

# Local Affordable

# Housing Plan Toolkit

A guide to identifying local and regional housing demand and supply to support the delivery of affordable housing.



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Front cover image: *Playford Alive Town Life Living development*Published June 2022

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### Introduction

Local Affordable Housing Plans (LAHPs) can be a key support for the South Australian Government's strategy to create more affordable housing outcomes in co-operation with all partners involved in the planning, financing and delivery of affordable housing and related services. LAHPs harness the local knowledge, insights and expertise of local government to identify housing needs and issues facing their communities to drive the development of local solutions.

Although development of a LAHP by local government is not mandatory, benefits can include:

- Attracting workers to the municipality or region
- Reduction of housing stress
- Positive labour market effects
- Alignment with overarching State and regional development strategies.

LAHPs should be informed by, and used alongside, any State or regional strategies or policies relating to planning, infrastructure and economic development. Where housing targets are included in State and regional strategies, they should be addressed in a LAHP.

This LAHP Toolkit has been produced by SA Housing Authority to assist councils to develop comprehensive housing plans for their communities to support the supply of appropriate and affordable housing. The toolkit provides relevant resources and puts forward a clear, 10-Step process for the development of LAHPs, recognising that each LGA faces a unique set of housing issues that require locally designed solutions as part of broader local and regional strategic planning.

#### How to use this toolkit

This toolkit is intended as a practical stepby-step guide, supporting councils through the process of developing their own LAHP. The document covers initial data gathering of demographic indicators, trend analysis of housing demand and supply, community and stakeholder consultation, vision setting and prioritising objectives to achieve a strategy that will deliver real change.

#### Resources contained within this toolkit include:

- a 10-step process with recommended outcomes
- comprehensive catalogue of free data resources
- relevant examples from other jurisdictions
- ready reckoner of key State and regional strategy documents
- practical manual for evaluating options and determining priorities
- recommended LAHP template
- review methodology.

In summary, this toolkit has been specially designed to enable local government to make their own valuable contributions to the important goal of delivering safe, secure, and affordable housing for all South Australians.



## Local housing decisions,

## local housing impacts

Local government plays a vital role in the provision of housing. Decisions made at the local level have a direct impact on the quantity, quality, and affordability of housing supply within a particular geographic area.

Key local government functions such as initiating land rezoning, development approval and infrastructure delivery have impacts on housing location, density and cost, as does the determination of how surplus government land within a local area should be used.

Local government is also in the best position to identify the context in which housing is delivered. By regularly interacting with members of the community, local government representatives can identify important housing related issues before they appear in statistics used by State and Federal Government departments. Therefore, developing a Local Affordable Housing Plan (LAHP) allows relevant stakeholders to remain agile as housing issues arise and needs change in the community.

LAHPs are created with input from the community and should guide how housing in the municipality will develop over time. They should influence where and how housing will be delivered to support changes in the local population, such as age, employment and household structure. A LAHP template based on the 10-step process is included at Appendix A.

While no LAHP timeframe is recommended in this toolkit, a 10-year timeframe can be regarded as a useful starting point when considering an appropriate time span for the delivery of affordable housing.

This toolkit can be used in its entirety to deliver a complete LAHP or steps within the toolkit can be actioned to support the development of other strategic planning documents for Council as required for statutory purposes.

The diagram on the next page shows the 10 steps to developing a LAHP with supporting actions for each step.





#### **Establishing context**

Planning and policy context • SA Market context • Local government area snapshot

#### **Gathering the evidence**

Demographic indicators • Housing demand indicators • Housing supply indicators • Affordable housing demand • Land use opportunities and constraints

#### **Analysing the evidence**

Defining the housing issues

#### **Establishing the vision and priorities**

Establish the housing vision • Identify stakeholder priorities

#### **Developing objectives and actions**

Housing objectives • Land use planning approach • Planning actions Non-planning actions

#### **Evaluating the options**

Decision-making methods

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### **Implementation**

Implementation and delivery plan • Governance • Consideration of supporting planning proposals • Exhibiting the Affordable Housing Plan

### Reviewing the draft Local Affordable Housing Plan

National benchmarking • Relevant State agency consultation

### **Launching the Local Affordable Housing Plan**

Endorsement and launch

### Monitoring, reporting and reviewing

Monitoring and reporting • Reviewing

### Benefits of developing a Local

### Affordable Housing Plan

There are wide ranging and positive impacts of LAHPs.

#### Increased population diversity within the municipality

- In some municipalities, workers will travel from outside the local area to their place of work, before returning home again at the end of the day.
- A LAHP can put forward strategies to deliver an attractive and affordable housing mix, allowing workers to be able to move closer to their place of employment, become participative community members, reduce the environmental impact of the commute and deliver local economic benefits and create more inclusive communities.

#### **Higher workforce productivity**

- A diverse mix of housing enables employers to retain and attract labour.
- Allowing key worker groups (such as childcare, healthcare, police and firefighting services, retail and hospitality) to live near their place of employment (reducing the commute) facilitates community development and can positively impact productivity for employers.

#### Better access to local services for households

- A diverse housing mix allows lower income households to live in areas with access to a wider range of quality services, education and employment opportunities.
- Spreading the socio-economic mix of households within the community enables formal support services to be distributed more evenly.

#### Improved collaboration with State government agencies

• The development of an effective LAHP allows local government to meaningfully participate in decision making processes and ensures State government agencies can take full account of local knowledge, insight and expertise in formulating policy and funding initiatives.

#### Improved strategic alignment

- Developing a LAHP will facilitate alignment with local, State and federal strategic housing goals which will optimise economic and social outcomes.
- This alignment allows for effective and efficient decision making and will assist with progress reporting on strategic comittments.

#### Reduction of housing stress and associated impacts

- Housing stress is when a household is paying more than 30% of their gross income on rent or mortgage repayments. It can lead to higher instances of social exclusion, mental health issues, homelessness and crime.
- Councils may choose to engage in initiatives which help alleviate housing shortages and housing stress in accordance with the mandate given to the local government sector in section 7(c) of the Local Government Act 1999. This section advocates for councils to provide for the welfare, well-being and interests of individuals and groups within its community.



### Advantages of a

### regional approach

A regional approach to LAHPs is recommended for councils that have limited strategic planning capacity and/or are experiencing housing issues which extend into adjoining local government areas.

Benefits from adopting a collaborative regional approach include:

- Cost savings from reduced duplication of effort and resources
- Increased organisational capability
- Consistent approach to decision making and strategic direction across a region
- Stronger advocacy capacity to other levels of government
- Greater ability to leverage funding.

A regional approach may be particularly relevant where a regional planning agreement or Joint Planning Board (JPB) has already been established (or is planned to be established). As set out in section 35 of the Planning, Development and Infrastructure Act 2016 (PDI Act), a regional planning agreement provides councils with a mechanism to deliver planning and local government functions over a 10-year time frame. The JPB administers the planning agreement.

#### **Further Information:**

Further information on initiating a regional planning agreement or Joint Planning Board can be accessed here:

plan.sa.gov.au/our\_planning\_system/ schemes/joint\_planning\_arrangements Collaborative approaches between local governments can include:

- Information sharing
- · Common specifications
- · Resource sharing (such as staff, consulting advice, equipment)
- Joint tendering
- Joint provision of services
- · Planning agreements.

#### LAHPs and Regional Plans

The housing information and data developed for LAHPs may also be used for Regional Plans (noting LAHPs are subordinate to Regional Plans).

Mandatory under section 64 of the PDI Act, Regional Plans must be consistent with State Planning Policies and include a long-term vision over a 15-to-30-year period.

As State Planning Policies specifically address housing supply and diversity, research and data analysis undertaken as part of the LAHP process is likely to overlap with that required to inform Regional Plans. Therefore, efficiencies may be gained by using housing data gathered during the LAHP preparation to inform Regional Plans. Councils should take note of the regional planning cycle and align the two processes where practicable.



