



Port Stephens Council

**Shelter NSW submission on revised
*Local Housing Strategy***

A secure home for all

19 April 2024



About Shelter NSW and our submission

Shelter NSW has been operating since 1975 as the State’s peak housing policy and advocacy body. Our vision is to create a sustainable housing system that provides secure homes for all. We provide systemic advocacy and advice on policy and legislation for the whole NSW housing system to resolve housing inequality.

We are especially concerned for low-income households which struggle to afford good-quality and well-located housing in the private market. We consider a sustainable housing system one that delivers what we call Triple-A housing and Triple-P outcomes.

Affordable and diverse homes	Accessible, well-located housing	Appropriate, high-quality development
Housing supply and demand	Proximity to jobs and services	Amenity and aesthetics
Tenure forms and rights	Access to public transport	Energy and environment
Housing types and sizes	Accessibility and adaptability	Standards and maintenance
Productive cities and regions	Poverty-free communities	Protected neighbourhoods
Access to jobs and services	Housing stress and homelessness	Energy use and consumption
Housing costs and consumption	Physical and mental health	Urban heat
Financial and economic stability	Education access and attainment	Climate resilience and adaptation

At Shelter NSW, we believe that all people deserve to live in housing that delivers these priorities and objectives. We believe the housing system should deliver safe, secure, and affordable living outcomes for all, regardless of tenure type.

We are part of campaigns and allied groups such as the Hunter Community Alliance, working towards housing and energy transition justice in the Hunter region. We have become increasingly active in the land use planning space at the State and local levels as it relates to better housing outcomes for low-income households.

Shelter NSW thanks Port Stephens Council for the opportunity to comment on its revised Local Housing Strategy (‘LHS’) and Housing Supply Plan. We are particularly thankful for the time Planning staff have taken to meet with us regarding the LHS during the exhibition period.

For any queries related to our submission, please contact Policy Officer, Kayla Clanchy (kayla@shelternsw.org.au).

Context: LGA of high housing need

Shelter NSW has strengthened its interest in and advocacy for regional housing solutions in NSW. Last year, we released an updated report with Regional Australia Institute ('RAI') on regional NSW LGAs in 'high housing need'. Our investigation found that [Port Stephens is ranked in the top 11 LGAs of concern](#) when it comes to housing pressures in regional NSW. We have outlined the implications of this needs-assessment below.

At the population level, regional and rural communities are often home to an ageing demographic which increasingly wants to age-in-place (this is considered best practice and reflected in the Aged Care Royal Commission's recommendations)¹. Downsizers, ex-farmers, and older people in general will need housing that is easy to maintain, affordable, and well-located with respect to key health and social services. Port Stephens is no different in this respect; it is anticipated that population growth will be highest in the 80+ year age group in the coming years². The revised LHS acknowledges there is a chronic mismatch between housing typology and household formation types.

More than 70% of low-income households were experiencing rental stress in the LGA at the time of our Report's publication³ and this is expected to have significantly worsened with the ongoing cost of living crisis. Aboriginal people are strongly represented in the LGA at 6.5% of the population⁴. The *November 2023 SGS Economics Rental Affordability Index*⁵ found the average rental household faces "severe" rental stress in Fern Bay; single part-time working parents on benefits are nearly in the category of "extreme" rental affordability constraints in Nelson Bay, Fern Bay, and Raymond Terrace. The NSW electorate of Port Stephens reports higher than State- and region-averages for families accessing Commonwealth Rent Assistance payments at 19.3 percent⁶. We have heard several anecdotes from desperate renters up and down the coast about not being able to compete with other tenants in rent-bidding and offers to pay 6 months of rent upfront – practices which are not illegal.

Migration trends during the COVID-19 pandemic and the ability for Sydney-employed professionals to work remotely contribute to a deepening regional housing crisis for

¹ Royal Commission into Aged Care Quality and Safety. (26 February 2021). *Final Report - Recommendation 39*. Retrieved from https://agedcare.royalcommission.gov.au/sites/default/files/2021-03/final-report-volume-1_0.pdf

² Shelter NSW in partnership with Regional Australia Institute. (February 2023, p. 23). *New South Wales Regional Housing Need Report*. Retrieved from https://shelternsw.org.au/wp-content/uploads/2023/02/230223_Shelter-NSW-Regional-Housing-Need-Index_FINAL.pdf

³ Ibid.

⁴ Australian Bureau of Statistics ('ABS'). 2021. *Port Stephens LGA Quickstats*. Retrieved from <https://abs.gov.au/census/find-census-data/quickstats/2021/LGA16400>

⁵ SGS Economics & Planning. (November 2023). *Rental Affordability Index: Key Findings*. Retrieved from <https://sgsep.com.au/projects/rental-affordability-index> [interactive map]

⁶ NSW Parliamentary Research Office. (November 2023). *Data brief 5 – Electorate data housing supply and affordability*. Retrieved from <https://www.parliament.nsw.gov.au/researchpapers/Pages/Electorate-data-housing-supply-and-affordability.aspx#download>

NSW⁷. Locals with lower incomes relative to Sydney-natives have seen rental asking prices skyrocket 20% or more, year on year⁸, and rental vacancy rates drop below 1% for extended periods of time⁹.

In addition to COVID-induced migration trends outlined above, there has been the domestic tourism boom. The lure of higher-profits per week in converting a dwelling to non-hosted accommodation through easy-to-use platforms such as Airbnb has gone basically unchecked:

Table 1. Growth of whole-home Airbnbs in Port Stephens and nearby locations¹⁰

LGA (2016 boundaries)	# of entire-home accomm listed on Airbnb in 12months to Nov 2018	# of entire-home accomm listed on Airbnb in 12months to Nov 2019	# of entire-home accomm listed on Airbnb in 12months to Nov 2020	# of entire-home accomm listed on Airbnb in 12months to Nov 2021	# of entire-home accomm listed on Airbnb in 12months to Nov 2022	# of entire-home accomm listed on Airbnb in 12months to Nov 2023
Port Stephens	959	1316	1289	1336	1373	1537
Gosford	1428	1584	1516	1553	1874	1798
Wyong	505	540	539	576	773	892
Lake Macquarie	344	425	389	411	503	566

The proportion of dwellings as Social Housing stock is approximately 2.5%, which is low compared to other regional LGAs. Additionally, there are nearly 500¹¹ applicants on the Social Housing waitlist (as of February 2024) associated with the Port Stephens, Karuah, and Raymond Terrace allocation zones, and these applicants are waiting in excess of 5 years for all dwelling types¹².

As anthropogenic global warming continues to be a major society-shaping factor into 2030 and beyond, homes and neighbourhoods need to be well-located and resilient to alternating flood and bushfire events¹³. Those most vulnerable to climate change impacts and homelessness are oftentimes low-income earners who are increasingly locked out of the private rental market and home ownership opportunities. The Port Stephens LGA is

⁷ Pawson, H., Martin, C., Thompson, S., & Aminpour, F. (2021, p. 45). *COVID-19: Rental housing and homelessness policy impacts*. ACOSS/UNSW Poverty and Inequality Partnership Report No. 12. Retrieved from https://shelternsw.org.au/wp-content/uploads/2021/11/Covid-19_rental-housing-and-homelessness-impacts-in-Australia-24-Nov.pdf

⁸ Burke, K in Domain AU. (14 October 2022). *The NSW tree-change towns where rents have soared*. Retrieved from <https://www.domain.com.au/news/the-nsw-tree-change-towns-where-rents-have-soared-1174917/>; DCJ rent and sales quarterly reports (<https://www.facs.nsw.gov.au/resources/statistics/rent-and-sales/dashboard>)

⁹ SQM Research. (n.d.). *Residential vacancy rates by postcode*. Retrieved from https://sqmresearch.com.au/graph_vacancy.php

¹⁰ Cox, M. (2021-2023). *Inside Airbnb*. Retrieved from <http://insideairbnb.com/get-the-data.html> [spreadsheet avail on request]

