances, the study found difficulties faced by young homeless people were significantly higher than those in housing.

However, the proposed social housing development will support women of varying ages. Since young people and men typically have lower health service utilisation rates, it can be reasonably assumed that actual health cost savings from the proposed development would be higher.

According to the ABS (2020-21), 9% of people aged 15 to 34 were admitted to hospital compared to 13% of people aged 35 and older, indicating older individuals are approximately 40% more likely to be admitted to hospital. Similarly, analysing hospital admissions for women against the total population, a gender adjustment factor of 1.16 has been applied to consider the higher prevalence of hospitalisation amongst women.

Having regard for the higher propensity of older people and women to utilise health care services, the health savings estimate of \$8,500 has been adjusted to \$14,090 per person housed per year, after incorporating CPI adjustments. This number is considered likely to better reflect the nature of the

proposed development with an emphasis on women, along with a diverse age range of future residents in the proposed development.

### ***Individual Health and Lost Income Benefits (Individual Benefit)***

While the previous sub-section already discusses the benefits to the health care sector, this sub-section outlines the benefits to the individual due to transitioning out of homelessness. The analysis indicates that the annual individual health and lost income benefits per woman due to the provision of social housing equates to \$2,910 (see the following for a breakdown).

#### Domestic Violence

Domestic and family violence is the primary cause of homelessness for women and children. The COVID-19 pandemic has further exacerbated domestic violence in households, with a 5.9% increase in the number of women seeking specialist homelessness services (SHS) due to domestic violence since 2019/20.

A 2015 report from Price Waterhouse Coopers (PWC) quantified the annual economic costs of pain, suffering and premature mortality due to partnered domestic violence to be \$4,740 per individual. Partnered violence is defined as physical, sexual or emotional abuse by a current or previous partner.

For the purposes of this assessment, the the PWC estimate is adopted as a baseline and then adjusted to reflect the benefits gained from avoiding domestic violence due to social housing. Data from the Specialist homelessness services annual report has been used to create the updated benefits.

In 2020/21, 88,910, or 53% of all female SHS clients, sought assistance while experiencing domestic and family violence. On average, for those who experienced domestic and family violence, 57% were identified as requiring accommodation provision. Due to the accommodation provision not being disaggregated at the gender level, this may underestimate the total need for housing for women.

When estimating the unit cost per tenant, the economic cost of pain, suffering and premature mortality due to partnered domestic violence is multiplied by the rate at which women experiencing domestic violence seek accommodation. This yields a unit cost of \$1,620 per tenant after adjusting to 2021 dollars.

#### Mental Illness

Mental health issues represent both causes and impacts of homelessness and represent costs to the individual and broader community. The transition out of homelessness, therefore, leads to cost savings. Mental health issues frequently found in homeless people include depression, anxiety, and substance abuse. Deakin University (2017) estimates that these mental health issues cost the Australian economy approximately \$12.8 billion per year.

A study of 4,290 homeless people, *Are the Homeless Mentally Ill?* (2009) found that 31% of people experiencing homelessness suffered from mental health issues, with 53% developing a mental health issue following homelessness.

A 2003 study (*The Excess Cost of Depression in South Australia: A Population-Based Study*) estimated the personal cost of major depression at \$9,950 per year and \$3,150 for other depression. Personal costs include pharmaceuticals and specialist services, but the majority of costs are attributed to days unable to work and days of reduced work. Specifically, women had a higher prevalence of experiencing major (8%) and other (11%) depression relative to men (5% and 10%, respectively). The Latest ABS data (2020/21) supports the above findings, highlighting that women (20%), on average, are more likely to visit mental health professionals than men (11%).

Due to the higher incidence of women experiencing mental health disorders and utilising more mental health services relative to the total population, the individual benefit has been adjusted upward by 27%.

Research into employment rates among disadvantaged Australians (*The Effect of Homelessness on Employment Entry and Exists: Evidence from the Journeys Home Survey 2018*) found that 19% of homeless people were employed.

Transitioning from homelessness would provide relief for mental health issues associated with homelessness, such as stress. However, recovery from mental issues likely also requires access to other support services. For this assessment, 50% of the cost of mental illness per person housed per year is estimated to be attributed to access to social housing. This yields a unit cost of \$1,290 per tenant after adjusting to 2021 dollars.

Allowing for the above considerations, the average individual benefit for each person moving into social housing is estimated at \$2,910 after adjusting to 2021 dollars.

In adjusting for the employment rate of homeless people, this estimate excludes the stress relief and other mental health benefits realised by unemployed homeless individuals. Therefore, this estimate is considered conservative.

#### **Justice Sector Costs (State-wide Benefit)**

Homeless people are significantly more likely to be involved in a crime, either as a victim due to their vulnerability because of their lack of safe and private accommodation or as an offender as a result of mental health issues, substance abuse, food insecurity, and lack of private accommodation leading to enforcement of 'nuisance' crimes such as 'move-on' directions, on-the-spot-fines, etc.

Research from a 2016 study in the UK ("*It's No Life at All*" *Rough sleepers' experiences of violence and abuse on the streets of England and Wales*) found that homeless people were 17 times more likely to be the victim of assault compared to the general population. Another study (*The State of Homelessness, 2018*) found 45% of homeless people had been to prison in their lifetime between 2010 and 2017. Part of the reason for this are laws that indirectly criminalise homelessness, such as begging, banning squeegeeing at traffic lights, camping in public spaces, drinking in public, etc.

Beyond the individual costs associated with being a victim or offender of these crimes, there are costs associated with policing and the justice system. Providing more social housing and bringing people off the street will have an immediate and direct impact on these costs.

For the purposes of this assessment, the justice-related benefits associated with the provision of social housing are based on findings from *The Cost of Youth Homelessness in Australia* (2015) which estimates youth-justice issues cost an average of \$890 per person housed per year from victimisation and \$8,470 per person housed per year from offending. These estimates have been revised regarding the likelihood of different age groups and genders to be victims/offenders compared to other groups.