## Developing a Local Affordable

## Housing Plan in 10 Steps



#### **Establishing context**

- Planning and policy context
- SA Market context
- Local government area snapshot

**Anticipated Outcome: A clear** understanding of the strategic context for housing within a local/regional area.

#### Planning and policy context

The planning and policy context is important to ensure relevant matters outside of housing such as infrastructure, population growth, employment and open space provision are integrated into LAHPs.

LAHPs should be developed within the hierarchy of the current legislative, planning and policy context, as described in the next column:

#### **Further Information:**

Further resources to assist with the development of the planning and policy context are provided in the following appendices:

- Appendix B Global and national resources
- Appendix C State government agencies relevant to housing
- Appendix D Supplementary housing sector information

#### Figure 1 Contextual Hierarchy

#### Global issues

- COVID impacts
- immigration patterns

## **National**

- national housing trends
- monetary policy (e.g. interest rates)
- fiscal policy (e.g. taxation)

### State

- planning, infrastructure and housing strategies
- employment rate
- internal migration
- housing market

### Regional

- regional planning
- · regional housing market
- · regional economic development strategies

### Local

- overlays
- zones
- subzones

### Site

- environment
- amenity
- infrastructure

The table below provides a list of key State and regional strategy documents.

#### State Strategies

#### **State Planning Policies**



- Pursuant to the *Planning, Development and Infrastructure Act* 2016, State Planning Policies (SPPs) must be considered when preparing or amending Regional Plans and Infrastructure Scheme Proposals.
- SPP6: Housing Supply and Diversity includes the objective to promote the development of well-serviced and sustainable housing and land choices where and when required.
- Policy 6.1, 6.7 and 6.8 directly relate to the provision of affordable housing. Policy 6.12 and 6.13 state that Regional Plans must include targets for housing diversity and land supply/demand

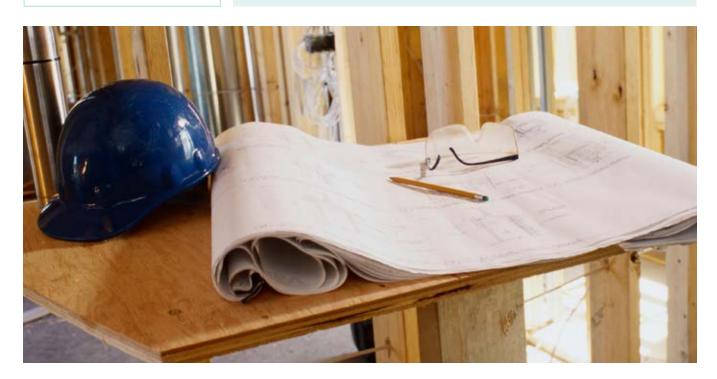
Agency: Planning and Land Use Services plan.sa.gov.au/resources/planning/state\_planning\_policies

#### 20-year State **Infrastructure Strategy**



• The inaugural **20-year State Infrastructure Strategy** sets the long-term strategic direction and initial priorities for infrastructure development and aims to achieve the objectives relating to sustained economic and jobs growth, planned population growth, and connected and productive regions. The 20-year State Infrastructure Strategy can provide insights about future infrastructure spending.

Agency: Infrastructure SA infrastructure.sa.gov.au/our-work/20-year-strategy



#### Regional Strategies

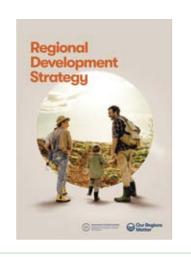
#### **Regional Plans**



- Regional plans are developed in alignment with the SPPs and other strategies relevant to a specific region.
- Regional plans will typically include objectives for housing and settlement patterns and provide important contextual information that should inform LAHPs.

Agency: Planning and Land Use Services plan.sa.gov.au/resources/planning/regional\_plans

#### **Regional Development Strategy**



- The *Regional Development Strategy* seeks to provide strategic direction and focus for industry, community and the government on priorities and needs of regional SA.
- The strategy seeks to support the ongoing dialogue between all levels of government towards collaboration, co-investment and delivery with businesses and the community.

Agency: Primary Industries and Regions pir.sa.gov.au/regions/regional development strategy

#### **Regional Development Australia Strategic Plans**



- Regional Development Australia (RDA) is an Australian Government initiative that brings together all levels of government with the aim to enhance the development of Australia's regions.
- Under the guidance of the RDA Boards, strategic regional plans have been developed to support economic growth and investment in the eight SA regions.
- The RDA strategic plans can be used to identify economic growth areas which may be relevant for the planning of housing.

Agency: Regional Development Australia rda.gov.au/my-rda/sa



#### South Australian housing market

Gaining a broad insight into the South Australian housing market also provides relevant state level context (this might include considerations of interstate housing markets border regions).

The Australian Housing and Urban Research Institute (AHURI) publishes extensive housing related research on its website under several key housing themes, including social and affordable housing, and housing and the economy. Previous AHURI research has included an audit of South Australia's current housing assets and mapping of future demand.

#### **Further Information:**

Reviewing AHURI research reports will provide up-to-date housing trend analysis that can be used to inform the broader LAHP strategies and actions.

The AHURI website can be accessed at ahuri.edu.au

#### Local Government Area snapshot

A LAHP should include a concise Local Government Area (LGA) snapshot to provide an overview and description of the area, identifying any relevant social, environmental and economic factors (including relevant significant projects being undertaken in the region).

The snapshot should also consider any wider housing related issues that cross local area and State boundaries. It may also be useful to

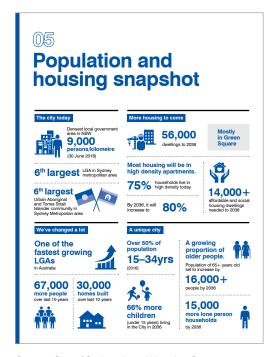
include a map showing the extent of the local government area and any relevant geographical features or infrastructure corridors.

The LGA snapshot should describe the existing and proposed infrastructure (such as transport, utilities, health and education) and acknowledge any known infrastructure gaps.

Figure 2 LGA Snapshot examples



Source: Cumberland Local Housing Strategy 2020.



Source: City of Sydney Local Housing Strategy 2020.





### **Gathering the evidence**

- Demographic indicators
- Housing demand indicators
- Housing supply indicators
- Affordable housing demand
- Land use opportunities and constraints

**Anticipated Outcome: Documented** evidence from a range of sources including housing supply and demand indicators, and land use constraints which will inform the analysis in Step 3.

Evidence should underpin the decision making process for determining LAHP priorities, objectives and actions. Five key elements should contribute to the evidence base:

- Demographic indicators
- Housing demand trends
- Housing supply trends
- Affordable housing demand
- Land use opportunities.

These five key elements are reviewed in greater detail in the sections below.

### Demographic indicators

Local demographic data relating to changes over time to population, age, income, and household composition should inform the evidence base and will help highlight any emerging trends and future housing needs.

The following data sources can be used to determine housing demand indicators:

#### Australian Bureau of Statistics (ABS) **Community Profiles**

Generating a community profile using ABS data will provide a statistical picture in a downloadable Excel format. The site allows you to drill down into statistics for state, local government, suburb and streetscape level (the latter known as Statistical Area 1, which typically incorporates around 400 people). There is a wide range of information in these data sets including dwelling structure and configuration, tenure type, income and age profile.

By comparing data over time, trends with the potential to impact on housing can be analysed. For example, there may be an increase over time of single parents moving into an area which could require a housing response.

abs.gov.au/census/find-census-data

#### Population Projections for South Australia

As ABS Census data arrives every five years, projections can be used to gain an overall picture of a region's population growth or decline. The publication puts forward a high, medium and low population projection for South Australia's regions.

plan.sa.gov.au/state snapshot/population

#### **Informed Decisions**

Informed Decisions provides demographic resources (community and economic profiles, population forecasts and social atlases) using ABS data. The data is presented at a local, state and national level.

home.id.com.au/demographic-resources

#### South Australian Centre for Economic Studies (SACES)

SACES principal role is to review, research and report on economic and public policy issues of relevance to South Australia and Australia as a whole. Many of the SACES economic issues papers can be accessed on its website.

adelaide.edu.au/saces/



#### Housing demand indicators

Factors that can influence housing demand include employment opportunities, population and household growth, interest rates, infrastructure availability and local amenity.