¹¹ NSW DCJ. (29 February 2024). *Social housing applicant households on the NSW Housing Register by Allocation Zone*. Retrieved from <https://www.facs.nsw.gov.au/download?file=854854>

¹² NSW DCJ. (June 2023). *Expected waiting times*. Retrieved from <https://www.facs.nsw.gov.au/housing/help/applying-assistance/expected-waiting-times>

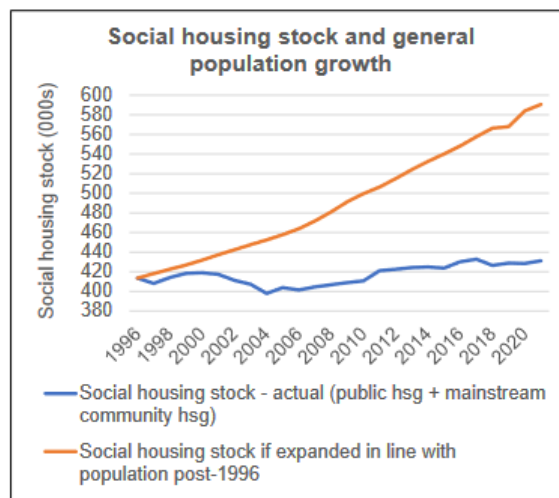
¹³ Intergovernmental Panel on Climate Change. (February 2022). *IPCC Sixth Assessment Report*. Retrieved from <https://www.ipcc.ch/report/ar6/wg2/>

highly flood prone and new housing opportunities, especially Social and Affordable Rental Housing, will mostly need to occur as infill development in existing townships to prevent further sprawl into unsuitable land.

Social Housing targets

A key component of the housing spectrum which is necessary for any community to sustainably function and thrive, is the provision of Social Housing. The intent of both Public and Community Housing (as subsets of Social Housing) is to accommodate people on very low and low incomes in such a way that rent paid is nominal and capped to prevent households from paying more than 25-30% of their income on rent.

Public Housing has moved away from being a valued part of the housing mix in the 1950s – housing workers and welfare recipients alike – to being a highly rationed form of housing for very vulnerable populations with complex needs¹⁴. Thus, Social Housing stock has been in real decline across the State for at least a decade¹⁵. Further, there is a widening gap between population growth and the commensurate required growth in Social Housing:



Sources: ABS; Productivity Commission ROGS



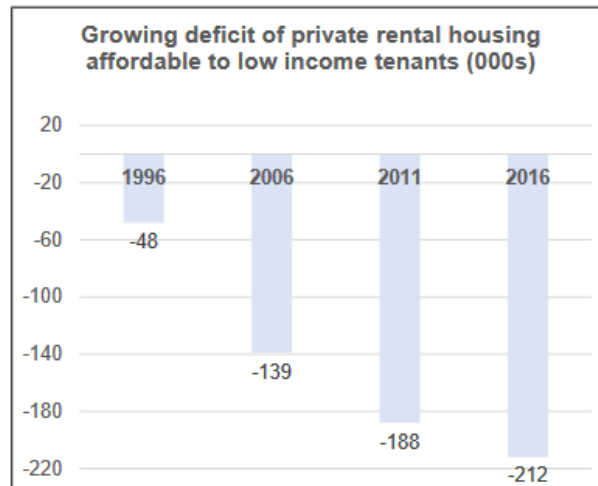
Fig 1. Extracted from [UNSW City Futures Research Centre presentation](#) by Hal Pawson.

¹⁴ Pawson, H., Milligan, V., & Yates, J. (2020, p. 104). *Housing Policy in Australia: A case for system reform*. (P. Macmillan, Ed.) Singapore: Springer Nature. doi:<https://doi.org/10.1007/978-981-15-0780-9>; Pawson, H. & Lilley, D. (May 2022). Working Paper: Managing Access to Social Housing in Australia - unpacking policy frameworks and service provision outcomes. *UNSW City Futures Research Centre*. Retrieved from https://shelternsw.org.au/wp-content/uploads/2022/05/Waithood_paper.pdf

¹⁵ NSW Parliament, Legislative Council. (1 March 2021, pp. 57 & 83). *Budget Estimates 2020-2021 Portfolio Committee No. 4 Industry: Answers to supplementary questions (Pavey)*. Retrieved from <https://www.parliament.nsw.gov.au/lcdocs/other/15376/Answers%20to%20supplementary%20questions%20-%20Pavey.pdf>

The people of NSW need genuine alternatives to the private rental market. In other countries¹⁶, a large and robust Social Housing program provides real competition (both in quality and affordability) to the private rental market.

Regardless of rental vacancy rates or newly added housing stock, low-income renters always struggle to compete with higher income households. The private rental market is designed not to comfortably accommodate those who are less 'willing (able) to pay'¹⁷:



Source: Hulse et al. (2019) – original data from ABS Census



Fig 2. Extracted from [UNSW City Futures Research Centre presentation](#) by Hal Pawson.

Since the 1990s, the renting cohort in Australia has grown and dove-tailed with a decrease in home ownership (Figure 3 over the page):

¹⁶ Quince, A. and Baker, N. in *ABC Radio National* (4 August 2023). *Vienna has created an equitable and affordable housing market, here's how.* Retrieved from <https://www.abc.net.au/news/2023-08-04/vienna-s-social-housing-and-low-rent-strategy/102639674>

¹⁷ Nygaard, C., van den Nouwelant, R., Glackin, S., Martin, C. and Sisson, A. (15 September 2022). *Filtering as a source of low-income housing in Australia: conceptualisation and testing*, Final Report No. 387 in AHURI. Retrieved from <https://www.ahuri.edu.au/research/final-reports/387>; Pawson, H. (4 July 2023). *Housing policy challenges for Australia: How does the Albanese Government's investment and reform package measure up?* [Powerpoint presentation]. UNSW City Futures Research Centre. Retrieved from https://cityfutures.adu.unsw.edu.au/documents/720/ACTU_presentation_4_July_2023_v2.pdf

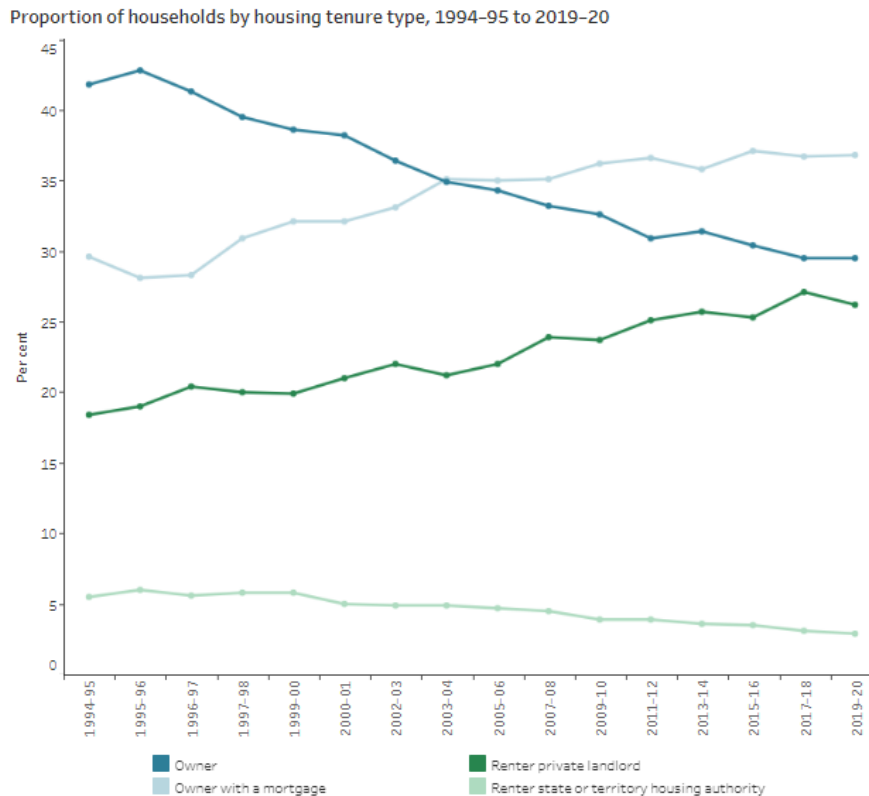


Fig 3. Extracted from [Australian Institute of Health & Welfare](#).