Analysis of crime victimisation statistics from the ABS (2019/20) shows that people aged 15 to 24 years have a victimisation rate of 3% compared to 2% for people aged 25 and above, a factor of 0.8. On the other hand, there were no notable differences in the victimisation rate between men and women, so no gender adjustment has been applied. Therefore, the \$890 per person housed per year cost estimate for 15 to 19-year-old victims has been revised down by 0.4 and adjusted for CPI to 2021 dollars bringing the estimate to \$400 per person housed per year.

Similarly, analysis of crime offender statistics from the ABS (2019/20) shows people aged 15 to 19 have an offender rate of 4% compared to 2% for people aged 20 and above, a factor of 1.4. The youth offender justice sector cost estimate of \$8,470 has been revised down by 0.7.



In addition, after considering gendered crime offender statistics from the ABS (2019/20), the cost estimate has been revised down by 0.5 to reflect the lower likelihood of women committing an offence. Therefore, after adjusting the estimate to 2021 dollars, the overall cost saving is \$3,220 per year for each person housed in social housing.

In total, it is estimated that the provision of social housing will deliver approximately \$3,610 per person housed per year in cost savings for the justice sector.

### ***Employment and Income Benefits (State-wide Benefit)***

Employment rates among homeless people are low at 19% compared to 62% for all Australians. Social housing allows previously homeless people better access to employment through stability and allows tenants to start or continue education or training. SGS (2017) reports that approximately 8% to 10% of social housing tenants access employment following the provision of social housing.

For incoming tenants, average annual income is considered based on the single person Victorian upper-income limits for register of interest and priority access social housing clients. The average of these upper-income limits has been applied, yielding annual income at \$43,320 (or \$835 per week).

In modelling state-wide employment and income benefits, Ethos Urban has discounted annual income by 90% to allow for only 10% of tenants going into employment, leaving \$4,340 per year in income benefits.

Note that the allowance for 10% of tenants entering employment after attaining accommodation prevents double counting with the lost income benefit described previously.

This benefit is considered both an individual and community benefit, as it also increases the economy's overall output.

### ***Summary***

Homelessness presents high economic and social costs to the community. With homelessness expected to increase in the future, the provision of social housing is considered a priority by all levels of government.

Available evidence indicates the provision of social housing will deliver benefits to both individuals and the broader community in the form of health sector savings, individual health and lost income benefits, justice sector savings, and employment and income benefits.

Approximately **\$24,950 per year** in economic benefits can be identified for each person housed in the proposed social housing development. Of this amount, approximately \$2,910 per year accrues directly to the individual being housed, while \$22,040 per year represents a benefit to the state and local community (i.e. in the form of expenditure savings and increased economic activity). Accordingly, the project will generate an annual benefit of \$1.7 million or \$48.5 million over the 30-year life of the building.

**Table 2.1 Economic and Social Benefits Associated with the Provision of Social Housing**

Per person benefits	Estimated Benefits per Tenant per Year (\$2021)
<b>Individual Benefits for Tenants</b>	
Individual Health and Lost Income Benefits (Individual Benefit)	\$2,910
<b>State-wide Benefits</b>	
Health Sector Savings (State-wide Benefit)	\$14,090
Justice Sector Costs (State-wide Benefit)	\$3,610
Employment and Income Benefits (State-wide Benefit)	\$4,340
<b>Sub-total</b>	<b>\$22,040</b>
<b>Total</b>	<b>\$24,950</b>
Proposed dwellings	45
Average Household Size	1.5
<b>Total Tenants</b>	<b>70</b>
<b>Total Annual Benefit</b>	<b>\$1.7 million</b>

Source Ethos Urban Research

Figures have been rounded.

Operating costs have been estimated at \$10,270 per dwelling and is sourced from the Productivity Commission's Review of Government Services (2018) and adjusted by CPI to 2021 dollars.

At a discount rate of 4%, the development will deliver a net benefit of \$10.8 million, based on a construction cost estimate of \$9.7 million (refer section 3.1). This represents a benefit cost ratio of 1.62, that is, for every dollar invested a \$1.62 return is realised.

It is also noted that the Federal Government has recognised the need to change the baseline discount rate for benefit cost assessments. In 2018, the House of Representatives Standing Committee on Infrastructure, Transport and Cities recommended the adoption of a 4% discount rate for the appraisal of Commonwealth infrastructure projects. This recommendation was made noting that the discount rate of 7% was adopted as the default parameter at a time where the cost of borrowing, i.e. cash rate, was much higher than what it is currently. Given the nature of this project, the adoption of a 4% discount rate is regarded as appropriate.

A benefit cost ratio above 1.0 at discount rates of 7% and 10% demonstrates the proposed development presents a robust cost benefit result which delivers significant community benefits.

**Table 2.2 Benefit Cost Assessment**

	Discount Rate (4%)	Discount Rate (7%)	Discount Rate (10%)
<b>NPV Benefits</b>	<b>\$28.4 million</b>	<b>\$20.5 million</b>	<b>\$15.7 million</b>
NPV Costs	\$17.6 million	\$15.4 million	\$14.0 million
Total Benefit	\$10.8 million	\$5.1 million	\$1.6 million
BCR	1.62	1.33	1.11

Source Ethos Urban Research

### 3 Economic Benefits Associated with the Construction of the Proposed Development

Residential construction activity generated by the construction of social housing provides additional benefits not encompassed by the various benefits associated with transitioning people out of homelessness through provision of social housing. This Chapter provides high-level estimates of the economic benefits associated with the construction of the proposed development.

The economic benefits have been estimated according to the direct, or project specific outcomes. Further, indirect impacts are also assessed allowing for the effects of economic multipliers. These forecasts of economic impacts have been prepared with input-out modelling undertaken with reference and compliance to best-practice guidelines.

