

Scope of the draft Tasmanian Planning Policies

Submission



**MISSION
AUSTRALIA**

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Introduction

Mission Australia is a national Christian charity motivated by a shared vision of an Australia where everyone has a safe home and can thrive. Since 1859, we have been standing alongside people in need across Australia, offering real hope that has lasting impact.

In the 2019-20 financial year, we supported close to 170,000 individuals through almost 500 programs and services across Australia.¹ This included nearly 18,500 individuals in Tasmania supported through 36 services including community services (children and families), early learning, employment solutions, housing and disability services (Local Area Coordination and Early Childhood Early Intervention).

In 2009 Mission Australia established Mission Australia Housing, a Tier 1 Community Housing Provider. In 2013 we took over the management of a portfolio of 500 social housing homes for Housing Tasmania in Clarendon Vale and Rokeby and this year we will add a further 680 social housing homes to manage in Warrane, Mornington, Risdon Vale, Chigwell, Midway Point, Sorell, Orford, Triabunna, Swansea and Bicheno.

A crucial purpose of Tasmania's planning system is that all Tasmanians will have adequate and appropriate housing that meets their needs. The existing framework of generic planning for residential settlements does not provide for the category of social and affordable housing, which are components of our diverse housing mix. The *Tasmanian Planning Policies Scoping Paper* does not mention social and affordable housing. If social and affordable housing is included in the *Tasmanian Planning Policies* (TPPs), then Tasmania will have the vital planning mechanisms to ensure everyone can have the home they need.

Summary of recommendations

Alongside ShelterTAS and other organisations, we recommend that:

- Social and affordable housing is recognised in the TPPs as an issue in its own right within the Liveable Settlements topic.

When considering implementation into strategic planning of a Liveable Settlements TPP covering the issue of social and affordable housing, we also recommend that:

- The use of the Economic Feasibility Tool form part of the strategic planning considerations of the proposed social and affordable housing TPP.
- The government consider the implementation of inclusionary zoning strategies.

¹ Mission Australia (2020) Annual Report: 2019-20, accessible at:
<https://www.missionaustralia.com.au/publications/annual-reports/annual-report-2020>

Social and affordable housing

The TPP Scoping Paper does not mention social and affordable housing. This needs to change. We urge the government to update the draft TPPs to include social and affordable housing to ensure sufficient provision of housing suited to health, well-being and economic needs of Tasmanian households.

Benefits of social and affordable housing

The wellbeing of Tasmanian communities is dependent on safe, secure and affordable housing for everyone. Having a home is critical for people's mental and physical health, their education and employment prospects, and their ability to meaningfully participate in the community.

For people facing disadvantage and at risk of homelessness, or already experiencing homelessness, the need for social and affordable housing is critical. When someone does become homeless, they require effective responses to help them quickly exit homelessness and, if necessary, access ongoing assistance with health, wellbeing, education, employment and other issues.

Social housing is an important piece of social infrastructure in Australia that serves both a social and economic purpose and contributes to the effective functioning of society.² Rolling out construction of social homes can help create jobs and stimulates the economy.³

Social and affordable housing in Tasmania

Social and affordable housing are described in the *Tasmanian Affordable Housing Strategy 2015-25* in the following terms:

Social housing: is a broad term used to capture both housing provided by the government (public housing) and non-government organisations (community housing) with below-market rent prices. Affordable housing: refers to rental homes or home purchases that are affordable to low income households, meaning that the housing costs are low enough that the household is not in housing stress or crisis.⁴

Social housing is delivered by not-for-profit organisations and the State Government, who provide affordable rental homes for people on lower incomes, using an income-based rent model (no more than 30% of income). This housing remains as an asset in the social housing system in the long term. Affordable housing is also predominantly delivered by not-for-profit organisations and the State Government. To improve the delivery of quality social and affordable homes on an economic model

² Infrastructure Australia, 2019, *Australian Infrastructure Audit 2019: Chapter 6, Social infrastructure*, accessible at <https://www.infrastructureaustralia.gov.au/sites/default/files/2019-08/Australian%20Infrastructure%20Audit%202019%20-%206.%20Social%20Infrastructure.pdf>

² Deloitte, 2020, *The social impacts of COVID-19, Reset not restart: Taking advantage of a crisis for social change*, accessible at <https://www2.deloitte.com/content/dam/Deloitte/au/Documents/Economics/deloitte-au-dae-social-impact-of-covid-19-100820.pdf>

³ SGS Economics and Planning, *Economic Impacts of Social Housing Investment*, 2020, accessible at: <https://www.communityhousing.com.au/wp-content/uploads/2020/06/20200197-SHARP-Final-ReportSGS.pdf?x59559>

⁴ https://www.communities.tas.gov.au/_data/assets/pdf_file/0014/30254/AHS%20Strategy%20Final.pdf

that is different from mainstream residential development, the TPPs needs to include a specific category for social and affordable housing.