Consistent with AHURI definitions, there are two types of housing demand to consider:

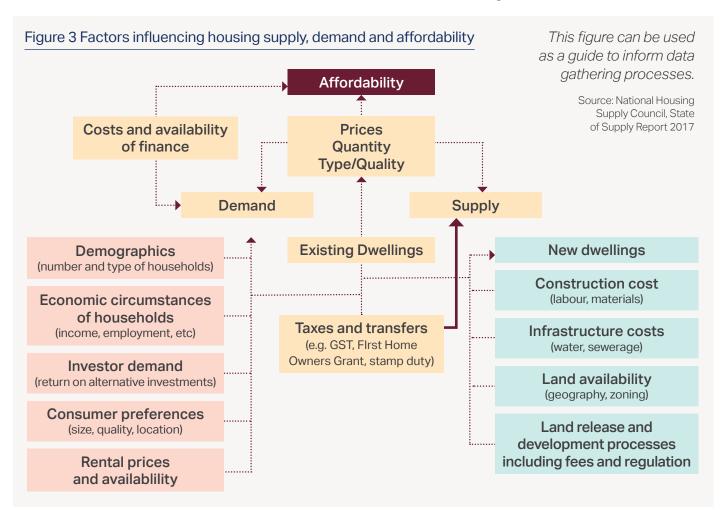
- Underlying demand the need for housing based on the number of households in the population.
- Effective demand the quantity of housing that owner occupiers, investors and renters are able and willing to buy or rent in the housing market.

Underlying demand is driven by demographic factors. For example, an increase in demand for larger houses could be influenced by population data showing families moving into the area. Similarly, an increase in demand for smaller houses could be influenced by an ageing population looking to downsize. Underlying demand assumes a constant rate of demand for houses per person for each age cohort over time.

Effective demand is more difficult to quantify as assumed housing preferences may differ from the housing preferences chosen. The size and type of housing chosen for purchase or rent may be influenced by economic factors (such as the inability to afford mortgage repayments/rent for an appropriately sized house) or lifestyle preferences (such as choosing a smaller, more energy efficient home).

The process for determining effective demand could include considering the following questions:

- What changes in household income is occurring in the local area and how could this impact demand?
- What changes in employment are occurring in the local area and how could this impact demand?
- Which way are interest rates moving and how could this impact demand?
- What changes are occurring to house prices and how could this impact demand?
- How might climate change predictions impact demand in the region?





The following data sources can be used to determine housing demand indicators:

#### State of the Nation's Housing Report

NHFIC State of the Nation's Housing Report provides demand projections for housing within the Greater Adelaide and Regional SA context.

nhfic.gov.au/media/1581/nhfic-state-of-thenations-housing-report-2020.pdf

#### Private rent report

Changes to rental prices has a major influence on peoples living arrangements and rate of new household formation. The SA Housing Authority issues a quarterly summary of private rentals by suburb, postcode, State Government region and Local Government Area. The information is provided in Excel format and relates to bonds lodged with the Consumer and Business Services for private rental properties in South Australia.

data.sa.gov.au/data/dataset/private-rent-report

#### **SQM** Research

Rental vacancy rates can be accessed on the SQM website and provide an indication which areas are likely to be experiencing high rental demand. The data is free, updated every month and broken down by postcode.

sqmresearch.com.au/graph vacancy.php

#### Audit of South Australia's current housing assets and mapping of future demand

AHURI have audited South Australia's current housing assets and mapped future demand using 2016 Census data, survey data, and administrative data.

ahuri.edu.au/research/research-papers/auditof-south-australia-current-housing-assets-andmapping-of-future-demand

#### Regional Australia Institute - Regional Job Vacancy Map

This tool collates data from the Federal Government's Internet Vacancy Index which is released monthly by the National Skills Commission on its Labour Market Information Portal. It provides an interactive map showing jobs currently advertised across all Australian regions.

regionalaustralia.org.au/home/regional-jobsvacancy-map/



#### Housing supply indicators

Local government is in a strong position to observe housing supply data due to its interaction with the State planning system and role in the development approval process.

Beyond statutory approvals, other housing supply indicators include:

- Price and type of dwellings available for sale.
- Potential housing displacement due to redevelopments
- Capacity within existing land use planning controls to facilitate additional housing.

The capacity of existing land use planning controls is the theoretical number of additional homes permissible in the current planning environment. To calculate the housing capacity, the existing supply should be compared to the number of dwellings that could be delivered if the existing planning controls are fully developed.

For example, a consideration could be the number of new houses developed if the allowable densities within a zone are fully realised (assuming a proportion may never be realised). Calculating available residential broadhectare land will also indicate the potential for housing supply.

It is also important to seek input from the local development industry. The risks associated with regional investment in residential development and the associated barriers to finance can restrict housing supply.

The following data sources can be used to determine housing supply indicators:

#### Residential Broadhectare Land

The State Government provides the residential broadhectare land supply dataset to monitor the stock of land in the Greater Adelaide Region and selected rural townships.

data.sa.gov.au/data/dataset/residentialbroadhectare-land

#### Land supply reports for Greater Adelaide

The Land Supply Report for Greater Adelaide is a component of the Growth Management Program and provides data and information on land supply and demand.

plan.sa.gov.au/state snapshot/land supply/land supply\_reports\_for\_greater\_Adelaide

#### NHFIC State of the Nation's Housing Report

NHFIC State of the Nation's Housing Report provides supply projections for housing within the Greater Adelaide and Regional SA context.

nhfic.gov.au/media/1581/nhfic-state-of-thenations-housing-report-2020.pdf

#### **SQM Research**

SQM Research provides postcode level data relating to current and historical rent and sale asking prices, including current housing stock on market and the average days the listing remains online.

sqmresearch.com.au

#### **ABS Building Approval Data**

Monthly building approval data by local government area is available on the ABS website.

abs.gov.au/statistics/industry/building-andconstruction/building-approvals-australia/ latest-release

#### Inside Airbnb

Analysing publicly available information about a city's Airbnb listings.

insideairbnb.com/



#### Affordable housing demand

A widely used measure to define affordable housing is when households pay 30% or less of their income in mortgage repayments or rent.

In considering the demand for affordable housing, councils may wish to consider existing affordable stock, incomes, rent and sale prices, housing stress, employment (including casual and parttime workers) and homelessness.

Planning for increased affordable housing in the community can deliver the following benefits:

- · Greater diversity in built form, including smaller dwellings to accommodate the changing demographic from family households to aged and single households.
- · Better quality medium density housing, including townhouses, manor and terrace housing.
- Better planning of communities through integration of affordable housing throughout developments, as opposed to grouping affordable housing in pockets.
- · Residents able to afford to move through their housing needs within the same community, close to family, services and other networks.
- Increased opportunities for ageing in place.

Affordable housing is particularly important for locally employed key workers. Being able to live in employment areas can reduce travel times and contribute to long term labour market sustainability.

The following data sources can be used to determine affordable housing indicators:

#### Housing Affordability - Demand and Supply by Local Government Area

SA Housing Authority produces a housing affordability report which analyses local government areas using census data.

data.sa.gov.au/data/dataset/housingaffordability-demand-and-supply-by-localgovernment-area

#### Rental Affordability Index, SGS

The annual rental affordability index (RAI) report is an easy to understand indicator of rental affordability relative to household incomes. The RAI website includes an interactive map.

sgsep.com.au/maps/rai/australia-rentalaffordability-index-dec20/

#### Housing Industry Association (HIA) **Affordability Report**

The Housing Industry Association releases a quarterly affordability report. The HIA Affordability Index measures the extent to which average weekly earnings can service a mortgage for a median-priced dwelling.

hia.com.au/business-information/economicinformation/economic-publications

#### Audit of South Australia's current housing assets and mapping of future demand

AHURI's audit of South Australian current housing assets includes estimates of low-income rental and mortgage stress and a quantitative assessment of housing affordability.

ahuri.edu.au/research/research-papers/auditof-south-australia-current-housing-assets-andmapping-of-future-demand

#### **ABS Housing Suitability**

The ABS produces 'housing suitability' data that relates to the number of residents and bedrooms in a dwelling and the occupants relationship. This data can be used to provide a general estimate of how many spare or extra bedrooms are in a dwelling and if overcrowding is occurring.

abs.gov.au



#### Land use opportunities and constraints

Identifying land use opportunities and constraints will help to identify areas with additional housing capacity. State and regional planning documents

should be considered as part of this process as well as the existing and planned infrastructure capacity to support residential growth.