According to the analysis summarised in Table 3.1, the construction phase is expected to directly deliver:

- Full-time equivalent (FTE) employment of 10 construction-related jobs supported, assuming a 12-month construction phase.
- A total direct value-add to the economy of \$2.0 million.

**Table 3.1 Economic Impact of Construction Phase of Proposed Development**

	Direct	Indirect	Total
Employment (FTE)	10	50	60
Value Added (\$M)	\$2.0	\$5.8	\$7.8

Source: Ethos Urban analysis utilising data and information from ABS, National Accounts; ABS, Census of Population and Housing 2016; ABS, Labour Force Statistics Detailed Quarterly.

Figures have been rounded.

When the multipliers are taken into account, economy-wide effects over the construction program are forecast to be:

- Full-time equivalent (FTE) employment of 60 jobs supported, assuming a 12-month construction phase.
- A total direct value-add to the economy of \$7.8 million.

The construction program will deliver a boost to building and trades sector in Greater Shepparton, with wider impacts across the broader economy.



# Greater Shepparton Affordable Housing Projects

**Review and Advice June 2022**

# Context

## Purpose

Affordable Development Outcomes was engaged by Greater Shepparton Council ('Council') to review and comment on Council's Affordable Housing Strategy ('the Strategy') objectives and framework for Affordable Housing delivery; provide an update on Affordable Housing demand in Shepparton; and provide an informed response to key community concerns.

The advice draws on Affordable Development Outcome's work developing the Strategy which was adopted by Council in April 2020.

## Affordable Housing Overview

Affordable Housing is housing that is appropriate for the housing needs of very low, low or moderate income households who face homelessness, housing stress and disadvantage in the private market.

Affordable Housing is required for a range of households and is part of a healthy and diverse housing spectrum.

The primary type of Affordable Housing is Social Housing, which is housing owned and managed by the State Government or not-for-profit housing organisations, including Indigenous housing agencies. Registered Housing Agencies are not-for-profit organisations and have a clear social purpose and are regulated by the government.

Delivery of Affordable Housing depends on the availability of affordable land, supportive planning processes, funding and financing, and qualified and regulated tenancy management (Figure 1). There are three primary ways in which Affordable Housing is delivered:

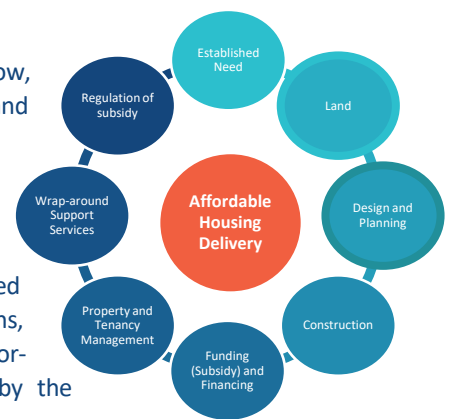


Figure 1: Affordable Housing Delivery requirements

Delivery Model	Key Inputs
Re-development of public or community housing owned land by the State Government or a Housing Agency.	<ul style="list-style-type: none"> <li>State Government or Housing Agency owned land</li> <li>State Government grant</li> <li>Housing Agency debt financing</li> </ul>
State Government or Housing Agency purchase of land to develop or completed dwellings from a private developer/builder.	<ul style="list-style-type: none"> <li>Developer owner land sold to government or agency</li> <li>Developer discount</li> <li>State Government grant</li> <li>Housing Agency debt financing</li> </ul>
Development of Council owned land or land provided by a charity group (i.e. church) by a Housing Agency	<ul style="list-style-type: none"> <li>Council or charity owned land</li> <li>State Government grant</li> <li>Housing agency debt finance</li> </ul>

## Funding Affordable Housing Delivery in Shepparton - Big Housing Build

Council's Strategy recognises the importance of government funding to realising Affordable Housing and established a Council action to advocate for Federal and State investment.

In late 2020 the Victorian Government announced the Big Housing Build (BHB) initiative comprising \$5.3 billion in funding with 25% allocated to regional Victoria. The State has committed a BHB Minimum Investment Guarantee for Greater Shepparton of \$45 million, expected to support approximately 150 Social Housing dwellings. Only part of the cost is met from the funding with Housing Agencies expected to bring land and/or debt financing to provide value for investment.

The State Government has expressed strong support for housing agency proposals that involve Council-provided land.





## Greater Shepparton Affordable Housing Strategy

Greater Shepparton Affordable Housing Strategy: *Houses for People 2020* was developed following extensive research and consultation and established Council vision that “All members of the Greater Shepparton community have access to safe, affordable and appropriate housing”,

The Strategy emphasises:

- Housing is a fundamental human need. Addressing homelessness and housing stress requires a HousingFirst approach – supporting people into long-term and stable housing as a priority;
- Housing stress and homelessness is a significant social and economic issue in Greater Shepparton, with high demand and associated impacts including family violence, education, poverty, etc;
- Affordable Housing delivery is situated as part of a broader set of policy objectives and challenges including housing supply, diversity, CBD activation, and community health and wellbeing;
- Priority households include women, Aboriginal and Torres Strait Islanders, older and younger people, people with a disability and single persons with a priority for one and two bedroom dwellings; and
- A need for range of inputs, funding and partnerships, particularly government funding to address demand.



The Strategy identified the following significant unmet demand for Social Housing in Shepparton as at June 2019:



Figure 2: Social Housing unmet demand as at 2019

The Strategy establishes four key Council objectives:

1. Increase crisis and specialised housing responses to support vulnerable households.
2. Increase Social Housing stock.
3. Increase diversity of housing choice, including ‘alternative’ housing and lifestyle typologies.
4. Increase diversity of dwelling size, beginning with one and two bedroom dwellings.

