

URBAN PLANNING DELEGATED COMMITTEE



MINUTES

(Open to the public)

Monday 15 August 2022

Online - Delivered via Webex Events.

Commencement 6.42pm

Attendance

Councillor Jane Addis (Mayor)
Councillor Jim Parke (Temporary Chair)
Councillor Felicity Sinfield
Councillor Victor Franco
Councillor Wes Gault
Councillor Di Gilles
Councillor Lisa Hollingsworth
Councillor Susan Biggar
Councillor Cynthia Watson
Councillor Garry Thompson
Councillor Nick Stavrou

Apologies Nil

<u>Officers</u>	Phillip Storer	Chief Executive Officer
	Mary-Anne Palatsides	Acting Director Urban Living
	Amy Montalti	Chief Financial Officer
	Carolyn McClean	Director Community Support
	Mans Bassi	Director Customer and Transformation
	Nick Lund	Manager Liveable Communities
	David Cowan	Manager Strategic and Statutory Planning
	David Shepard	Manager Environmental Sustainability and Open Spaces
	Fiona Brown	Manager Community Planning and Development
	Bryan Wee	Manager Governance and Legal
	Kirstin Ritchie	Coordinator Governance
	Katherine Wright	Senior Coordinator Senior Planning and Research
	Liam Merrifield	Senior Governance Officer
	Michelle Forster	Active Ageing Lead

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1. Adoption and confirmation of the minutes**MOTION**

Moved Councillor Sinfield

Seconded Councillor Addis

That the minutes of the Urban Planning Delegated Committee meeting held on 1 August 2022 be adopted and confirmed.

CARRIED**2. Declaration of conflict of interest of any councillor or council officer**

Councillor Garry Thompson - refer to Item 3.1 Draft Social and Affordable Housing Compact

3. Presentation of officer reports

Councillor Thompson declared a Material Conflict of Interest in Item 3.1 Draft Social and Affordable Housing in accordance with section 128 of the Local Government Act 2020 and the Governance Rules.

Councillor Thompson advised the nature of the interest was "I am a Director of a Company, where my Company is a Panel Consultant to Homes Victoria. The item under consideration relates to a matter where the material interest is held by Homes Victoria as one party to the outcome of the Council decision."

Councillor Thompson left the meeting at 6.45pm prior to the consideration and vote on this item.

Election of temporary chairperson

The **Manager Governance and Legal** called for nominations for the position of temporary chairperson.

Councillor Addis nominated Councillor Parke

Councillor Biggar seconded the nomination

There being no further nominations, the Manager Governance and Legal declared Councillor Parke elected as temporary chairperson.

Councillor Parke assumed the chair at 6:45pm

3.1 Draft Social and Affordable Housing Compact

Purpose

The purpose of this report is to provide an overview of the draft Social and Affordable Housing Compact (draft Compact), which has been developed by the Victorian

Government in collaboration with the Municipal Association of Victoria (MAV) (**Attachment 1**). The report also seeks the Urban Planning Delegated Committee's endorsement of the Council's response to Homes Victoria on the draft Compact in the context of Council's position that local government is not responsible for the provision of public, social and affordable housing, and coordination of relevant support services for these residents.

Background

In November 2020, as part of the Big Housing Build, the Victorian Government committed to working with the MAV to develop a 'Social and Affordable Housing Compact' (the Compact). The MAV and Homes Victoria have been working on the Compact and on 3 June 2022, Homes Victoria wrote to CEOs of all Victorian councils inviting their consultation on the draft Compact (**Attachment 1**). Local government was only provided with seven weeks to review the draft Compact and provide a response by Sunday 24 July 2022.

Homes Victoria describes the draft Compact as being 'a partnership between Homes Victoria and local government as represented by the Municipal Association of Victoria (MAV)'. The draft Compact states it aims to strengthen collaboration between Homes Victoria and local government in the planning, delivery and management of social and affordable housing and homelessness and housing services – to improve and sustain housing outcomes for people with very low, low and moderate incomes across all Victorian communities' (Homes Victoria, 2022).

The draft Compact focuses on Council land being provided for the purposes of public, social and affordable housing and on councils supporting social and affordable housing on private land. The draft Compact also signals a role in the coordination of services, supports and infrastructure by local government for people living in public, social and affordable housing.

The Victorian Government is proposing the draft Compact be signed by both Homes Victoria and the MAV on behalf of local government. The draft Compact is not a legally binding agreement - it is being negotiated and entered in 'good faith' by Homes Victoria and MAV on behalf of local government. It provides a framework for Local Agreements, which will then be negotiated with individual councils or as groups of councils, after the draft Compact is endorsed.

There are concerns about the intent of the draft Compact, as it inappropriately positions local government as having a role and responsibility for the provision of public, social and affordable housing. The timelines for consultation were also extremely tight, which again is concerning given the development of the project commenced in 2020, and local government was given minimal time for input. The concerns are outlined below and in further detail in the report.