Similarly, growth in Social Housing tenancies has taken a backseat and as such, many households of varying incomes and life stages are surviving/struggling in the ‘wild west’ of the private rental market.

These changes in tenure dynamics are no accident; it is through Commonwealth and State tax settings, concessions, investments, policies, and legislation that ‘housing’ has become a financial product or a wealth-creation vehicle (for a few landholders). The private housing market in this country is consistently and persistently failing to provide secure, well-located, and affordable shelter especially for the lowest 40 percent of income earners.

Shelter NSW acknowledges the limited role local government plays in directly creating new Social Housing stock in their LGAs. Nonetheless, there is a significant need to robustly grow Social Housing stock in each LGA to truly deliver housing justice and tenure security for low-income households and essential workers. Port Stephens Council must advocate for more, better, and timely delivery of Social Housing from Homes NSW (LAHC division) and other Social Housing providers. When Council is tasked with creating housing targets from the State Government, **Council should feel empowered to ask the NSW Government “and what is your co-contribution to these targets by way of x amount increase in Public Housing?”**.

The most efficient and direct way to alleviate housing stress for low-income households is through restoring Social Housing stock levels to 5% of all dwelling stock in each LGA, with 10% of all housing stock being Social Housing by 2040 in NSW. These are not

fantastical or unrealistic percentages; in Australia up until a decade or so ago, 5% of housing as Social Housing was the norm¹⁸. Shelter NSW advocacy in the 5-10% range would put NSW *below the average* of other OECD jurisdictions¹⁹.

Numerical Social Housing targets should be outlined in the revised LHS and be commensurate with the growth in population forecast for the LGA²⁰. Under this scenario and utilising data provided by the NSW Department of Planning on population projections and implied dwelling demand, our 10% stock ask would materially result in just over 1% of all Social Housing properties in the State being delivered in the LGA by 2041 – refer **Appendix A**. To be clear, we are asking for an **additional 4,026 Social Housing properties to be delivered in the LGA by 2041**.

Advocacy bodies such as St Vincent De Paul Society, Homelessness NSW, CHIA NSW, Sydney Community Alliance, and the Hunter Community Alliance have consistently asked for 5,000 additional Social Housing properties be acquired/built in NSW for a decade to meet population projections alone. We reiterate this ask and note of that 50,000 figure, **approximately 475 additional Social Housing properties should be delivered in the LGA by 2034**.

Land represents a considerable cost that significantly impacts the viability of social and Affordable Housing developments. Opportunities exist across Government including Homes NSW, the Aboriginal Housing Office, Transport Asset Holding Entity, Landcom, TAFE, School Infrastructure NSW, Local Health Districts, Crown Lands, local Councils and others to support delivery of the homes NSW needs. This land-use attitudinal shift of retaining existing holdings to realise Public Housing assets requires a reconsideration of the requirements of ‘timely’ financial returns and a greater focus on social return on investment. **Port Stephens Council must partner with and apply pressure wherever possible to other government agencies to acquire and build Public Housing en masse on new and existing holdings.**

Recommendations

1. Require Social Housing stock to be commensurate with population projections and representing 10% of all housing stock by 2041 in the LGA:
 - a. Advocate the following figures to State Government, particularly Homes NSW (LAHC division), and pin-down commitments to augmenting Social Housing stock in Port Stephens LGA:

¹⁸ Pawson, H., Milligan, V., & Yates, J. (2020). *Housing Policy in Australia: A case for system reform*. (P. Macmillan, Ed.) Singapore: Springer Nature. doi:<https://doi.org/10.1007/978-981-15-0780-9>

¹⁹ OECD Affordable Housing Database. (2022). *PH4.1 Social Rental Housing Stock*. Retrieved from <https://www.oecd.org/els/family/PH4-2-Social-rental-housing-stock.pdf>

²⁰ NSW Department of Planning & Environment. (2022). *Projections - Local Government Areas*. Retrieved from <https://www.planning.nsw.gov.au/Research-and-Demography/Population-Projections/Explore-the-data>

- i. By 2041, with just under 1% of the State's population residing in the LGA, at least 1% of the State's Social Housing dwellings shall also be located in the LGA
 - ii. By 2041, Social Housing dwellings in the LGA should be close to 4,900 in number (including 872 existing Social Housing properties; therefore additional 4,026 properties needed).
2. In line with the point above and sector-wide calls for an additional 5,000 Social Housing properties being acquired/built each year for a decade across NSW:
 - a. Advocate for 475 additional Social Housing properties being acquired/built in the LGA by 2034.
3. Mandate at least 5% of Social Housing stock being dedicated Aboriginal Housing delivered by Aboriginal Community Housing Providers or AHO.
4. Pursue a Memorandum of Understanding with Homes NSW (LAHC division) for Public Housing renewal/development for the Raymond Terrace masterplan
 - a. Ask for underpinning cost-benefit analyses, business cases, and tender documents to accompany rezoning and Development Applications for Public Housing renewal projects proposed by Homes NSW and other Social Housing developers, to ensure the maximum public benefit is being derived from "social mix" approaches to renewing Public Housing estates.
 - b. Push Homes NSW and other Social Housing developers to distinguish between "Public" "Community" "Aboriginal" "Affordable Rental" "Affordable Ownership" "Below Market" housing targets to ensure these are not combined into the same target group (ie clear distinctions and transparency is needed between publicly-owned and operated housing versus subsidised-to-market but otherwise private housing being delivered on historically publicly owned land)
 - c. Seek commitments from Homes NSW to substantially higher targets for Social and Affordable Rental Housing on Public Housing renewal sites (ie preserve more than half of land for Public Housing/remaining in public ownership; deliver a substantial increase to the number of Social dwellings on a site to make the disruption to tenants somewhat worthwhile; and deliver at least 15% Affordable Rental Housing in perpetuity in addition to Social Housing and as an intermediary between Social Housing and market dwellings)
 - d. Negotiate in MOUs higher proportions – preferably 100% – of all new Social Housing stock being built to Livable Housing Design gold standard accessibility.
5. For other government-owned land (to ensure the maximum public benefit is being derived from developing publicly-owned land and that windfall land gains accrue to the public):
 - a. Ask for underpinning cost-benefit analyses, business cases, and tender documents to accompany rezoning and Development Applications for projects proposed by Homes NSW, TAHE, Landcom, TAFE, School Infrastructure NSW,

- Local Health Districts, Crown Lands, and other State agencies when they are proposing residential uses on publicly-owned land
- b. Request at least 30% of residential development being Social Housing (Public, Community, Aboriginal Housing)
 - c. Request at least 15% Affordable Rental Housing
 - d. Request at least 15% other government-owned housing (such as build-to-rent, key worker housing).
6. Advocate to State Government for Affordable Rental Housing in addition to Social Housing – not instead of it – when it comes to renewing Public Housing estates and developing on public land for residential purposes.

Affordable Housing Contributions Schemes

In contrast to delivery of Social Housing, the creation of Affordable Housing Contributions Schemes is very much within the remit of local government. This is not to say that the State Government has no role in assisting Councils to create appropriate schemes or coordinate creation of region-wide schemes for several LGAs.

Affordable Housing Contributions Schemes ('AHCSs') and Voluntary Planning Agreements ('VPAs') offer two different avenues to capture land value uplift that accompanies changes to planning rules (or significant development proposals), for the purposes of securing Affordable Rental Housing (usually in perpetuity) on the same land or elsewhere in an LGA.