The Strategy recognises Council has a limited but important role in Affordable Housing delivery and highlights Council role will focus on leadership and advocacy; land-used planner, delivery of associated infrastructure; and facilitator of social and economic outcomes.

In endorsing the Strategy Council committed to a range of actions including:

- Collaborate to develop ‘shovel-ready’ proposals to strengthen the likelihood of government investment;
- Ensure the efficient use of underutilised assets for Affordable Housing purposes, especially Council or government-owned land and buildings;
- Advocate for Federal and State investment.



## Framework for Assessing Proposed Affordable Housing developments

The Strategy established an important framework intended to guide land-use planning for Affordable Housing in Shepparton. The criterion set out in the framework aligns to the *Planning and Environment Act 1987* Affordable Housing definition and list of matters that must be considered by a Council when assessing a proposal for Affordable Housing. An extract of key aspects of this framework is outlined below.

Of note, in relation to community concerns raised in relation to the two proposals, the framework identifies:

- A priority for Affordable Housing delivery to occur in Shepparton and Mooroopna, on government owned land (Federal, State and Local Government);
- A priority for Affordable Housing to be delivered as one and two bedroom dwellings;
- A preference that community (social) housing is integrated, with an objective that Community Housing is not concentrated in any one single location *“unless supported by a Registered Housing Agency”* reflecting Agencies have to manage the resulting tenancies; and
- Acknowledgement that *“clustering of Affordable Housing dwellings may be appropriate in some circumstances due to proximity to transport and/or availability of land or sites or government redevelopment or investment strategy.”*

Criteria	Strategy Response and Framework for Action (Condensed Version May 2022)
<b>Location</b>	<ul style="list-style-type: none"> <li>• Shepparton and Mooroopna are priority locations for Affordable Housing due to their convenient access to services and amenities.</li> <li>• Other locations in the municipality, including smaller towns and growth areas, may also be suitable for Affordable Housing provision, particularly if there is government owned land available for development. Where possible Affordable Housing should be located close to transport and services.</li> <li>• Government owned land is a priority for Affordable Housing reflecting the opportunity for government leadership and action.</li> <li>• Locations within the municipality that are identified as being suitable for growth and for more diverse and particularly smaller dwellings, reflecting the need for more one and two-bedroom dwellings.</li> </ul>
<b>Type</b>	<ul style="list-style-type: none"> <li>• One and two-bedroom dwellings are the priority built-form. The need for increased 5+bedroom dwellings may be considered on a case-by- case basis.</li> <li>• Affordable Housing should be built to reflect market standards and measures, with consideration to long-term affordability features balanced against upfront costs.</li> </ul>
<b>Tenure</b>	<ul style="list-style-type: none"> <li>• Both affordable rental and ownership tenures are required, with emphasis on Social Housing and Affordable Rental Housing for lower income households.</li> </ul>
<b>Allocation</b>	<ul style="list-style-type: none"> <li>• Process of ensuring any dwellings delivered as Affordable Housing are allocated to households that meet <i>Planning and Environment Act 1987</i> Affordable Housing income bands or Social Housing income eligibility is required.</li> <li>• Priority households for Affordable Housing include single people, ATSI households, women, older people, people with a disability and/or younger people.</li> </ul>
<b>Longevity of outcome</b>	<ul style="list-style-type: none"> <li>• Affordable Housing should be intended for long-term use or the value re-invested should the dwelling be sold.</li> <li>• Affordable Housing should be of sufficient quality to provide positive contribution to the public realm throughout its expected lifespan of 30+ years.</li> </ul>
<b>Integration</b>	<ul style="list-style-type: none"> <li>• Affordable Housing should not look externally different from market housing and should be equal in design quality and standards.</li> <li>• Integration of Community Housing built form across a site is prioritised, with an objective that Community Housing is not concentrated in any one single location unless supported by a Registered Housing Agency.</li> <li>• Clustering of Affordable Housing dwellings may be appropriate in some circumstances due to proximity to transport and/or availability of land or sites or government redevelopment or investment strategy.</li> </ul>



## Context and Changes since Strategy approval

Since the Strategy was developed Victorians have faced significant economic and social challenges that have strong linkages to the importance of housing affordability and housing security. There has also been significant public engagement and public attention on housing related issues.

Of note, since the Strategy was endorsed there has been:

- Covid-19 pandemic, reinforcing the importance of a safe and secure home for health and wellbeing with associated investment in providing short-term housing for people that were homeless;
- Declining housing affordability, increased housing stress, increased price of rentals and broader cost of living pressures;
- Royal Commissions into Family Violence and Mental Health emphasising the availability of affordable housing as a critical issue and priority if these issues are to be addressed;
- State Government investment in addressing homelessness and increasing Social Housing through the Homelessness to Home and the Big Housing Build initiatives;
- Federal election emphasis on housing affordability with the recently elected Labor Government committed to developing a National Housing Plan, funding 30,000 Social Housing and 10,000 Affordable Housing dwellings nationally and supporting 10,000 households to purchase a home per annum via a shared equity home ownership program;
- Increased engagement of Local Governments across Victoria in facilitating Affordable Housing through development of strategies, undertaking of planning negotiations and through direct support by providing land to registered housing agencies.