#### **Opportunities**

Employment centres – retail, business and industrial centres

Transport infrastructure – bus, rail, roads and cycle paths

Social infrastructure – parks, health and community, community services, schools

**Urban form and amenity** - character, open space, walkability, landscape

#### **Constraints**

Environmental factors – contaminated land. hazardous activities, climate change

Natural hazards – flooding, tidal zones, bushfire areas, sloping land

Conflicting land uses – heavy industry, aircraft noise, sewerage plants, waste depots

**Lack of utility infrastructure** – water, sewer, electricity, telecommunications

It is recommended to engage with State Government infrastructure agencies throughout the development of a LAHP to ensure that future and current infrastructure delivery is aligned with housing supply. Likewise, consultation with local government can assist State agencies to identify where future infrastructure should be delivered.

#### 20 Year State Infrastructure Strategy

Infrastructure SA released the inaugural 20-Year State Infrastructure Strategy in 2020 and subsequent strategies are to be released every five years or less. The strategies take an integrated approach to analysing and prioritising the State's infrastructure needs, drawing upon interrelationships between affordable housing and other types of infrastructure.

infrastructure.sa.gov.au/our-work/ 20-year-strategy

#### **Capital Intentions Statements**

Infrastructure SA also releases annual Capital Intentions Statements. These identify priority infrastructure projects for government investment at or above \$50m, which may help inform housing supply planning (depending on the nature of the projects).

infrastructure.sa.gov.au/our-work/ capital-intentions

#### Other information to inform evidence base

Other relevant references to inform the evidence base can include climate change adaptation plans and strategic and corporate business plans for government services.

#### **Regional Climate Change Adaption Plans**

Climate change may influence the number of vulnerable people living in a community and their housing needs. Regional Climate Change Adaption Plans outline how regions will respond to climate change and may be used to inform LAHPs.

environment.sa.gov.au/topics/climate-change/ programs-and-initiatives/adapting-to-climatechange/regional-adaptation-plans

#### Strategic and corporate business plans for government services

Strategic and corporate business plans produced by other government services (such as police, teachers, health/allied health workers) may indicate where regional workforce increases are to occur, potentially impacting on local demographics and housing demand.

Access relevant agency websites for source online information.



### **Analysing the evidence**

· Defining the housing issues

**Anticipated Outcome:** A comprehensive description of housing issues facing the local area, including projected supply shortfalls and identification of housing typology required by the community. Informs the priorities of Step 4.

#### Define the housing issues

The next step is to analyse the evidence base to describe the housing issues to be solved in the short, medium, and long-term future. This process should involve the analysis of:

- Gaps in supply of market housing, affordable housing and specific needs housing
- Barriers to housing supply
- Mismatches between growth in employment and housing stock

- Comparisons of rent/house price growth vs income growth
- Rental stress experienced by community sub-groups
- Causes for areas experiencing low housing demand (e.g. location, design or condition)
- Geographical locations and surplus government land with capacity for increased supply
- Areas that should be conserved due to cultural, heritage or environmental significance.

It is generally considered a positive outcome if predicted housing supply outpaces predicted demand, as this enables downward pressure on prices and allows more households to avoid (or transition out of) housing stress.

If the evidence analysis predicts lower supply than demand over the LAHP period, it is important to consider actions to address the need. Actions should be designed to deliver a diverse range of housing that meets the needs of the community and are discussed further in Step 5.

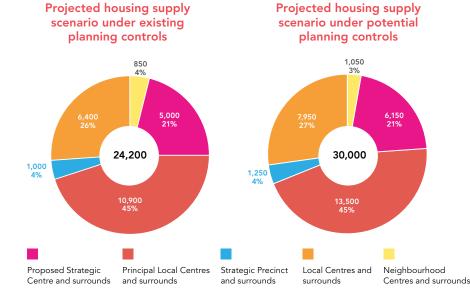
An example of housing supply drivers under existing and potential planning controls for the Cumberland City Council (NSW) is included below (Figure 4).

#### Figure 4 Analysis of supply drivers

#### **Analysis of supply drivers**

No.	Dwellings	Available housing capacity – unconstrained	Market feasibility – current planning controls	Market feasibility – potential planning controls
(1)	Estimated Potential Dwellings	41,400	22,400	28,200
(2)	Estimated Existing Dwellings	5,700	5,700	5,700
(3)	Add: Committed residential projects	7,500	7,500	7,500
(4)	Dwelling Potential (1) - (2) + (3)	43,200	24,200	30,000

Source: Cumberland Local Housing Strategy 2020.





#### **Establishing the vision** and priorities

- Establish the housing vision
- Identify stakeholder priorities

Anticipated Outcome: Building on the analysis of Step 3, a housing vision for the future will be developed which will incorporate community stakeholder priorities. These priorities will underpin the objectives and actions of Step 5.

Once the evidence has been analysed and the housing issues have been identified and described, the LAHP's vision and priorities can be developed (maintaining consistency with broader strategic visions).

#### Establish the housing vision

Define the vision for housing in the local area; consider where it is placed now and describe a vision for how it should look in 10 years. The vision should be informed by community consultation, the evidence base analysis and the planning and policy context established in Steps 1 to 3; its themes should continue throughout the LAHP. Examples from other jurisdictions are included below:

#### Wollondilly Shire Council, NSW Central Tablelands:

"Housing in Wollondilly is diverse and provides appropriate housing options for all households at all stages of life and supports affordable living across the LGA.

We will live in connected, liveable neighbourhoods that are supported by infrastructure and services and are in the right locations; reducing impacts on and celebrating our natural environment and scenic landscape."

#### Georges River Council, NSW:

"The Georges River LGA provides a diverse range of housing to cater for a changing and growing population. Housing types cater to differing needs, life stages and lifestyle choices, and are supported by good access to infrastructure, services and amenities.

High quality and affordable housing choices are accessible across the LGA and responsive to the LGA's local character and heritage. As neighbourhoods grow, residents of all ages and abilities remain connected with one another, and can enjoy high levels of amenity, sustainability, accessibility and liveability."

Source: draft Wollondilly Local Housing Strategy, 2020, Georges River Council Local Housing Strategy 2020

#### Identify stakeholder priorities

Input from community stakeholders is a crucial step of LAHP development. Consultation should occur with a wide range of representatives including (but not limited to):

- Local industry / businesses
- Community groups
- Landowners
- Government agencies
- Community housing providers
- Housing developers
- Homelessness and domestic and family violence alliances.

Consideration should also be given to the priorities and needs of future residents who may be attracted to the area by local employment opportunities or new housing supply.

By undertaking stakeholder consultation, community housing priorities can be identified which will inform the objectives for housing growth and change within the LAHP.





#### **Developing objectives** and actions

- Housing objectives
- Land use planning approach
- Planning actions
- Non-planning actions

Anticipated Outcome: A broad range of planning and non-planning actions will be identified to deliver the affordable housing objectives. These actions will be evaluated as part of Step 6.

#### Housing objectives

Short, medium and long term strategic objectives can be developed using the outcomes from stakeholder consultation and the evidence analysis in Step 3 and 4. The objectives should consider any relevant demographic trends and how they could impact the quantity and type of housing required into the future.

LAHP objectives should:

- include measures to address housing supply or typology to meet community need
- align with the region's economic growth strategy and any other relevant state and regional planning targets or strategies
- address housing demand for specific needs such as low to moderate income households, people with disabilities, students and seniors
- recognise locations with capacity for more housing supply and areas of strategic importance (such as proximity to employment hubs or transport corridors)
- · recognise locations unlikely to be suitable for housing supply due to specified constraints (such environmental, cultural or heritage factors).