The need for social and affordable homes is increasing across Tasmania. As of August 2021, there are 4,367 applications for social housing, and this number continues to grow.⁵

As noted in the 2017 TPP consultation draft:

When securely housed in homes appropriate to their needs, Tasmanians have a greater opportunity for increased economic and social participation. Land use planning is critical to the development and delivery of a diverse range of housing, consistent with the changing needs of the Tasmanian community.⁶

Social and affordable housing should be included in the TPPs as a priority to ensure decision-makers and planners plan appropriately for the housing needs of the whole community, especially people on lower incomes who need affordable rental homes.

The inclusion of social and affordable housing will contribute to offsetting the factors contributing to the housing crisis in Tasmania such as increased rental costs resulting from low vacancy rates and availability of suitable private rental accommodation.

Recommendations

Alongside ShelterTAS and other organisations, we recommend that:

- Social and affordable housing is recognised in the TPPs as an issue in its own right within the Liveable Settlements topic.

Implementation into strategic planning

When considering implementation into strategic planning of a Liveable Settlements TPP covering the issue of social and affordable housing, Mission Australia recommends consideration of two further policy ideas: the Economic Feasibility Tool for housing planning, and a framework for mandatory inclusionary zoning.

Social housing planning tool

Mission Australia is a founding member of the Constellation Project.⁷ Constellation has worked with the Tasmanian Government to co-design an Economic Feasibility Tool to assist the government in

⁵ https://www.communities.tas.gov.au/housing/tasmanian_affordable_housing_strategy/reporting

⁶ https://planningreform.tas.gov.au/_data/assets/pdf_file/0003/628239/Tasmanian-Planning-Policies-and-Overview-Consultation-Draft-April-2017.pdf

⁷ The Constellation Project was founded in 2018 by the Australian Red Cross, the Centre for Social Impact, Mission Australia and PwC Australia, with a vision to end homelessness in a generation. It's now a thriving collaboration, combining the knowledge, resources, networks and influence of people from the business, research, government and community sectors. Constellation seeks to generate practical solutions, such as MIZ, to improve outcomes for people at risk of or experiencing homelessness.

addressing homelessness and develop efficient funding solutions to enhance and significantly increase social and affordable housing supply.

The tool is based on local demographic and housing user profiles, land and construction costs, financing terms and project economic benefits. It automatically calculates the total cost of creating new housing, including the debt repayment profile and any equity funding gaps to be met by private sector investment. Decision makers and analysts have access to a dashboard showing the total unmet housing demand and construction need, 10-year projections of cash flow, debt repayment profiles, total sources/uses of funds and economic costs, benefits and savings.

The tool allows for calculation of housing needs at the state, regional and local levels. For each area, it outlines investment options based on the level of housing demand while also assisting with Strategic Asset Management planning and proactive procurement. It gives the government a better understanding of housing demand, where they are able to determine what types of housing are most required based on existing and future construction. This informs their strategic planning and modelling of costs.

We recommend that the use of the Economic Feasibility Tool form part of the strategic planning considerations of the proposed social and affordable housing TPP.

Planning reform to boost social and affordable housing

Mission Australia supports inclusionary zoning strategies that facilitate communities where all forms of housing are embraced. We recommend that the government consider the work of The Constellation Project on a National Framework for Mandatory Inclusionary Zoning (MIZ).

MIZ has not been consistently and coherently applied at a large scale in Australia. It has been taken up in pockets: for example, in NSW a form of MIZ has existed in designated zones in the City of Sydney for more than 20 years. However, because of their very limited application and small requirements, these schemes have yielded only 750 affordable rental homes over more than two decades.

What is really needed is a National Framework to coordinate the efforts of governments, developers and CHPs to use MIZ to generate affordable housing at scale. This would bring a level of consistency and clarity to its application not previously seen in Australia. It is important to note that a National Framework does not mean identical implementation in all locations. The Australian planning system is intricate and nuanced across multiple jurisdictions. A National Framework needs to be flexible for regulatory, project and local market context.

What we want to see arising from these efforts are communities where social, affordable and market housing are integrated together to provide a sustainable and inclusive neighbourhood for people from all walks of life.

Recommendations

When considering implementation into strategic planning of a Liveable Settlements TPP covering the issue of social and affordable housing, we recommend that:

- The use of the Economic Feasibility Tool form part of the strategic planning considerations of the proposed social and affordable housing TPP.
- The government consider the implementation of inclusionary zoning strategies.

Conclusion

Thank you for the opportunity to contribute to the consultation on the TPP Scoping Paper. We urge you to include social and affordable housing in the TPPs as an essential step towards ensuring that our clients, and all Tasmanians have the homes they need. It will bring a vital planning focus to this essential housing sector.