Updated analysis of key data since the Strategy was developed indicates that housing affordability has declined in Greater Shepparton since the Strategy was developed, with evidence showing:

- 40 per cent increase in the median housing price between 2010 to 2022 (Figure 2);
- 7 per cent decline in affordability of two-bedroom new private rental dwellings (2010 and 2022) (Figure 3);
- A 17 per cent increase in presentations to local homeless service over a 12 month period to 1,488 households in 2020-21. 66% clients were new to the service;<sup>1</sup> and
- An 80 per cent increase in households on the Social Housing waiting list (Victorian Housing Register) between December 2018 and June 2022 for the Goulburn (Shepparton) region (from 1,041 households to 1,674 households). 904 households are priorities for housing assistance;<sup>2</sup>

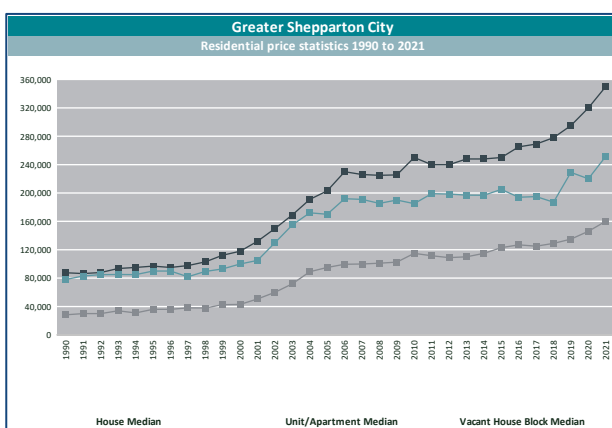


Figure 4: House, unit and residential land price change, Source: Source: Victorian Valuer General 2021

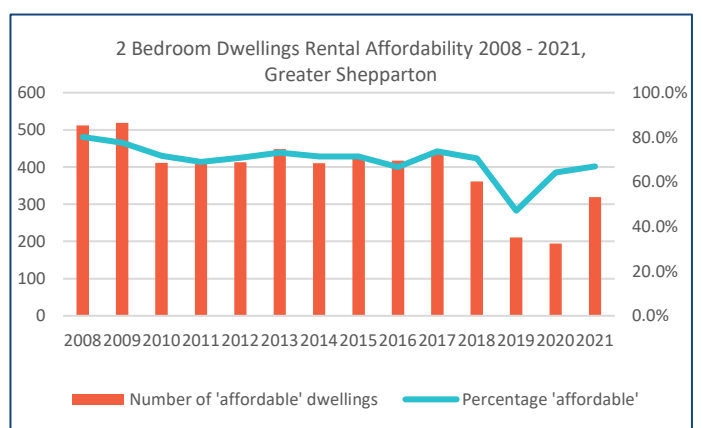


Figure 3: Change in availability of 2 Bedroom private rentals, Shepparton 2008 – 2021, Source: DHHS Rental Report, diagram by Affordable Development Outcomes

<sup>1</sup> BeyondHousing presentation to Greater Shepparton City Council (presenter 739)

<sup>2</sup>DFH (2022) Victorian Housing Register, June 2022. Comparison with June 2018 data published in the Council Strategy, <https://www.housing.vic.gov.au/victorian-housing-register>



In addition to the significant increase in demand, analysis undertaken in May 2022 indicates there has been a decline in Social Housing in Greater Shepparton as a percentage of all housing from 5.74 per cent in 2016 to an estimated 5.4 per cent in 2019, with the decline expected to continue to drop to approximately 4.59% in 2024 even assuming the two proposals proceed:



## Delivering Affordable Housing and Big Housing Build

Delivery of the Affordable Housing depends on:

- Access to affordable and appropriate land;
- Detailed design and planning approval;
- Government funding and low-cost financing.

The Big Housing Build aims to address part of the funding component. To receive funding a Housing Agency has to submit a detailed proposal and feasibility to the State Government under a defined funding round with applications competitively assessed.

The funding typically only covers up to 75 per cent of the total cost of the development. The Housing Agency needs to demonstrate value for the investment, experience in delivering and managing Social Housing and a financially sustainable model, for example, that includes allowance for maintenance over time.

Once funding is allocated a Housing Agency must deliver within agreed timeframes and no later than December 2025. Developments must meet a range of design, environmental and planning standards.

## Project Proposals

The Strategy committed Council to explore the application of underutilised and available Council land for Affordable Housing in recognition that the provision of affordable land is critical to delivery and that this was one area Council could make a considerable input- creating opportunities for government investment as well as achieving housing supply and diversity objectives.

Two projects have been proposed that require the application of Council land:

Address	Current Use	Proponent	Proposed # Affordable Housing
Maude/Nixon and Edward Streets Car Park	Car park zoned Activity Centre	Beyond Housing and Wintringham Housing	31 (subject to planning and design)
Part of 45 Parkside Drive	Vacant land zoned General Residential	Women's Housing Ltd	45 (subject to planning and design)



## Key Community Concerns

Public consultation on the question of whether Council should sell or gift the land resulted in a range of responses. Whilst there was general support for Social Housing expressed by many submitters, there was considerable number of concerns raised in relation to the location, use (tenancy groups), design and perceived concentration.

The responses are not uncommon when Social Housing is proposed and are suggested in part to reflect:

- Lack of general community engagement in a discussion about Affordable Housing delivery due to historic government underinvestment. Social Housing proposals have not been normalised in the community as part of every-day planning decisions;
- More active community engagement at the point proposals are made, rather than at strategic planning and policy development stages, for example when a Housing or Affordable Housing strategy is developed that sets objectives for an increase in Affordable Housing;
- Conflation of issues and concerns relating to design, planning etc rather than a focus on the question put to the community on whether Council should dispose of a land asset (or provide air rights);
- Limited community understanding about the process of funding and delivering Affordable Housing;
- Generally poor quality existing public housing reinforcing perceptions and stigma of this type of housing. This response does not reflect the new standards placed on community housing agencies;

It is important to note that vulnerable persons who might benefit the most from Social Housing do not generally self-nominate to participate in public consultations, with research demonstrating homeowners and older residents are over-represented in engagement on Social Housing proposals and are significantly more likely to oppose a Social Housing proposal relative to renters and younger people.<sup>3</sup>

### Parkside Drive proposal

The proposal is for Women's Housing Ltd (WHL) to purchase a 'super-lot' of land from Council to enable the development by a standard residential builder of 45 free-standing dwellings.