Without Affordable Housing Contributions Scheme(s) in place, current opportunities are being missed for big and small rezonings alike. Cumulatively, with the sheer volume of "small pocket" rezonings happening from lower order (Rural, Environmental) zones to higher order (Employment, Mixed Use, Residential) zones across the LGA, many Planning Proposals could easily be captured by a modest, broad-base Affordable Housing Contribution rate for housing to be delivered on-site or elsewhere in the LGA, through AHCSs. Many smaller rezonings to employment lands tend to (in aggregate) generate additional demand for Affordable Rental Housing for trade apprentices, bulky goods retail workers, logistics and warehouse workers, and other keys workers. **Port Stephens Council should advance an Affordable Housing Contributions Scheme which is cognisant of this fact.**

Greenfield (rural to residential rezoning) Affordable Housing contribution rates have been accepted for Byron Shire Council and Penrith City Council by the Department of Planning in recent times. The preliminary economic viability testing by Judith Stubbs & Associates for the Coffs Harbour LGA demonstrates that significant land value uplift

occurs in these scenarios of rural to residential rezoning, and that a 15% contribution rate “would not be unreasonable”²¹.

It is imperative that the creation of an Affordable Housing Contributions Scheme is first on the agenda for the yet-to-be-created Port Stephens Affordable Housing Action Plan. Putting in place a proactive scheme signalling that a portion of land value uplift will be captured by an Affordable Housing requirement is best practice²² for:

- a) ensuring that the monetary/land dedication to Affordable Housing is funded by a developer paying **less for the land** at the outset, and
- b) reducing speculative investment in important farmland or industrial land for the purposes of conversion to mixed use or residential land.

Shelter NSW recently commissioned a report into what makes for good Affordable Housing Policy; [this Paper by Dr Gilbert and Dr Zanardo of the University of Sydney](#) contains many recommendations for policy-makers seeking to create or mature local Affordable Housing Contributions Schemes. A few core recommendations being²³:

- **Mandatory rather than voluntary Affordable Housing Schemes are overall fairer**, easier to interrogate and implement, and deliver more predictable outcomes in Affordable Housing delivery²⁴
- **Specify minimum proportions within the three income bands** (very low, low, and moderate) who should be housed in Affordable Rental Housing to prevent developer or housing provider bias in accepting mostly moderate income tenants
- **Careful attention to be paid to design outcomes for Affordable Rental Housing within broader private housing complexes** so these dwellings are not materially subpar or perceived to be subpar by way of location, floor-level, number of bedrooms, strata by-laws, open space, passive heating/cooling opportunities and the like²⁵
- **Affordable Rental Housing to be Affordable (Housing SEPP: rent-set at no more than 30% of gross income) in perpetuity**; in perpetuity or 50+ year requirements in international cases (the US) have not been shown to significantly affect unit development activity
- **Affordable Housing ownership, operations, and tenancy management should be retained by government agencies, local Councils, or not-for-profit community housing providers**

²¹ Judith Stubbs & Associates. (March 2023). *City of Coffs Harbour Affordable Housing Strategy: Options Report*. Retrieved from <https://haveyoursay.coffsharbour.nsw.gov.au/88209/widgets/414264/documents/267393>

²² SGS Economics & Planning. (March 2018). *Development Contributions for Affordable Housing: Theory and implementation*. Retrieved from <https://sgsep.com.au/assets/main/SGS-Economics-and-Planning-Development-contributions-for-affordable-housing.pdf>

²³ Gilbert, C. & Zanardo, M. (2024). *What an Inclusionary Housing Policy Should be: Considerations for designing inclusionary housing approaches for NSW*. Research report for Shelter NSW, Sydney: The University of Sydney. Retrieved from <https://shelternsw.org.au/wp-content/uploads/2024/01/Shelter-report-FINAL-18-January-2024.pdf>

²⁴ Also echoed in Phibbs, P. (2023). *The Affordable Housing Height and Density Bonus Scheme*. EPIC DOT GOV Consultant and Shelter NSW. Retrieved from https://shelternsw.org.au/wp-content/uploads/2023/11/106250_ShelterNSW_FinalPlanningBonus_11pp_A4_1s_PROOF.pdf

²⁵ Shelter NSW submission. (18 October 2023). *Department of Planning and Environment – Draft Housing SEPP – Social and Affordable Housing reforms*. Retrieved from https://shelternsw.org.au/wp-content/uploads/2023/10/231018_DPE-Draft-Housing-SEPP-Social-and-Affordable-Housing-Reforms.pdf

- **Affordable Housing compliance needs to be instilled in DA conditions of consent** as well as on land titles (examples include requiring Affordable Housing tenancies to be filled prior to Occupation Certificates being issued for private market dwellings)
- **A centralised monitoring framework on units approved, constructed, and operational as Affordable Housing** with clear demarcation of government agencies responsible for compliance and enforcement at each stage in the Affordable Housing lifecycle.

Affordable Rental Housing

Shelter NSW recommends that the legislated definition of “Affordable Housing”²⁶ is copied into the revised LHS and future Affordable Housing Action Plan:

cl. 13 Affordable housing—the Act, s 1.4(1)

(1) In this Policy, a household is taken to be a very low income household, low income household or moderate income household if—

(a) the household—

(i) has a gross income within the following ranges of percentages of the median household income for Greater Sydney or the Rest of NSW—

(A) very low income household—less than 50%,

(B) low income household—50–less than 80%,

(C) moderate income household—80–120%, and

(ii) pays no more than 30% of the gross income in rent, or

(b) the household—

(i) is eligible to occupy rental accommodation under the National Rental Affordability Scheme, and

(ii) pays no more rent than the rent that would be charged if the household were to occupy rental accommodation under the Scheme.

With the NRAS ending and approximately 1,000 properties already expired and a further 5,600 properties to be taken out of circulation by 2026 when the Scheme ends²⁷, in-perpetuity Affordable Rental Housing is needed more than ever to accommodate not just key workers but also those tenants who are no longer supported by NRAS accommodation. **Council should lobby the NSW Department of Planning, Homes and Infrastructure (‘DPHI’) to amend the *Housing SEPP 2021* to remove references to 10-15 year lapsing periods for Affordable Rental products.**

²⁶ NSW legislation. (current version 15 March 2024). *State Environmental Planning Policy (Housing) 2021*. Retrieved from <https://legislation.nsw.gov.au/view/html/inforce/current/epi-2021-0714#sec.13>

²⁷ Australian Government - Department of Social Services. (June 2021). *NRAS*. Retrieved from https://www.dss.gov.au/sites/default/files/documents/08_2021/nras-quarterly-report-30-jun-2021.pdf

Land/housing dedicated to Council from private developers at no-cost for the purposes of Affordable Rental Housing (through an AHCS or VPA) should always be set to affordable rents in-perpetuity. This applies especially in instances where Council retains ownership of Affordable Rental Housing but awards management of properties to Community Housing Providers ('CHPs') via peppercorn lease arrangements. **A commitment in the revised LHS and future Affordable Housing Action Plan to this principle of requiring any Affordable Rental Housing delivered under an Affordable Housing Contributions Scheme to be affordable in-perpetuity is requested.** In a similar vein, Council must advocate for development of Affordable Rental Housing that is "affordable" in perpetuity on surplus/underutilised State government owned land.

Monitoring of Affordable Rental Housing targets is notoriously lacking in NSW. DPHI does not presently track Affordable Rental Housing numbers, types, locations, lapsing periods of Affordable Rental Housing developed as a result of the *Housing SEPP 2021* (or former *SEPP 70* and former *Affordable Rental Housing SEPP 2009*). **We therefore urge Port Stephens to create a system of accurately tracking Affordable Rental Housing delivered via any future Affordable Housing Contributions Schemes or VPAs.** Alternatively, Council could lobby the Hunter Urban Development Program or DPHI to take up this responsibility to create a well-resourced regional tracker of Affordable Rental Housing.