#### Land use planning approach

Land use planning approaches to deliver LAHP objectives can include:

- concentrating development within existing urban centres
- increasing densities across broader existing urban areas; and
- facilitating land releases.

Maps can geographically outline the land use planning approach across the municipality, highlighting growth areas and opportunities for increased densities as well as constrained areas with limited capacity for residential growth. The following resources can assist with land use mapping:

#### The South Australian Property and **Planning Atlas**

The South Australian Property and Planning Atlas is a free, map-based application which displays planning spatial layers and land ownership information.

plan.sa.gov.au/our planning system/plan sa/ south\_australian\_property\_and\_planning\_atlas

#### **NatureMaps**

NatureMaps is an initiative of the Department for Environment and Water that provides a common access point to maps and geographic information about South Australia's natural resources in an interactive online mapping format.

data.environment.sa.gov.au/NatureMaps/

#### Location SA

The Location SA Map Viewer is a public-facing application that enables the visualisation of State Government data assets relating to environment, land management and infrastructure. As an example, the Map Viewer shows the location of all facilities licenced by the Environment Protection Authority which might help recognise environmental constraints that could impact on future residential land use.

cms.dpti.sa.gov.au/locationsa



#### **Planning actions**

The evidence base analysis (Step 3) identifies the capacity for additional housing using existing planning controls and predicts any shortfalls between supply and demand.

Planning controls can be used as a mechanism to generate a greater supply of housing and to ensure the supplied housing meets the needs

of the community. For example, rezoning an area to allow greater housing diversity (such as 'missing middle' housing - see Figure 5) can deliver affordable medium density housing for couples and smaller families, single-parent families, seniors and group households.

Figure 5 The Missing Middle



Source: Planning and Land Use Services



Some of the available planning mechanisms to deliver housing are described below and in further detail online at plan.sa.gov.au/our\_planning\_ system/instruments

#### Affordable Housing Overlay

The Affordable Housing Overlay within the Planning and Design Code provides planning incentives to encourage the delivery of affordable housing by private developers (such as increased height provisions and decreased car parking requirements in areas close to public transport).

New developments within the Overlay of 20 residential dwellings or allotments (or more) are set a 15% affordable housing target. In addition, the Overlay provides planning incentives for affordable housing that developers can access to help increase yield on their site. Affordable housing generated through the Overlay must meet criteria published by Notice in the Government Gazette, which sets out the affordable price point and identifies eligible buyers.

The Affordable Housing Overlay should be applied to strategic locations within the municipality that are identified as requiring an increased supply of affordable housing.

#### **Zones and Subzones**

To facilitate the supply of new market priced housing, the permitted density of residential land can be increased via a Planning and Design Code Amendment to change the zone or introduce a subzone. Such mechanisms could also be used to preserve particular types of housing stock. The areas that may be appropriate for rezoning should be mapped out during the evidence analysis in Step 3.

Rezoning can also facilitate an increase in housing diversity which can enhance amenity by improving the viability of retail, community services and public transport.

#### **Technical and Numerical Variations Overlay**

The Technical and Numerical Variations Overlay can be used when the zone or subzone is considered generally appropriate but minor changes are needed to change the housing density or mix of a specified area.

The variance of discrete aspects in these overlays become part of the specified areas planning policies without needing an entirely new zone or subzone. For example, the designated frontage or site area requirements of a zone could be reduced to increase density and housing mix.

#### Non-planning actions

The use of non-planning actions can also assist to deliver housing outcomes and can include the development of partnerships with non-government groups and industry. For example, local government could work with industry to develop surplus council land for affordable housing.

Other non-planning actions may include:

- exploring financial incentives for the delivery of certain housing types
- exploring the development of surplus government land
- exploring housing policy options contained in materials developed for the local government sector through the Local Government Association's SA Regional Organisation of Councils
- developing strategies to identify and address concerns of residents, particularly groups who have concerns relating to increased housing diversity and density and affordable housing
- facilitating the provision of specialised homelessness and supported accommodation
- exploring implementation of an affordable housing policy and affordable housing targets
- incorporating housing delivery as part of any relevant economic strategies
- partnerships and pilots to test innovative affordable housing designs and delivery models.



### **Evaluating the options**

· Decision-making methods

Anticipated Outcome: This step will confirm the most viable and relevant planning and non-planning actions for inclusion in a LAHP prior to progressing to implementation in Step 7.

The following matters should be considered when evaluating the feasibility of potential actions:

- specific housing needs of the local community (as identified in Step 3 evidence analysis)
- · relevant economic, social or environmental impacts
- availability of financial and staff resources (and if the option represents their best use)
- the potential impact of the approach in relation to the overall objectives of the plan
- · support (or lack of) and associated management strategies
- support of infrastructure and support services (e.g. medical, transport, education, childcare)

- alignment with other actions identified in the strategy (or other relevant strategic plans)
- any potential unintended consequences of a particular action.

#### **Decision making methods**

Decision making methods such as multi-criteria decision analysis (MCDA) can be used to help with the evaluation process and involves:

- specifying a number of assessment criteria
- assigning a 'weighting' to each criterion
- assigning scores for each option in relation to each criterion
- calculating a weighted score for each option.

A simple example of decision making using MCDA has been included in Figure 6 below. Using the weights and ratings applied in the example, Option 1 would be chosen for inclusion in the LAHP.

A useful MCDA manual developed in the UK can be found online at:

assets.publishing.service.gov.uk/government/ uploads/system/uploads/attachment data/ file/938046/The\_Green\_Book\_2020.pdf

Figure 6 Multi-criteria decision analysis example

Criteria	Criteria Weight	Rating			Score		
Ontena		Option 1	Option 2	Option 3	Option 1	Option 2	Option 3
Affordability	20	5	1	2	100	20	40
Housing diversity	10	3	1	2	30	10	20
Economic development	30	2	5	3	60	150	90
Strategic alignment	10	1	3	2	10	30	20
Existing infrastructure	20	4	2	2	80	40	20
Environmental impacts	20	3	1	3	60	20	60
Totals					340	270	250

Source: example created by SA Housing Authority



### **Implementation**

- Implementation and delivery plan
- Governance
- Consideration of supporting planning proposals
- Exhibiting the Affordable Housing Plan

**Anticipated Outcome: An implementation** plan will be developed, incorporating the results of community consultation ready for the review process in Step 8.

#### Implementation and delivery plan

Next, an implementation and delivery plan should be developed to include:

- · Actions by which the objectives will be achieved (decided upon in Step 6)
- Stakeholders responsible for the actions
- Timeframes in which the actions are to occur
- Indicators to measure progress (where relevant).

Below is an example action from the City of Salisbury Affordable Housing Implementation Plan.

Action	Description	Priority	Responsibility		Tim	ing	
Action	Description	Triority	Responsibility	19/20	20/21	21/22	22/23
10	Investigate specific migrant group requirements for housing in Salisbury, taking into consideration people's capacity to pay, different values outside of what are provided by standard design.	Short-term	Social Policy Community Health and Wellbeing  Contributor: Strategic Development Projects	_	Scoping Investigation	Investigation	

#### Governance

Clear lines of responsibility should be established for each of the LAHP actions. Responsibilities are likely to be shared across council and should be incorporated into business plans.

### Consideration of supporting planning proposals

Delivering LAHP objectives and actions may require changes to existing planning controls. If so, it is encouraged to concurrently prepare any necessary planning amendments. Early discussions should also occur with Planning and Land Use Services and relevant infrastructure agencies.

### **Exhibiting the draft Local Affordable Housing Plan**

The draft LAHP should be publicly exhibited to provide an opportunity for community feedback. Allow time to make any appropriate amendments.

Best practice consultation toolkits can be accessed at:

bettertogether.sa.gov.au/resources/toolkits



### **Reviewing the draft Local Affordable Housing Plan**

- National benchmarking
- Relevant State agency consultation

Anticipated Outcome: The LAHP should be benchmarked against plans in other jurisdictions, in addition to consultation with relevant State Government agencies.