The development is subject to design, funding and planning approval.

Part of the estate is developed with the remaining land zoned suitable for residential housing and owned by Council. This land has some service connections / infrastructure in place, with key infrastructure in the southern part of the site

The review identified:

- The site was identified by WHL after extensive assessment of land availability and suitability in Shepparton which concluded there are very limited opportunities and no sites of this scale that met their requirements. Many sites were subject to easements, flood risk, or were not appropriately zoned;
- WHL require a minimum number of tenancies (40 – 50) in order to establish a presence in



Figure 5: Parkside Estate with vacant land in red and proposed land sale in purple (subject to sale, design, funding and planning)

<sup>3</sup> See for example community engagement report by City of Darebin (<https://yoursay.darebin.vic.gov.au/affordablehousingpreston>)





- Shepparton and put a local tenancy management team in place;
- WHL proposes to engage a market house-land builder to build the dwellings using standard market designs, fitting with the rest of the estate development;
  - WHL focus housing women including single-parent families, older and younger women, and women that have experienced or at risk of family violence;
  - WHL's experience indicates that supporting women with similar social experiences to live in proximity supports households to build community connections and supports, such as child-minding arrangements;
  - It is not possible to 'salt-n-pepper' the 45 lots across the estate as there is no clear plan or activation of the remaining estate development. There are also efficiencies and benefits in WHL developing a super lot;
  - Significant limitation on changing the proposal, for example, if other land in the estate could be developed to spread the dwellings across the estate, due to government funding program criteria and process;
  - Subject to funding, WHL propose to make a financial payment to Council for the land.

Key community concerns and Affordable Development Outcomes analysis is summarised below.

It is noted there was resident support for community housing but responses to the specific question on whether the land should be sold for this purpose was mixed with responses in relation to potential design, development outcomes and tenant cohorts.

Key Item	Analysis and Response
<b>Location suitability</b>	<ul style="list-style-type: none"> <li>• Site is within an existing residential area and is rezoned as suitable for housing with planning controls in place to guide development.</li> <li>• Land is available and has key infrastructure in place to enable site development to commence quickly.</li> <li>• Site is immediately adjacent to open space and recreational facilities, 600 m to community centre, under 800 m from childcare, 2 km to primary school and local shops, 5 km from CBD.</li> <li>• Bus stop immediately adjacent to the site.</li> </ul>
<b>Perceptions of Concentration</b>	<ul style="list-style-type: none"> <li>• Development will deliver a proposed 45 new dwellings located in the southern part of a 159 lot estate development (subject to planning approval).</li> <li>• As a percentage of all dwellings in the estate, the housing will represent 28% of dwellings. As a percentage of all dwellings in Greater Shepparton it is estimated the housing will comprise 0.16% of all housing at point of construction completion (estimated 2024/25).</li> <li>• There is no identified 'ideal' mix of public/private housing by State or in the Council strategy.</li> <li>• The Strategy prioritises integration, sets an aspirational objective that Affordable Housing is not concentrated in any one single location, and notes that clustering of Affordable Housing dwellings may be appropriate in some circumstances due to proximity to transport and/or availability of land or sites or government redevelopment or investment strategy, or if "supported by a Registered Housing Agency" reflecting the Agencies may have practical reasons for clustering and have experience to determine the optimal mix and scale for any single location.</li> </ul>
<b>Tenant Group</b>	<ul style="list-style-type: none"> <li>• The proposed resident groups are all recognised as Council priorities under the Strategy.</li> </ul>



**Maude / Nixon Street Proposal**

The proposal comprises three parts:

- Replacement of the Council carpark with improved amenity (undercover) and resident parking;
- Development of one floor of 15 units to be owned and managed by Wintringham Community Housing, targeting older people; and
- Development of one floor of 16 units to be owned and managed by BeyondHousing and targeting a range of households from singles to families.



Any development is subject to design, funding and planning approval.

Engagement with the housing agencies highlighted:

- The site was identified after extensive assessment of land availability and suitability in Shepparton which concluded there are very limited opportunities and no sites of this scale that met the agency requirements and priority housing need. Many sites were subject to easements, flood risk, or were not appropriately zoned;
- The provision of the land will meet the Council objectives to support delivery of Social Housing and activate the CBD including with residential housing;
- The development will replace the car park which will remain under council ownership. Subject to design, minimal loss in carparking is expected.
- The Shepparton CBD Car Parking Strategy identified that across the CBD, car park utilisation is consistent across on-and off-street parking (58% and 52%) with overall utilisation of on-street parking is higher than off-street. The proposal is located in Area D (Figure 6) which has on average across the area a 66% utilisation rate.
- The site design is subject to plans that will be developed by Wintringham and BeyondHousing and that will need to be assessed by Council and approved by the State Government. Any development over 3-storeys is also subject to review by the Government Architect.

Figure: Utilisation @ 12 PM, Tuesday

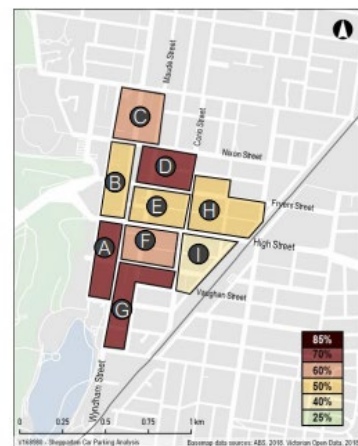


Figure 6: Car parking utilisation rate (12 pm)

Key community concerns and Affordable Development Analysis is summarised below. It is noted a number of residents also expressed support for community housing but as with the Parkside Drive proposal, the key question of whether the land should be sold was often overshadowed by concerns about the proposed use as Social Housing.