Recommendations

7. Commit to resourcing viability testing for Affordable Housing Contributions Scheme(s) within the future Affordable Housing Action Plan
 - a. Expand scope for AHCS(s) to not just rezonings which deliver "housing uplift" but any rezoning activities which generate commercial/industrial investment (or changes to planning rules for floor area and height of building controls in E-, B-, IN- zones) and induce local/regional demand for housing by new or augmented workforces
 - b. Expand scope for AHCS to fully canvass greenfield rezonings and uplift that can be captured for Affordable Rental Housing contributions
 - c. Liaise with DPHI about potential changes to the Department's protocol for creating AHCS and Department's Guidelines for developing an Affordable Housing Contributions Scheme
 - d. Request clarification from DPHI on the former Greater Cities Commission 10% Affordable Housing contributions housing uplift target in the 6 cities regions (of which Port Stephens is a part).
8. In the interim, include strong provisions in Council's Voluntary Planning Agreements Policy to set the nexus between:
 - a. the delivery of Affordable Rental Housing through Planning Agreements, and

- b. developments and rezoning activities that would otherwise be captured by a future AHCS.
9. Copy the legislated definition of “Affordable Housing” (from *EP&A Act 1979* and *Housing SEPP 2021*) into the revised LHS and future Affordable Housing Action Plan.
 10. Include advocacy action for Council to lobby DPHI to amend the *Housing SEPP 2021* to remove references to 10-15 year lapsing periods for Affordable Rental products
 - a. Make explicit reference to advocating for development of Affordable Rental Housing that is “affordable” in perpetuity on surplus/underutilised State government owned land.
 11. In making the future Affordable Housing Action Plan, refer to the recommendations and principles of good Affordable Housing Policy as outlined in [Dr Gilbert & Dr Zanardo's Inclusionary Housing Policy Paper](#), particularly:
 - a. Commit to the principle of requiring any Affordable Rental Housing delivered under an Affordable Housing Contributions Scheme to be affordable in perpetuity
 - b. In order to adequately track *any* Affordable Rental Housing targets, maintain and publish data on Affordable Rental Housing granted approval and created under the provisions of the *Housing SEPP 2021* (and former SEPP versions such as *ARHSEPP 2009* and *SEPP 70*)
 - i. This database/register shall track information on approval status, development status, timeframe status (ie housing being “affordable” in perpetuity from x date, or time-limited), and locations (suburbs) of Affordable Rental Housing made possible by the *Housing SEPP*. This includes housing built in accordance with Affordable Housing Contributions Schemes as well as Affordable Rental Housing reliant on provisions from Chapter 2 of the *Housing SEPP*
 - ii. In time, this register should be expanded to include data on Affordable Rental Housing made possible by Voluntary Planning Agreements
 - iii. Request Hunter Urban Development Program or DPHI to take custodianship of any such database and/or secure sustainable funding from DPHI to manage the database locally.

Council-owned land

Given the dire need for more affordable, secure, and accessible housing now in Port Stephens, **a methodical audit of potentially suitable Council-owned buildings, community and operational lands for the purposes of non-market housing and crisis accommodation** should be undertaken by Council to inform the future Affordable Housing Action Plan.

Council is uniquely placed to advance alternative housing and land solutions. Council can set the minimum requirements for housing outcomes on its own land when partnering with organisations such as Homes NSW (LAHC division), CHPs, and the Youth Foyer Foundation. Shelter NSW is a big proponent for more Youth Foyers across metropolitan and regional NSW and we specifically called on the State Government [to invest in more Youth Foyer programs in the latest budget](#). Youth Foyers have the potential to not only house young people at risk of homelessness, but increase future economic productivity of communities through improved education/training engagement of young people and avoided youth interactions with Police and Corrections.

Another alternative solution to delivering localised housing justice in the LGA would be for Council-owned or acquired land to be dedicated to a Community Land Trust ('CLT') or held under a peppercorn lease arrangement for development of Affordable Rental Housing in the LGA. Effectively a CLT attempts to separate land and housing for greater affordability (and price predictability) in accessing housing. Land is held (or operated) by the Trust, set up as a not-for-profit organisation, and rights to housing can be bought upon that land with long-lease models for access to land²⁸.

There are several community land trust models and caveats, i.e. usually there are restrictions about resale values of dwellings on the land and putting equity back into the Trust to keep housing affordable. **Bellingen alongside Kempsey and Port Macquarie-Hastings Councils are establishing a CLT** to operate as a not-for-profit organisation, providing housing potentially through co-ownership or a 99-year lease model²⁹.

CLTs can provide perpetually affordable, secure housing and imitates the qualities of home ownership but with a wider range of community benefits in terms of neighbourhood planning and custodianship of shared spaces.

There are many other case studies and examples of innovative and alternative housing solutions put forward in DCJ's *Local Government Housing Kit*³⁰ such as the 'Homes for Homes' initiative which relies on donations from property sales in a community to fund

²⁸ Crabtree, L. (n.d.). Community Land Trusts. Western Sydney University. Retrieved from https://www.westernsydney.edu.au/ics/research/impact/community_land_trusts

²⁹ Housing Matters Action Group. (n. d.). *Waterfall Way Community Land Trust*. Retrieved from <https://www.housingmatters.org.au/waterfall-way-community-land-trust/>

³⁰ NSW Department of Communities and Justice ('DCJ'). (2019). *Local Government Housing Kit: Module 5 case studies and resources*. Retrieved from <https://www.facs.nsw.gov.au/resources/nsw-local-government-housing-kit/chapters/Local-Government-Housing-Kits-Full-Kit-and-downloadable-modules>

affordable housing projects³¹. **We implore Council to refer to this Housing Kit resource in developing its Affordable Housing Action Plan.**

Additionally, Shelter NSW recently commissioned a report by AHURI to canvass “ethically conscious housing initiatives” across the country. [This Report](#) seeks to identify housing initiatives that go above-and-beyond legislated minimums for delivering Affordable or below-market rental housing. We are including reference to this Report in our submission in the hopes that it serves as inspiration for the types of alternative and best practice solutions Port Stephens should be championing on its own land. For example, Wollongong City Council’s partnership with Head Start Homes is featured as a case study for assisting social housing waitlist applicants into home ownership³².

Recommendations

12. Prepare a methodical audit of potentially suitable Council-owned buildings, community and operational lands for the purposes of non-market housing and crisis accommodation to inform the future Affordable Housing Action Plan
 - a. Work closely with CHPs, Aboriginal CHPs, Specialist Homelessness Services, and organisations such as Youth Foyer Foundation when undertaking this audit to determine site suitability.
13. Scope existing or feasible-to-acquire Council-owned land for community land trust models.
14. Refer to the [Ethically Conscious Housing Initiatives Report](#) for inspiration on how to make the most impact with Council-owned land and future initiatives of the Affordable Housing Action Plan:
 - a. Examine and adopt other innovative housing initiatives referenced in the *Local Government Housing Kit* when creating the Affordable Housing Action Plan.

³¹ Ibid, p. 15

³² Oberklaid, S. & Alves, T. (2023). *Ethically Conscious Housing Initiatives*. Prepared for Shelter NSW by the Australian Housing and Urban Research Institute. Retrieved from https://shelternsw.org.au/wp-content/uploads/2024/01/231214-Ethically_conscious-housing-initiatives-report-final-1.pdf

Housing diversity (typology)

“Increasing housing supply”, as a broad-brush call to action, lacks nuance. We need targeted housing supply delivery, in the right place at the right time which suits occupant needs and affordability requirements.

Development approvals and completions for housing supply have been generally strong since mid 2010s³³ in the Hunter region. Housing typology and increasing infill housing over greenfield development, however, is the bigger challenge into the future in ensuring housing supply is diverse, accessible, and meeting household needs and incomes.

The Australian Housing and Urban Research Institute (‘AHURI’) regional research³⁴ supports this observation, noting many growing regional towns are experiencing land use pressure and sprawl. There needs to be a renewed focus on residential infill development and increased densities in selected locations rather than the observed tendency to use greenfield sites for the bulk of new housing.

We advocate for infill development to be a primary housing and urban renewal option in regional towns and cities. Greenfield estate development has long been on the Americanised trajectory of sprawling, detached, single-storey ‘McMansions’ with limited footpath infrastructure, heavy car reliance, and no minimum estate-wide targets for universally accessible design. Poorly designed suburban sprawl estates are incompatible with an ageing population, agricultural land protection, provision of cost-effective infrastructure, and climate change more generally. The lack of diversified housing in regional centres is at odds with ABS data indicating the number of people per household in regional locations is more conducive to 1-to-2 bedroom dwellings³⁵.