#### National benchmarking

Municipalities in other jurisdictions have been drafting affordable housing plans which follow similar steps and outcomes to those contained in this toolkit. It may be useful to refer to some of the publicly available housing plans and strategies in other States for benchmarking.

#### State agency consultation

Additional to any internal review processes, it may also be valuable to consult with relevant government agencies. Refer to Appendix C for a list of State Government agencies that are relevant to housing.

The Authority can also provide housing related support services to local government, including:

- Providing advice on the State Government's affordable housing policy
- Providing advice on affordable housing delivery.

#### **Further Information:**

**NSW Housing Strategies:** 

planningportal.nsw.gov.au/local-housingstrategies-tracker

The Yarra Housing Strategy:

yarracity.vic.gov.au/the-area/planning-foryarras-future/adopted-strategies-andplans/housing-strategy

The Mount Barker District Housing Strategy: mountbarker.sa.gov.au/council/plans/ housing-strategy

City of Salisbury Affordable Housing Implementation Plan 2020:

salisbury.sa.gov.au/assets/files/ sharedassets/public/website digitalpublications/council - council plans and\_documents/final\_affordable\_housing\_ implementation plan march 2020.pdf





### **Launching the Local Affordable Housing Plan**

· Endorsement and launch

**Anticipated Outcome: Stakeholder** endorsement of the publicly released LAHP is achieved. With only monitoring and reporting remaining as the final Step 10.

#### **Endorsement and launch**

Once the LAHP has been publicly exhibited and endorsed by Council, it should be launched and circulated.

Information sessions should be held for developers and community organisations to promote the document.

Follow-up should occur with stakeholders to encourage continuing input throughout the LAHP's effective period and strategies to address any identified issues should be developed.



# Implementation

- · Monitoring and reporting
- Reviewing

Anticipated Outcome: A monitoring and reporting plan will maintain strategic alignment over the LHAPs duration.

#### Monitoring and Reporting

Monitoring is the process of reviewing available data against the LAHP objectives and should begin after implementation.

The benefits of monitoring can include:

- Tracking progress monitoring provides a systematic means of measuring how the LAHP objectives are being met, exceeded or are failing.
- Informing adjustments if an area of the LAHP is failing to meet its objectives, it could mean additional resources are required or, conversely, if a program or action is exceeding expectation, resources could be allocated to other areas.
- Ensuring accountability with regular monitoring, those responsible for actions and results will be held accountable, helping to ensure that housing remains a high priority.

A regular reporting program should be established to share the results of LAHP monitoring with relevant stakeholders.

#### Reviewing

Regular monitoring and reporting should be used to inform a review of housing supply against the implementation plan to monitor progress towards the LAHP objectives. This can be tied in with other review processes relating to business or regional plans.

A five-year review should occur to ensure that the objectives of the LAHP still align with the overarching state and regional strategic plans.

Leading up to the end of the 10-year period, a holistic review should occur in preparation for a new LAHP.



# Appendix A

# Local Affordable Housing Plan template

While a LAHP should adopt a structure that best serves Council and the community, an example template has been arranged below and is aligned with the recommended steps of this toolkit.

1. Introduction	Toolkit Step
Executive Summary	
Planning Policy and Context	Step 1
Statewide Market Context	Step 1
Local Government Area Snapshot	Step 1
Housing Vision	Step 4
2. Evidence	
Demographic Overview	Step 2
Housing Demand	Step 2
Housing Supply	Step 2
Housing Affordability / Affordable Housing	Step 2
Land Use Opportunities and Contraints	Step 2
Analysis of of Evidence Base	Step 3
Areas with Development Capacity	Step 3
3. Priorities	
Affordable Housing Plan Objectives	Step 4+5
Land Use Planning Approach	Step 5
Mechanisms to Deliver the Objectives	Step 5
Evaluation of the Options	Step 6
4. Action	
Implementation and Delivery Plan	Step 7
Planning Proposal	Step 7
Monitoring and Review	Step 10



# Appendix B

## Global and national resources

#### Australian Bureau of Statistics (ABS)

The ABS is Australia's national statistical agency and an official source of independent, reliable information. The ABS website provides comprehensive data on topics such as housing, people and the economy. It allows for the drilling down of data to neighbourhood statistical areas, providing insights into areas such as homelessness risk, housing affordability and projected changes in household living arrangements.

#### abs.gov.au

#### Australian Housing and Urban Research\ Institute (AHURI)

AHURI is dedicated to research in housing, homelessness, cities and urban issues and regularly publishes its most recent findings on its website. Some key AHURI publications relating to housing include:

- Final Report 255 Housing key workers: scoping challenges, aspirations, and policy responses for Australian cities
- Final Report 353 Urban productivity and affordable rental housing supply in Australian cities and regions
- Final Report 254 Pathways to regional housing recovery from COVID-19
- Audit of South Australia's current housing assets and mapping of future demand (July 2019).

#### ahuri.edu.au

#### **Centre for Population**

The Australian Government's Centre for Population is a focal point for expertise on population issues. The Centre's website includes interactive population dashboards, key data releases and projections.

#### population.gov.au

#### National Housing Finance and Investment Corporation (NHFIC)

NHFIC contributes to the increase of housing supply, particularly affordable housing by:

- Providing low-cost loans to registered CHPs via the Affordable Housing Bond Aggregator (AHBA)
- Managing the \$1 billion National Housing Infrastructure Facility (NHIF)
- · Providing grants for capacity building services
- Administering the First Home Loan Deposit Scheme (FHLDS)
- Undertaking independent research into housing demand.

#### nhfic.gov.au

#### United Nations (UN) – Population division

The Population Division prepares population estimates and projections as well as estimates of the international migrant stock for all countries on a regular basis. The Division publishes studies on population dynamics, global demographic trend analysis and the monitoring of population policies.

#### un.org/development/desa/pd



# Appendix C

### State government agencies relevant to housing

#### **Consumer and Business Services**

CBS regulate the private rental market, including the management of residential bonds.

#### cbs.sa.gov.au

#### **HomeStart Finance**

HomeStart is a State Government organisation that is focused on providing home loans for South Australians. While HomeStart is a profitable financial organisation, they are considerate of social responsibilities. Products offered by HomeStart include low deposit, borrowing booster and home equity loans.

#### homestart.com.au

#### Infrastructure and Transport (DIT)

DIT has diverse responsibilities for transport systems and services, infrastructure planning and provision within South Australia.

#### dit.sa.gov.au

#### Office of Local Government

The Office of Local Government consults with local councils and provides advice on the constitution and operations of local government, particularly the legal framework for councils' operation.

#### www.agd.sa.gov.au/local-government/office-oflocal-government

#### Planning and Land Use Services (PLUS)

PLUS sits inside the Attorney-General's Department and manages the planning and land use system for South Australia. This includes planning and development, architecture, design and land use to grow our economy and create more vibrant places for our communities.

#### www.agd.sa.gov.au/planning

#### Primary Industries and Regions (PIRSA)

PIRSA is a key economic development agency in the government of South Australia. One of PIRSA's key priorities is to grow the regions by supporting key regional development drivers and growing opportunities available to our regional communities.

#### pir.sa.gov.au

#### Renewal SA

Renewal SA's primary purpose is to initiate, undertake, promote and support urban development activity to help deliver key strategic priorities of the Government of South Australia, particularly the new urban development directions outlined in the 30-Year Plan for Greater Adelaide.

#### renewalsa.sa.gov.au/

#### Revenue SA

Revenue SA, through the Commissioner of State Taxation, is responsible for the management of various grant schemes, including administering the First Home Owner Grant.

#### revenuesa.sa.gov.au

#### **SA Housing Authority**

The Authority develops, implements and provides housing services for people who are at risk or in high need, and works with government and nongovernment organisations to improve the standard of - and access to - housing across the state.

#### www.housing.sa.gov.au



# Appendix D

# Supplementary housing sector information

#### **Aboriginal Housing Strategy**

The South Australian Aboriginal Housing Strategy 2021 – 2031 is a 10-year plan to improve housing outcomes for Aboriginal South Australians. This is achieved through shared decision making and culturally informed services to maintain Aboriginal peoples personal and cultural wellbeing.