Key Issues

The draft Compact states it is intended to give councils a 'seat at the table' in identifying priorities for social and affordable housing growth in their municipalities. It outlines six objectives, a set of principles and the following four strategic priorities:

1. **drive social and affordable housing growth**, including by investigating and supporting the use of Section 173 Agreements under the *Planning and Environment Act 1987*, and providing a clear pathway for the funding of social and affordable housing projects on council-owned land
2. **identify local priorities for the renewal and development of social and affordable housing**, ensuring this is fully integrated into the local landscape and conforms to local planning schemes
3. **coordinate services, supports and infrastructure for people who live in social and affordable housing** – supported by sharing of information on local housing needs, including the Victorian Housing Register
4. **promote the value of social and affordable housing to communities**, including by sharing good practice engagement strategies and communication materials.

However, the State Government does not outline who is responsible for providing the funding and resources to implement these strategic priorities. It is considered that this is a Victorian Government, and not a Council responsibility, and should therefore be clearly detailed in the draft Compact. Council's current position is clearly outlined in the *Boroondara Housing Strategy 2015*, which states that public, social and affordable housing is a State and Federal Government responsibility.

There are concerns that the draft Compact, in its current draft form, is cost shifting to local government. This is especially concerning in the context of Council's experience with the State Government selling land but not reinvesting those funds back into local public, social and affordable housing, and cost shifting for many services such as libraries, maternal and child health services, building compliance and the school crossing supervisor program. There are also concerns about any cost shifting in relation to coordinating services, supports and infrastructure for people who live in social and affordable housing, as Council does not have a role and receives no funding to undertake this work.

While the draft Compact promises local government that it will ensure any housing developments are fully integrated into the local landscape and conform to local planning schemes, a collaborative partnership between State Government and Council and developments conforming with local planning schemes has not been the experience for recent State Government projects. The Markham Avenue and Bills Street redevelopments are examples where the projects were not in compliance with the Big Housing Build standards (Clause 52.20) and local planning scheme expectations. In addition, traffic and tree issues were not adequately considered. Improvements in the built form outcome and increases in public, social and affordable housing numbers were only achieved through a comprehensive (and time and resource-intensive) advocacy campaign undertaken by Council to improve the overall quality of the projects. The State Government bureaucracy also sought to constrain the ability of Council and its community to provide feedback in response to their proposals. This included refusals to make public the advice of the Office of the Victorian Government Architect. The lack of transparency displayed in Council's dealings with State Government representatives in relation to these two projects provides absolutely no confidence about there being a genuine partnership or a commitment to good planning outcomes.

The draft Compact refers to Council supporting the use of Section 173 Agreements under the *Planning and Environment Act 1987* to drive growth in public, social and affordable housing. However, Section 173 Agreements are often cumbersome to administer, and are voluntary for developers to enter into, which makes them vulnerable to being overridden by VCAT (Victorian Civil and Administrative Tribunal). Developers who voluntarily provide even a very marginal affordable housing contribution as part of development proposals, generally expect increased yield and

scale of development and often reduced quality outcomes. Therefore, this approach being applied across the city is not supported. Trading off local amenity for the sake of a relatively minor uplift in affordable housing achieved through this approach is not considered appropriate.

It is instructive that the State Government has over the years sold land it owns in Boroondara, some of which was being used for accommodation, taken the money and not reinvested back into the municipality. There are substantial tracts of government owned land held by agencies like VicTrack, which are underutilised or vacant. The draft Compact fails to reflect any commitments from the State Government beyond what they currently do.

Feedback on the draft Compact was due on Sunday 24 July and the Engage Victoria website noted that a summary of the consultation results was due to be published in July with the draft Compact finalised in August for approval by Homes Victoria and the MAV.

Due to the reasons above, Council should not endorse the draft Compact in its current form. For Council to support the draft Compact, it should be redrafted with the core premise that the responsibility to provide public, social and affordable housing resides with the State Government; it is not a shared responsibility to which ratepayer funds or resources should be committed.

Next Steps

As feedback on the draft Compact was due by Sunday 24 July 2022, the CEO wrote to Homes Victoria providing Council's feedback on the draft Compact and advising that a report would be presented to the Urban Planning Delegated Committee meeting on 15 August 2022 seeking endorsement of Council's feedback. A letter was also sent to the MAV from the CEO outlining Council's concerns. Homes Victoria and the MAV will be advised of the outcome of the Urban Planning Delegated Committee meeting.

MOTION

Moved Councillor Gault

Seconded Councillor Hollingsworth

That the Urban Planning Delegated Committee endorse the response sent by the CEO on 22 July 2022 to Homes Victoria with Council's feedback on the draft Social and Affordable Housing Compact.

CARRIED

Councillor Thompson returned to the Chamber and resumed the Chair at 7.08pm

4. General business

Nil

5. Urgent business

Nil.

6. Confidential business

Nil.

The meeting concluded at 7.10pm.

Confirmed



Chairperson

CHARRY THOMPSON

Date

11.09.2022