Given the ageing profile of Social Housing tenants³⁶ and the need to deter sociospatial disadvantage, it is not enough to relegate the bulk of new Social Housing builds in far-flung greenfield locations with limited access to transport, health, and community services. **Infill development opportunities must be explored in conjunction with Homes NSW (LAHC division), the Aboriginal Housing Office, CHPs, and ACHPs,** with incentives offered to developers to dedicate Affordable Rental Housing in these infill sites.

Our submission to the Regional Housing Taskforce³⁷ in September 2021 included the recommendation for land use zoning typologies to be reimaged for regional and rural

³³ Gyde Consulting. (27 October 2022). *NSW Housing Analysis: Hunter region*. Retrieved from <https://www.gyde.com.au/news/nsw-housing-analysis>

³⁴ AHURI. (August 2021, p. 69). *Final Report No. 362 Population growth, regional connectivity, and city planning—international lessons for Australian practice*. Retrieved from <https://www.ahuri.edu.au/sites/default/files/documents/2021-09/AHURI-Final-Report-362-Population-growth-regional-connectivity-and-city-planning.pdf>

³⁵ Australian Bureau of Statistics. (2011-2016). *Census of Population and Housing (Enumerated)*. Compiled and presented in profile.id, retrieved from <https://profile.id.com.au/australia/population?WebID=180>

³⁶ AHURI. (November 2021, p. 31). *Final Report No 369: Ageing well in Public Housing*. Retrieved from https://www.ahuri.edu.au/sites/default/files/documents/2021-11/AHURI-Final-Report-369-Ageing-well-in-public-housing_0.pdf

³⁷ Shelter NSW. (September 2021). *Regional Housing Taskforce submission*. Retrieved from <https://sheltersnsw.org.au/wp-content/uploads/2021/09/Regional-Housing-Taskforce-Shelter-NSW-submission.pdf>

settings, with diminishing prevalence of land zones that promote sprawl in LEPs. In this vein, we assert that **Port Stephens Council should assess the viability of certain land zone typologies (R2 and R5 zones at urban fringes when compared to R1, RU-, and Enviro zones)** and increase preference for other land zone typologies (R3 and Mixed Use near commercial cores and employment hubs) in LEPs.

The revised LHS rightly recognises the need for greater housing diversity and the mismatch between household demand and what housing types dominate the current market. The fact that:

- there are more freestanding 5-bedroom houses than there are apartments across Port Stephens³⁸, and
- only 56% of people working in the LGA live within the LGA³⁹

are testaments to the need to urgently redirect new housing stock to infill medium density development rather than continued greenfield sprawl.

Infill opportunity sites are identified within the revised LHS and the Housing Supply Plan maps. **There are actions (3.2 and 3.5) in the revised LHS to “update the Infill Housing Study” and “investigate broadscale height increases on residential and commercial zoned land” – this work must be done simultaneously with an AHCS** to capture value uplift on identified sites that may win additional height, floor space, or other planning bonuses.

Having reviewed the Housing Supply Plan and targets for dwellings per hectare in new release areas and infill locations, **Shelter NSW seeks clarity on the decision to set the minimum number of dwellings per hectare for much of Raymond Terrace at 30**, rather than 40 (inner suburban) or 50 (general urban). Raymond Terrace is identified as the administrative heart of the LGA, a regionally significant strategic centre, and one of the most developable infill localities in the LGA with respect to flooding constraints.

Recommendations

15. ‘Housing supply’ sub-category targets for: housing diversity in typology (non single storey detached “dwelling house”, bedroom numbers), accessibility (Livable Housing design standards of silver or gold), location (infill over greenfield), and affordability (dedicated Social and Affordable Rental Housing)
 - a. Provide overlapping targets for new housing to be diverse AND accessible AND infill AND affordable.
16. Ensure new Social Housing acquisition/construction predominantly occurs in well-located, mixed use, infill neighbourhoods rather than in greenfield sprawl estates.
17. Commit to reviewing viability of certain land zone typologies (R2 and R5) to further the objectives of infill and mixed use development.

³⁸ p. 32 of revised LHS

³⁹ p. 20 of revised LHS

18. Cluster new dwellings in greenfield areas as a means to limit the bushfire front for new estates, reduce the number of asset protection zones which need to be separately managed, and limit ecological fragmentation.
19. Actions (3.2 and 3.5) in the revised LHS to “update the Infill Housing Study” and “investigate broadscale height increases on residential and commercial zoned land” must be done simultaneously with creation of an AHCS to capture value uplift on identified sites that may win additional height, floor space, or other planning bonuses.
20. Clarify/justify the decision to set the minimum number of dwellings per hectare for much of Raymond Terrace at 30, rather than 40 (inner suburban) or 50 (general urban).

Whole-home holiday accommodation

Recently, the State Government released its [Short-term Rental Accommodation Discussion Paper](#). The Paper canvassed ideas on how to better regulate non-hosted accommodation and return more balance to long-term housing stock in an effort to combat rising rental unaffordability and unavailability. As part of [our response to the Discussion Paper](#), we sought out meetings with various Councils – including Port Stephens. We thank Port Stephens Planners for their time in informing our policy position on non-hosted holiday accommodation, particularly in regional areas.

“Home sharing” platforms such as Airbnb have moved a long way from being incidental income makers for owner-occupiers in their primary place of residence. In many regional and high amenity locations, the types of homes available on such platforms now operate as quasi-hotels for property investors, being commercial in nature, and with an eroding effect on the total stock of housing able to be used as homes by local residents and renters⁴⁰. From DPHI’s own estimates⁴¹ from the NSW “STRA” Register and comparing rental bonds data, **approximately 50% of non-hosted “STRA” in NSW were once available on the traditional long-term rental market.**

In the **Context** section (Table 1), the growth in the number of whole-home Airbnbs for Port Stephens and nearby LGAs is clear. Table 2 over the page depicts night occupancy (booking) data for these same LGAs:

⁴⁰ Sigler, T. & Panczak, R. in The Conversation AU. (13 February 2020). *Ever wondered how many Airbnbs Australia has and where they all are? We have the answers*. Retrieved from <https://theconversation.com/ever-wondered-how-many-airbnbs-australia-has-and-where-they-all-are-we-have-the-answers-129003>

⁴¹ Mentioned in Shelter conversation with the STHL Team, P McManus (13 March 2024)

Table 2. Occupancy/booking data for existing whole-home accommodation on Airbnb⁴²

LGA (2016 boundaries)	Whole-home Airbnb listings in the 12 months to November 2023						
	0 days	0-60 days	> 60 days	> 90 days	> 180 days	total no. whole-home listings	whole-home listings average occupancy days
Port Stephens	389	1196	341	261	133	1537	49
Gosford	462	1314	484	376	182	1798	56
Wyong	200	582	310	247	118	892	70
Lake Macquarie	101	350	216	171	87	566	81

Day-cap thresholds serve as a useful indicator in many international examples of where a use is teetering towards being more commercial in nature rather than residential/incidental income in someone's principal place of residence. In the NSW context, we advocate for a change of use permit system to apply to these properties once a day-cap threshold has been breached (or proposed to be breached) for non-hosted accommodation use. As evidenced in [our submission on the recent DPHI STRA Discussion Paper](#), **we argue that the day-cap threshold for highly affected LGAs should be anywhere from 30 to 90 days per calendar year** – beyond which a permit system (whether exempt change of use, complying change of use, or DA change of use) kicks in.

It must be acknowledged that research internationally⁴³ has shown that annual day-caps as a lone planning mechanism for limiting non-hosted accommodation conversions are less efficient in returning dwellings to the long-term rental market than policies **limiting the total number of whole-home accommodation conversions per suburb**. We suggest that the total number of non-hosted accommodation permits should be capped per LGA or broader regional planning area, in accordance with local studies into the maximum allowable number of non-hosted accommodation that can occur without adverse impact on the long-term rental market in each location.