#### www.housing.sa.gov.au/our-housing-future/ aboriginal-housing-strategy

#### Affordable Housing

Provides information for the residential development industry about the creation of affordable housing through the State's planning system.

#### www.housing.sa.gov.au/about-us/ourpartnerships/affordable-housing

#### Affordable Housing Overlay

All new significant developments should provide 15% affordable housing if they are within a designated affordable housing area in the Planning and Design Code.

#### code.plan.sa.gov.au

#### **Future Directions for Homelessness**

The Future Directions for Homelessness outlines South Australia's transformation plan for the homelessness system through SA Homelessness Alliance which will see the SA Housing Authority and the service providers working together to deliver better outcomes.

www.housing.sa.gov.au/our-housing-future/ future-directions-for-homelessness

#### HomeSeeker SA

HomeSeeker SA is a state government initiative designed to reduce housing stress by helping more South Australians buy their home or access affordable private rental. The HomeSeeker SA website includes affordable home listings as well as resources for households with aspirations to rent or buy.

#### homeseeker.sa.gov.au

#### **Housing Crisis Support and Information**

Homeless Connect SA (formerly the Homelessness Gateway Service and Youth Gateway) provides a central point for anyone to find information and a direct referral into homelessness services in South Australia.

#### homelessconnectsa.org

#### **Housing Register**

The Housing Register is the first step towards public and community housing for vulnerable and lowincome households who cannot access or maintain other forms of accommodation like renting privately.

#### sa.gov.au/topics/housing/public-andcommunity-housing/register-for-housing

#### **Private Rental Assistance Program**

The Private Rental Assistance Program provides financial assistance to eligible customers who either have difficulty meeting the upfront costs associated with renting privately or need help to maintain their accommodation.

www.housing.sa.gov.au/about-us/policies/ private-rental-assistance-program-policy



# Appendix E

## Affordable Housing and the Planning and Design Code

#### 'Affordable housing' definition in the Planning and Design Code:

Means housing that meets the relevant criteria for 'affordable housing' as determined by the Minister responsible for the South Australian Housing Trust Act 1995 under Regulation 4 of the South Australian Housing Trust Regulations 2010.

#### Affordable Housing Overlay

The Planning and Design Code (the Code) is the cornerstone of South Australia's planning system.

In 2021, the Code replaced all development plans to become the single source of planning policy for assessing development applications across the state. Within the Code is the Affordable Housing Overlay (AH Overlay), which has been spatially applied across local government areas throughout South Australia, particularly in the middle and outer ring suburbs of Adelaide.

The AH Overlay includes policies to encourage the delivery of affordable housing in two ways:

- 1. By setting out an expectation that 15% affordable housing for low to moderate income households will be delivered in land divisions proposing 20 or more dwellings/allotments, and
- 2. By offering incentives to increase the financial viability of affordable housing projects.

The affordable housing incentives allow:

- a reduction of the minimum site area for a dwelling up to 20% or the maximum density per hectare increased by 20%
- an increase in the maximum height of buildings incorporating above ground level dwellings by one building level or 30% (dependent on zone), and
- · a reduction in car parking requirements in certain locations.

The intent of the incentives is to encourage private sector delivery of affordable housing without the need for a subsidy or a mandatory policy, by delivering greater financial returns for affordable housing projects.

Figure 7: Affordable Housing Overlay along key transport corridors in Adelaide's inner north.





#### Affordable housing criteria

For developers to meet the requirements of the AH Overlay policies and allow their projects to be considered to include affordable housing, the development must meet the relevant criteria under Regulation 4 of the South Australian Housing Trust Regulations 2010 and set out by Government Gazette, as summarised below:

- a legally enforceable obligation (e.g. legally binding agreement, planning condition or other approved document) is in place to ensure compliance with the criteria, and either
  - the land or dwelling is offered for sale to an eligible home buyer at the affordable price point, or
  - purchased by an eligible buyer (e.g. a community housing provider) and provided for affordable rent or lease.

Note: Outside of the above criteria, the Minister responsible for administering the South Australian Housing Trust Regulations 2010 may, by their discretion, determine that land or dwelling constitutes affordable housing.

The criteria are published by Notice in the Government Gazette and regularly updated as the affordable price point changes over time (i.e. as the median house price and household income increases).

#### How local government can use the Affordable Housing Overlay to deliver more affordable housing

Whilst the AH Overlay is already applied in some locations across South Australia, there is still capacity to apply it more widely via a Code amendment.

The AH Overlay should be applied to strategic locations within the municipality that are experiencing, or forecasted to experience, high affordable housing demand. The level of affordable housing demand within a local government area should be identified in Step 3 of the Local Affordable Housing Plan Toolkit.

This might include areas with transport connections to key worker employment hubs, such as hospitals, schools, police, and other key services, or it could include locations where low to moderate income households are currently renting.

The AH Overlay can be particularly effective when applied to areas where greenfield land division or residential flat buildings are anticipated to be developed (as the incentives can have a greater impact).

Where appropriate, Councils could also consider preparing masterplans or structure plans for new greenfield growth areas or areas where transformation for new housing is expected. Such plans then have the potential to be adopted into a Regional Plan.

Regional Plans provide the overarching vision for a particular region of the state (e.g. Greater Adelaide) and can make specific recommendations for amendments to the Planning and Design Code (such as the application of the AH Overlay to certain areas) and would provide more certainty to the outcome of a Code Amendment process.

#### Planning conditions

Through the planning system, development for the purposes of the provision of affordable housing are referred to the Minister responsible for administering the South Australian Housing Trust Act 1995 through the SA Housing Authority (the Authority) for review.

The referral allows the Authority to attach conditions to the planning consent regarding securing the provision of affordable housing. The condition requires dwellings/allotments to be delivered in accordance with the affordable housing criteria.

The Authority works with developers to ensure affordable housing is delivered appropriately but ultimately the enforcement of the condition falls to the relevant authority (as typical with planning conditions).



#### Land Management Agreements

Land Management Agreements (LMAs) under section 193 of the Planning, Development and Infrastructure Act 2016 are used by SA Housing Authority to secure affordable housing commitments.

The steps for processing LMAs include:

- 1. LMA executed between the proponent and Government of South Australia and registered with Land Services SA.
- 2. Development Application lodged and referred to the Authority for review (planning referral).
- 3. Development approval granted.
- 4. When preparing land division documents, developer requests rescission of LMA over stage via the Authority.
- 5. Land division and rescission lodged (by stage).
- 6. Land division Certificate of Approval issued (by stage).
- 7. Certificates of Title issued.

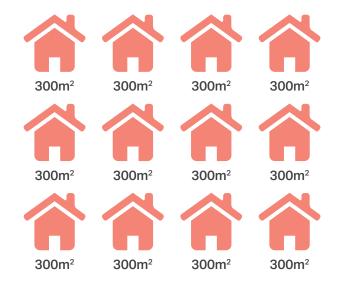
Using LMAs, the Authority works with developers throughout the development process to ensure housing is delivered in-line with the affordable housing criteria.

See the following case studies for further information.

### Case Study 1:

#### **Density**

A developer wants to divide a 3,600m<sup>2</sup> allotment to deliver residential allotments. The minimum site area in the General Neighbourhood Zone is 300m<sup>2</sup>. A typical land division could create a maximum of 12 allotments.



Using the affordable housing incentives available in the AH Overlay, the developer can reduce the minimum allotment size by 20% where it is to be used to accommodate affordable housing. This can result in an additional three allotments being generated, for a total of 15 allotments for affordable housing on the same parcel of land.

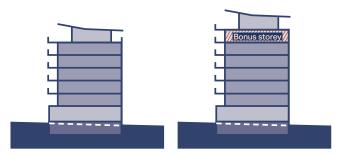




### Case Study 2:

#### **Building height**

A developer wants to deliver a residential building with 26 apartments over 7 building levels or 25.5 metres, the maximum height within the Urban Corridor (Boulevard) Zone.