Key Item	Analysis and Response
Location suitability	<ul style="list-style-type: none"> <li>• Site is within the CBD, zoned for more intense development reflective of its status as the Activity Centre.</li> <li>• The site has very close walkable access to services, retail, green space, community facilities, medical facilities and education and training.</li> </ul>
Perceptions of Concentration	<ul style="list-style-type: none"> <li>• Development will deliver a proposed 31 new dwellings (subject to design, planning and funding).</li> <li>• As a percentage of all dwellings in Greater Shepparton, it is estimated the housing will comprise 0.11% of all housing at point of construction completion, plus replacement of the Council carpark.</li> <li>• There is no identified 'ideal' mix of public/private housing by State or in the Council strategy.</li> <li>• The Strategy prioritises integration, sets an aspirational objective that Affordable Housing is not concentrated in any one single location, and notes that clustering of Affordable Housing dwellings may be appropriate in some circumstances due to</li> </ul>



Key Item	Analysis and Response
	proximity to transport and/or availability of land or sites or government redevelopment or investment strategy, or if “supported by a Registered Housing Agency” reflecting the Agencies may have practical reasons for clustering and have experience to determine the optimal mix and scale for any single location.
Tenant Group	<ul style="list-style-type: none"> <li>The proposed resident groups are all recognised as Council priorities under the Strategy.</li> </ul>
Design, including overlooking, safety, access, carparking	<ul style="list-style-type: none"> <li>Community concerns related to conceptual plans developed by Council not the Housing Agencies.</li> <li>The Housing Agency proposed design will be subject to ResCode requirements, planning controls and assessment of adjacent sites to ensure no in appropriate overshadowing or overlooking.</li> <li>Concerns such as overlooking can be addressed in design and planning controls.</li> </ul>

## Alternative Sites

Several objectors suggested the sites were not appropriate for Social Housing and that other land would be better located for this purpose.

An assessment of land supply and development opportunities including discussions with Homes Victoria, housing agencies, and an assessment of the recent Spatial Economics land supply report commissioned by Council indicates:

- Majority (80%) of development in Greater Shepparton occurs in greenfield estates with 77% of dwellings constructed in the last three years being for large blocks of 500 – 1000 sqm. These sites suit large 3 – 4 bedroom dwellings and require residents to have one or more cars to access services and jobs. This form of housing is not a priority for Social Housing, and whilst housing agencies might purchase a few dwellings in these estates subject to funding, they are unlikely to receive government support for significant numbers of dwellings in these locations;
- Only 32% of land capacity in Greater Shepparton is suitably zoned for residential housing and not all land is for sale. Many sites assessed as part of sourcing of land exercises identified that large lots suitable for medium density development had zoning, easement and/or flood risk issues.
- The Spatial Economics Report does not address undersupply of housing appropriate for lower income households. The Affordable Housing strategy identified a significant gap in the supply and availability of this form of housing relative to demand;
- Land must be available and able to be purchased at an affordable price in order to be feasible for a Housing Agency to develop; and
- There was only 34 one- and two-bedroom homes for sale on realestate.com in May 2022 with properties generally older, of low quality and accessibility, and poor environmental standard. State funding is also only available for new properties and these must meet accessibility, design and environmental performance standards.

The conclusion of this analysis is that there is very limited opportunities for development of new Affordable Housing in well-located areas of Greater Shepparton.

## Concerns about Concentration

Several objectors raised concerns about what they perceived would be concentration of Social Housing on both sites.

Neither the State Government nor the Council Strategy establish a maximum number of Social Housings for any single area.

As noted, the Strategy sets objectives for integration and to see Social Housing delivered across Shepparton whilst also recognising that clustering may be appropriate due to the availability of land and housing agency requirements. Accordingly, each Housing Agency proposing development has considered the total number of dwellings proposed for



the respective sites and based on their experience has advised that they do not consider their proposals to be overly concentrated.

There is limited research and evidence as to what is an appropriate mix of market/affordable housing. Most studies focus on reduction of large scale public housing estates. In Victoria the State Government is reducing concentrations of Social Housing on very large high-rise estates from 100% of the specific site to between 10% and 50% of the site. These sites are situated within wider medium to low density neighbourhoods that overall have Social Housing comprising between approximately 5 – 10% of all housing in the local government area.

One study has found that *"...although areas with a concentration of disadvantaged people are often assumed to create adverse effects for residents, empirical research suggests that residents in disadvantaged places access support from family and friendship networks that are not restricted to place (Robinson 2011) and may in fact have certain advantages in terms of mutual support and practical assistance in 'hard times'."*<sup>4</sup> WHL has indicated that this reflects their experience in other developments.

Another study found that *"in new public housing development there are many examples of innovative practice where good design, mixed tenure and layout options have been used to create more sustainable and socially diverse communities within which public rental housing is not identifiable."* This study also identified that ways to address potential concentrations of poverty can include support for tenants; ways of working that involve a public, regular and/or constant presence by someone seen to be in charge; and other strategies that are less tenure-focused such as broader neighbourhood planning, support, capacity building for lower income residents.<sup>5</sup>

Consideration of what is 'concentration' depends on the scale the project is assessed against. The analysis highlights that as a percentage of all dwellings in Shepparton each proposal will represent a very minimal percentage – 0.11% to 0.16% of all housing in 2024/25, or 0.27% in total. It is also noted that each of the Affordable Housing proposals:

- Are situated in an area that is zoned as suitable for residential housing and in the case of the Maude / Nixon Street site, suitable for higher density development;
- Connect to existing housing in the area;
- Must be designed to meeting planning and zoning controls;
- Will be managed by Registered Housing Agencies that have experience and expertise in managing Social Housing tenancies.