Furthermore, **total non-hosted accommodation volume caps for LGAs/suburbs/regional planning areas should be guided by density caps** (e.g. no more than y number of non-hosted accommodation options per z suburb), to ensure hollowing out of well-serviced, well-located neighbourhoods for whole-home accommodation use does not occur. Local research and evidence for density caps and as they vary from suburb to suburb will be required.

Sociospatial disadvantages of whole-home holiday accommodation use are well documented globally⁴⁴, in that local residents are generally pushed further afield from

⁴² Cox, M. (2023). *Inside Airbnb*. Retrieved from <http://insideairbnb.com/get-the-data.html> [spreadsheet avail on request]

⁴³ (Such as London versus Barcelona). Frenken, K & Schor, J. (2019). Putting the sharing economy into perspective. In *A research agenda for sustainable consumption governance*. Edward Elgar Publishing ; Temperton, J. (February 13, 2020). *Airbnb has devoured London – and here's the data that proves it*. <https://www.wired.co.uk/article/airbnb-london-short-term-rentals>

⁴⁴ (example: formerly working class district of Alfama in Lisbon, now thoroughly gentrified) Shabrina, Z et al (2021). Airbnb and its potential impact on the London housing market. <https://doi.org/10.1177/0042098020970865> ; Cocola-Gant, A &

their areas of employment and community facilities, with significant burdens on planning for transport, open space, schools, and other physical and social infrastructure.

Additionally, the proliferation of Airbnb-type properties in neighbourhoods tend to gentrify these areas and further drive-up property prices in Australia; in the period 2015-2017, a strong presence of whole-home Airbnb properties in a postcode accounted for a \$31,000 increase in house sale prices, and \$10 increase in weekly rents⁴⁵.

Shelter NSW does not dispute the role of non-hosted holiday accommodation in regional towns reliant on tourism dollars. Peter Phibbs⁴⁶ observes, however, that the value of the year-round local dollar tends to be heavily discounted in the mind of key decision makers compared to the value of seasonal tourism dollars. We agree with this observation and illustrated the point in [our DPHI STRA Discussion Paper submission](#) (via quotes from Shelter members):

"The Discussion Paper sort of discounts the value of the local dollar in praise of the visitor dollar... yes tourism money is important, but so is the local dollar being spent year-round at cafes and hairdressers and early childhood education centres... and when these workers in these industries can't afford to live locally, their dollars as well as their services to the community at large are gone..." – Community member, Bellingen

"Do we want local dollars 52 weeks of the year from a family in a long-term rental or tourist dollars less than half the year? And tourist dollars mostly going to one landowner, it's not like these tourists are spending \$500 per retail outlet or café they go into... but they do spend \$500 a pop per property investor per night... so is it good for local economies or just good for property investors?" – Community service provider, Blue Mountains

Thus, we advocate for a sustainable number of dwelling conversions to these uses, to ensure housing market fluctuations in rental availability is mitigated for low-income and key worker households in particular.

Shelter NSW notes that the revised LHS includes an action (2.3) on obtaining data from NSW Fair Trading on "short-term rental accommodation" to better monitor long-term rental supply in Port Stephens, and that an annual overview of this data will be made available on Council's website. **We support this action.**

However, **we assert that monitoring should extend further to housing stock attrition rates of new housing supply to the non-hosted accommodation market.** Shelter NSW highlighted to the (former) Greater Cities Commission⁴⁷ the folly in setting housing supply targets if the Commission is not also monitoring this attrition rate. Goals to increase housing supply may be scuppered by new and existing housing stock being diverted at fluctuating rates to the non-hosted holiday accommodation market. We are not aware of specific monitoring of this issue by the Department or Urban Development

Gago, A. (2019). Airbnb, buy-to-let investment and tourism-driven displacement: A case study in Lisbon. <https://doi.org/10.1177/0308518X19869012>

⁴⁵ Hodgson, L. (2023). *Accounting for Airbnb in the housing market*. PIA National Congress. Retrieved from <https://www.planning.org.au/documents/item/12420>

⁴⁶ Phibbs, P. (December 2021). Peer Review of Economic Impact Assessment: Byron Shire short term rental accommodation caps. Retrieved from <https://www.ipcn.nsw.gov.au/resources/pac/media/files/pac/projects/2022/12/byron-shire-short-term-rental-pp/referral-from-dpe/attachment-2-byron-shire-short-term-rental-accommodation-caps-economic-impact-assessment-peer-review.pdf>

⁴⁷ Shelter NSW. (27 October 2022). Greater Cities Commission Six Cities Discussion Paper: Submission. Retrieved from https://sheltersnsw.org.au/wp-content/uploads/2022/10/221027_GCCSixCitiesDiscussionPaper_submission_final_KC.pdf

Programs. This attrition rate of new housing was a concern also echoed in the NSW Independent Planning Commission’s Final Advice Report: “...prevent the subsequent conversion of new housing supply to non-hosted STRA by requiring relevant conditions on development consent for new housing developments”⁴⁸.

Recommendations

21. Advance discussions with DPHI on creating locally tailored day-cap thresholds for regulating non-hosted holiday accommodation changes of use.
22. Request additional resources from DPHI to perform local or region-wide studies (with Joint Organisation of Councils) into the sustainable number of dwelling conversions to non-hosted accommodation that each locality’s housing market can withstand.
23. Request the Hunter Urban Development Program (tasked with monitoring the pipeline of land and housing) incorporate a metric for tracking housing stock attrition rates due to conversion of dwellings to “STRA”.
 - a. Alternatively, lobby DPHI to perform this monitoring and do regular reporting.

⁴⁸ NSW IPC. (24 April 2023, p. iii). Byron Shire Short-Term Rental Accommodation Planning Proposal: Final Advice Report. Retrieved from https://www.ipcn.nsw.gov.au/resources/pac/media/files/pac/projects/2022/12/byron-shire-short-term-rental-pp/advice/230424_byron-stra-pp_advice-report_final.pdf

Summary of recommendations

The following is a summary of our recommendations to Port Stephens Council on its revised Local Housing Strategy.

1. Require Social Housing stock to be commensurate with population projections and representing 10% of all housing stock by 2041 in the LGA:
 - a. Advocate the following figures to State Government, particularly Homes NSW (LAHC division), and pin-down commitments to augmenting Social Housing stock in Port Stephens LGA:
 - i. By 2041, with just under 1% of the State's population residing in the LGA, at least 1% of the State's Social Housing dwellings shall also be located in the LGA
 - ii. By 2041, Social Housing dwellings in the LGA should be close to 4,900 in number (including 872 existing Social Housing properties; therefore additional 4,026 properties needed).
2. In line with the point above and sector-wide calls for an additional 5,000 Social Housing properties being acquired/built each year for a decade across NSW:
 - a. Advocate for 475 additional Social Housing properties being acquired/built in the LGA by 2034.
3. Mandate at least 5% of Social Housing stock being dedicated Aboriginal housing delivered by Aboriginal Community Housing Providers or AHO.
4. Pursue a Memorandum of Understanding with Homes NSW (LAHC division) for Public Housing renewal/development for the Raymond Terrace masterplan
 - a. Ask for underpinning cost-benefit analyses, business cases, and tender documents to accompany rezoning and Development Applications for Public Housing renewal projects proposed by Homes NSW and other Social Housing developers, to ensure the maximum public benefit is being derived from "social mix" approaches to renewing Public Housing estates.
 - b. Push Homes NSW and other Social Housing developers to distinguish between "public" "community" "Aboriginal" "affordable rental" "affordable ownership" "below market" housing targets to ensure these are not combined into the same target group (ie clear distinctions and transparency is needed between publicly-owned and operated housing versus subsidised-to-market but otherwise private housing being delivered on historically publicly owned land)
 - c. Seek commitments from Homes NSW to substantially higher targets for Social and Affordable Rental Housing on Public Housing renewal sites (ie preserve more than half of land for Public Housing/remaining in public ownership; deliver a substantial increase to the number of social dwellings on a site to make the disruption to tenants somewhat worthwhile; and deliver at least 15% Affordable Rental Housing in perpetuity in addition to Social Housing and as an intermediary between Social Housing and market dwellings)