Using the incentives in the AH Overlay, and committing to delivering 15% affordable housing under the AH Overlay, additional building height up to 30% can lift the maximum of height to 33 metres, which in this case provides for an extra building level, delivering 30 apartments over 8 building levels.

### Case Study 3:

#### Car Parking

Using the above example, if a developer is to deliver 30 apartments in the Urban Corridor (Boulevard) Zone, Table 1 - General Off-Street Car Parking Requirements stipulates that 30 off-street car spaces must be delivered.

Using car parking incentives in the AH Overlay (and provided the site is close to public transport), the developer can reduce the necessary car parks to 0.3 per dwelling (for a total of 9), significantly reducing the overall cost of development.

#### Ensuring affordable housing obligations are delivered

There are two primary mechanisms used to ensure that developers deliver on their affordable housing commitments: planning conditions and land management agreements (LMAs).







#### Developer / builder / partnerships

This project involves a partnership between Renewal SA and Rivergum Homes.

Project name: Playford Alive – Town Life Living

#### Project description / case study

Playford Alive is a well-established residential community that spans approximately 1,000 hectares in Adelaide's northern suburbs.

The Playford Alive project involves the following:

- · creation of residential allotments and associated retail and commercial activities on greenfield land
- regeneration of the Peachey Belt including Smithfield Plains and Davoren Park - which both feature a high concentration of social housing owned and managed by the South Australian Housing Authority (SAHA).

As part of Renewal SA's development of greenfield land, Rivergum Homes was engaged to partner with Renewal SA to design and deliver the Town Life Living development, a collection of higher density, low maintenance Torrens Titled house and land packages on small lots.

Each allotment ranges in size from 63sqm to 119sqm and supports a two-storey house design by Rivergum Homes. The Torrens Titled house and land packages are jointly marketed at affordable price points and typically range in cost between \$229,000 and \$263,000.

Status: Underway

#### Affordable housing outcomes

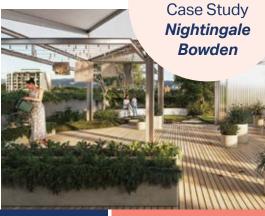
At completion the Town Life Living development will have generated approximately 176 twobedroom affordable dwellings.

#### Council involvement

The City of Playford supported a Development Plan Amendment to accommodate the development of small lot housing within certain locations of Playford Alive. The previous Development Plan only accommodated allotments of more traditional proportions.







Project name: Nightingale Bowden

Status: Underway

#### Developer / builder / partnerships

This project involves a partnership between the South Australian Government, community housing provider Housing Choices South Australia (HCSA) and Nightingale Housing.

In this case HCSA is acting as the developer and Nightingale Housing is acting as the project manager.

#### Project description / case study

Nightingale Bowden comprises a uniquely sustainable and socially conscious building, offering 36 one and two-bedroom apartments over six levels.

All 36 apartments meet affordable housing criteria, with 18 apartments being released to the open market and the remaining 18 being retained by Housing Choices South Australia for affordable and specialist disability housing rental. The apartment building will achieve a 5 Star Green Star rating and a 7.5 Nationwide House Energy (NatHERS) rating.

The development is designed to be carbon neutral in operation and so will not provide any car parking.

Outstanding community facilities will be offered to future residents, including a roof-top garden, secure bicycle parking, a shared guest house for residents and high-quality internal greenery.

Nightingale Housing undertook a ballot in March 2021 for 14 of the 18 market apartments, which all sold within 24 hours of being released for sale. The remaining four market apartments have also since been sold.

The level of interest in this development has clearly demonstrated the need and desire for affordable and sustainable housing close to the city.

#### Affordable housing outcomes

Thirty-six apartments (100% of dwellings) were offered as affordable housing as part of this development. A further percentage of these apartments were also made available as specialist disability accommodation (SDA).

#### Council involvement

Though the planning application for this development was assessed by the State Commission Assessment Panel (SCAP), Council aided the application by taking a progressive stance in accepting the absence of car parking.

Council noted the close proximity of public transport options and the provision of bicycle storage, as well as the clear information provided to prospective residents about the absence of car parking and the legal obligation to not own a personal use vehicle. Council also noted references supplied by other Councils who had experience of Nightingale Housing projects.





#### Developer / builder / partnerships

This project involves a partnership between the South Australian Government and the private sector, with Flagship Group set to deliver the project as the landowner and developer with the support of crucial investment from Renewal SA, Junction Housing and Summer Housing.

#### Project description / case study

The Royal at Kent Town project will incorporate the construction of 192 new apartments across two buildings - one comprising 102 Build to Rent apartments and the other comprising 90 Build to Sell apartments.

Forty of the apartments will be made available as affordable housing.

The Build to Rent apartments will be a departure from South Australia's traditional development model by offering investment-class, long-term rental options to the open market and featuring a high level of internal amenity and services for working professionals - such as car sharing, car parking, scooter rental, electric vehicle charging, bike storage and retail space.

The project is the first in the state to offer investment-class Built to Rent dwellings with affordable housing options.

The new apartments will achieve a minimum 7.5 Nationwide House Energy (NatHERS) rating and deliver 100% renewable energy to tenants.

Renewal SA has committed to purchase a percentage of affordable apartments at a 'below valuation' price in the event they have not sold to eligible purchasers by the time construction has finished – this has enabled Flagship Group to secure immediate finance for construction and begin work on the two buildings concurrently.

This arrangement has also provided an additional incentive to Flagship Group to sell the apartments to eligible purchasers at the valuation price or above (but within affordable housing price points).

#### Affordable housing outcomes

Forty apartments will be offered at affordable housing price-points, and six of these will be offered as specialist disability accommodation (SDA) for people with extreme functional impairment or very high support needs.

#### Council involvement

Whilst Council's involvement in this project has been limited to the role of the referral agency as part of the Development Approval (DA) process, this project is a great example of a model that Councils can look at to enter into similar arrangements with the development sector to increase the availability of affordable housing within their Council areas.





#### Developer / builder / partnerships

Builder Partner: Melisi Projects Pty Ltd.

#### **Project description**

The Square at Woodville West involved the redevelopment of a 13-hectare site in Woodville West that had a high concentration of aged SAHT owned dwellings.

In 2019 civil works in Stage 3b were completed and Melisi Projects Pty (Melisi) was appointed as the builder partner via an Expression of Interest process for the 31 house and land packages.

In 2020 Development Approval was received and the house and land packages were released for sale to eligible buyers. The final settlement occurred in March 2021.

#### Case Study

This initiative utilised funds from the former Federal Housing Affordability Fund (HAF) was applied to the 31 house and land packages in Stage 3b of the Woodville West project and secured via a shared equity arrangement.

All purchasers were required to obtain finance approval from HomeStart prior to executing a land contract with Renewal SA and a house construction contract with Melisi. As purchasers received their finance approval, they were able to secure one of the available house and land packages. The packages were allocated on a first in line basis and no holds were permitted without finance approval.

The shared equity component is secured by the SA Housing Authority via a second mortgage and is only repayable if the purchaser no longer resides at the home or elects to refinance. The funds eventually recouped by the SA Housing Authority will be re-invested in further affordable homes initiatives in the future.

#### Affordable housing outcomes

Thirty-one (31) two and three-bedroom Torrens Titled house and land packages valued between \$350,000 and \$580,000. The shared equity amounts were approximately equal to 30% of the house and land package value and ranged from \$107,000 up to \$177,000. The net price of the house and land packages for purchasers was between \$243,000 and \$402,500.

All 31 house-and-land packages were listed for sale and made exclusively available to eligible home buyers through what is now known as HomeSeeker SA. Seven of the house-and-land packages were also made exclusively available for 90 days to single women over 50 years of age. All 31 house-and-land packages were successfully sold to eligible home buyers.

#### Council involvement

This project is a great example of how all levels of government: Federal (funding), State (Renewal SA, SA Housing Authority and HomeStart) and Local (City of Charles Sturt) together with the private developer and building sector (Melisi + others) can work together to deliver an outcome that would not have been possible otherwise.