A University of Sydney study *'Finding the Right Mix in Public Housing Redevelopment: Review of Literature and Research Findings'* found that in an assessment of UK, USA and Australian research there was *"no 'correct' mix and that attention needs to be paid to concentration, composition and scale. This means that proposed tenure mix should take into consideration the likely composition of both public and private components of the community, both inside and beyond the boundary of the redevelopment site."*

The study also noted recent US research that suggested that a mix of ages, incomes and family types amongst social housing tenants, and the delivery of other community programs, is more important than tenure mix in securing positive outcomes for lower income households.

Other factors to consider when assessing a proposal includes benefits associated with Social Housing which include:

- Reduced housing stress and housing costs, freeing up income for people to spend in the community and on critical services such as education and healthcare;
- Greater tenure security reducing general stress, improving household wellbeing and supporting people to make positive life choices such as to pursue education or work;
- Reduced health and correctional service costs;
- Improved educational benefits for children that are in safe and secure housing.

<sup>4</sup> Pawson, H., Hulse, K. and Cheshire, L. (2015) Addressing concentrations of disadvantage in urban Australia, AHURI Final Report No.247. Melbourne, <http://www.ahuri.edu.au/publications/projects/myrp704>

<sup>5</sup> Atkinson, R. (2008) Housing policies, social mix and community outcomes, AHURI Final Report No. 122, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/final-reports/122>



Related to concerns about potential concentration of Social Housing where views on who would be housed.

It is emphasised that ‘who’ would be housed is not required to be considered in the disposal of Council land nor a criteria under the planning system, other than to note the proposal will deliver Social Housing, being legally defined as housing owned, managed or controlled by a registered housing agency or State housing authority.

Stigmatising of Social Housing residents can have a negative impact on households that require or live in Social Housing’s feelings of worth and acceptance in the community. The Strategy also notes there is no or limited evidence on whether Social Housing has a negative impact on crime or house prices.

It is subsequently not considered appropriate to respond to the concerns which lack evidence, noting as has occurred in another Council area that *“labelling people and groups in this way [‘undesirable’, ‘wrong kind of people’] is degrading and not respectful of their human dignity.”*<sup>6</sup>

## Assessment

### Parkside Drive

Affordable Development Outcome’s assessment of the Parkside Drive proposal is that the proposal has significant merit, aligns to the Council Affordable Housing Strategy objectives and framework for delivery, noting:

- Site is zoned and available for residential housing – Social Housing being one form of housing;
- The provision of land and attraction of government funding reflects Council’s strategy and committed actions;
- There are very limited options for WHL to develop a reasonable number of dwellings in Shepparton and therefore invest in establishing a presence in the region;
- As a percentage of all dwellings, the proposed Social Housing will have a minimal impact.
- For the 45 households that are supported there are expected to be significant social and economic benefits which will also have positive benefits for the wider community;
- The land is proposed to be purchased, providing a financial return to Council as well as the activation and progression of the estate development;
- WHL has extensive experiencing supporting the proposed cohort of residents and delivering award winning Social Housing.

The proposal raises a question as to how the rest of the site will be developed as development of the rest of the site will further reduce the potential stigma associated with the WHL development. This is recommended as an opportunity for Council to determine its plan to progress the sale and development of the remaining lots in a timely manner.

### Maude Street/Nixon Street carpark

Affordable Development Outcome’s assessment of the Parkside Drive proposal is that the Site is zoned and available for residential development and is therefore suitable for Social Housing.

Furthermore it is our advice and opinion that:

- The provision of land and attraction of government funding is in line with Council’s strategy and committed actions;
- There are very limited opportunities to utilise Council land and deliver Social Housing dwellings in the CBD area in an efficient and cost effective way;
- The Agencies are delivering Social Housing in other developments across Shepparton which when combined will support a diversity of housing types and locational responses;
- The units will be targeted to a range of households in need that will suit and accept apartment-style living – households are given an option to tenant and are not forced to move into the development;

<sup>6</sup> City of Darebin Townhall Avenue Social Housing proposal consultation



- The BeyondHousing and Wintringham owned apartments will be separately entranced and managed – effectively two smaller scale Social Housing developments on the site. Both agencies have significant experience in managing Social Housing for a diversity of households including older persons, people with a disability, younger people and women and Aboriginal and Torres Strait Islanders.
- Both agencies have a strong presence in the Greater Shepparton area and have established links to wrap-around support services that they can connect tenants to as necessary;
- Part of the expected height is in response to the requirement to replace the public car park and an expected need to provide some resident car parking;
- The proposal is subject to the Agencies submitting a design for planning approval. This will require further community consultation, review by Council and consideration by government. Any development of Social Housing over 3-storeys must also be reviewed by the Victorian Government architect. Key community concerns are expected to be able to be addressed through the design response and planning controls.

## Summary

The Greater Shepparton Affordable Housing Strategy was developed after extensive research and consultation and highlighted the significant and growing demand for Social Housing in Greater Shepparton, with high rates of homelessness and housing stress.

The Strategy affirmed Council's vision that adequate housing is a basic human right and the foundation on which the region's liveability, health and wellbeing, productivity, and community participation is built.

The Strategy recognised, and placed at its centre, the need for a 'HousingFirst' response to address demand and issues of homelessness. To achieve this objective requires sufficient supply of quality and long-term Affordable Housing, particularly Social Housing.

The Council is commended on its progress in implementing the Strategy actions to assess Council land opportunities and advocate for State Government funding. The minimum investment guarantee of \$45 m is a significant financial contribution that will be further leveraged by the provision of land and the Housing Agency's contributions. The Strategy notes that there is an estimated economic return of \$3 for every \$1 in Social Housing with non-financial benefits related to health, well-being, community resilience and participation.

As recognised by the Strategy, the delivery of Affordable Housing requires several inputs, of which access to affordable and appropriately priced and sized land is critical. The review concludes that the sites are both suitable for Social Housing and are not overly concentrated when considered in light of overall supply of Social Housing and the site contexts. Council support to release the land for Social Housing is recommended.