- d. Negotiate in MOUs higher proportions – preferably 100% – of all new Social Housing stock being built to Livable Housing Design gold standard accessibility.
5. For other government-owned land (to ensure the maximum public benefit is being derived from developing publicly-owned land and that windfall land gains accrue to the public):
 - a. Ask for underpinning cost-benefit analyses, business cases, and tender documents to accompany rezoning and Development Applications for projects proposed by Homes NSW, TAHE, Landcom, TAFE, School Infrastructure NSW, Local Health Districts, Crown Lands, and other State agencies when they are proposing residential uses on publicly-owned land
 - b. Request at least 30% of residential development being Social Housing (Public, Community, Aboriginal Housing)
 - c. Request at least 15% Affordable Rental Housing
 - d. Request at least 15% other government-owned housing (such as build-to-rent, key worker housing).
6. Advocate to State Government for Affordable Rental Housing in addition to Social Housing – not instead of it – when it comes to renewing Public Housing estates and developing on public land for residential purposes.
7. Commit to resourcing viability testing for Affordable Housing Contributions Scheme(s) within the future Affordable Housing Action Plan
 - a. Expand scope for AHCS(s) to not just rezonings which deliver “housing uplift” but any rezoning activities which generate commercial/industrial investment (or changes to planning rules for floor area and height of building controls in E-, B-, IN- zones) and induce local/regional demand for housing by new or augmented workforces
 - b. Expand scope for AHCS to fully canvass greenfield rezonings and uplift that can be captured for Affordable Rental Housing contributions
 - c. Liaise with DPHI about potential changes to the Department’s protocol for creating AHCS and Department’s Guidelines for developing an Affordable Housing Contributions Scheme
 - d. Request clarification from DPHI on the former Greater Cities Commission 10% Affordable Housing contributions housing uplift target in the 6 cities regions (of which Port Stephens is a part).
8. In the interim, include strong provisions in Council’s Voluntary Planning Agreements Policy to set the nexus between:
 - c. the delivery of Affordable Rental Housing through Planning Agreements, and
 - d. developments and rezoning activities that would otherwise be captured by a future AHCS.

9. Copy the legislated definition of “Affordable Housing” (from *EP&A Act 1979* and *Housing SEPP 2021*) into the revised LHS and future Affordable Housing Action Plan.
10. Include advocacy action for Council to lobby DPHI to amend the *Housing SEPP 2021* to remove references to 10-15 year lapsing periods for Affordable Rental products
 - a. Make explicit reference to advocating for development of Affordable Rental Housing that is “affordable” in perpetuity on surplus/underutilised State government owned land.
11. In making the future Affordable Housing Action Plan, refer to the recommendations and principles of good Affordable Housing Policy as outlined in [Dr Gilbert & Dr Zanardo's Inclusionary Housing Policy Paper](#), particularly:
 - a. Commit to the principle of requiring any Affordable Rental Housing delivered under an Affordable Housing Contributions Scheme to be affordable in-perpetuity
 - b. In order to adequately track *any* Affordable Rental Housing targets, maintain and publish data on Affordable Rental Housing granted approval and created under the provisions of the *Housing SEPP 2021* (and former SEPP versions such as *ARHSEPP 2009* and *SEPP 70*)
 - i. This database/register shall track information on approval status, development status, timeframe status (ie housing being “affordable” in perpetuity from x date, or time-limited), and locations (suburbs) of Affordable Rental Housing made possible by the *Housing SEPP*. This includes housing built in accordance with Affordable Housing Contributions Schemes as well as Affordable Rental Housing reliant on provisions from Chapter 2 of the Housing SEPP
 - ii. In time, this register should be expanded to include data on Affordable Rental Housing made possible by Voluntary Planning Agreements
 - iii. Request Hunter Urban Development Program or DPHI to take custodianship of any such database and/or secure sustainable funding from DPHI to manage the database locally.
12. Prepare a methodical audit of potentially suitable Council-owned buildings, community and operational lands for the purposes of non-market housing and crisis accommodation to inform the future Affordable Housing Action Plan
 - a. Work closely with CHPs, Aboriginal CHPs, Specialist Homelessness Services, and organisations such as Youth Foyer Foundation when undertaking this audit to determine site suitability.
13. Scope existing or feasible-to-acquire Council-owned land for community land trust models.

14. Refer to the [*Ethically Conscious Housing Initiatives Report*](#) for inspiration on how to make the most impact with Council-owned land and future initiatives of the Affordable Housing Action Plan:
 - a. Examine and adopt other innovative housing initiatives referenced in the *Local Government Housing Kit* when creating the Affordable Housing Action Plan.
15. 'Housing supply' sub-category targets for: housing diversity in typology (non single storey detached "dwelling house", bedroom numbers), accessibility (Livable Housing design standards of silver or gold), location (infill over greenfield), and affordability (dedicated Social and Affordable Rental Housing)
 - a. Provide overlapping targets for new housing to be diverse AND accessible AND infill AND affordable.
16. Ensure new Social Housing acquisition/construction predominantly occurs in well-located, mixed use, infill neighbourhoods rather than in greenfield sprawl estates.
17. Commit to reviewing viability of certain land zone typologies (R2 and R5) to further the objectives of infill and mixed use development.
18. Cluster new dwellings in greenfield areas as a means to limit the bushfire front for new estates, reduce the number of asset protection zones which need to be separately managed, and limit ecological fragmentation.
19. Actions (3.2 and 3.5) in the revised LHS to "update the Infill Housing Study" and "investigate broadscale height increases on residential and commercial zoned land" must be done simultaneously with creation of an AHCS to capture value uplift on identified sites that may win additional height, floor space, or other planning bonuses.
20. Clarify/justify the decision to set the minimum number of dwellings per hectare for much of Raymond Terrace at 30, rather than 40 (inner suburban) or 50 (general urban).
21. Advance discussions with DPHI on creating locally tailored day-cap thresholds for regulating non-hosted holiday accommodation changes of use.
22. Request additional resources from DPHI to perform local or region-wide studies (with Joint Organisation of Councils) into the sustainable number of dwelling conversions to non-hosted accommodation that each locality's housing market can withstand.
23. Request the Hunter Urban Development Program (tasked with monitoring the pipeline of land and housing) incorporate a metric for tracking housing stock attrition rates due to conversion of dwellings to "STRA".
 - a. Alternatively, lobby DPHI to perform this monitoring and do regular reporting.

Appendix A – Shelter asks for Social Housing stock growth to be commensurate with population growth for Port Stephens LGA

*DPE data (https://www.planning.nsw.gov.au/Research-and-Demography/Population-Projections/Explore-the-data)				*Shelter asks	
Year	Location	Population	Implied dwelling demand (no. of total dwellings required to house projected population, all tenure types)	Restoring 5% of all housing stock as Social Housing	10% of all housing stock as Social Housing
2022	Port Stephens LGA	76,046	38,405	1,920 (including approx. 872 existing Social Housing properties)	3,841 (inc. 872 existing)
2041		93,658	48,978	2,449 (inc. 872 existing)	4,898 (inc. 872 existing)
2022	NSW Total	8,172,657	3,444,382	172,219	344,438
2041		9,872,934	4,329,475	216,474	432,948
Total % of population in NSW that will reside in the LGA by 2041				0.95	
Total % of NSW Social Housing dwellings that will be delivered in the LGA per Shelter's 10% of all housing stock ask by 2040				1.13	

Table DWELLINGS.5: Dwellings, by local government area for Public Housing, SOMIH and community housing, 2022

State/territory	Region Code	Region Name	Total housing
NSW	16400	Port Stephens (A)	872

Notes

1. Data correspond to LGA 2019 boundaries.
2. Dwellings were assigned to LGAs using a postcode to SA2 correspondence file and a SA2 to LGA correspondence file. This may lead to some minor inaccuracies in results.
3. May not sum to totals presented in other tables due to rounding.

Source: AIHW National Housing Assistance Data Repository.