The draft In Our Backyard Action Plan - 2018-20 (the draft Plan), seeks to provide clarity to the community, Council and officers on the way the strategic commitment Council have made through In Our Backyard (IoYB) is advanced over the next twelve (12) to eighteen (18) months. It will also ensure these efforts are well integrated with Council’s other housing related activities for example supporting those who are homeless.

This draft Plan has been developed on the basis that: -

* There is significant unmet housing need in the City of Port Phillip and this is unacceptable;
* A fresh approach is required to address this need in a more timely and cost-effective way;
* Social housing is essential community infrastructure, which all communities need to be successful and ensure they reach their full potential;
* Social housing is primarily the role of Federal and State Governments, however Council can and should play a role and its contribution should be relative to the difference in role and availability of funding sources;
* Council is a willing and trusted partner and ready to work with all tiers of Government, developers and stakeholders to address housing need throughout the municipality.

The draft Plan proposes eight (8) key actions which range from taking a fresh approach to funding and project delivery options, to stronger and more sophisticated advocacy activities and regular and more meaningful communication and engagement with the local housing sector and community. What follows is detail on each of the actions, which once agreed, will be regularly monitored through the monthly CEO report.

**1. Move from a project to a program approach**

Currently through IoBY, property (land and / or air-rights) and cash are provided by Council on a project by project basis. This action would see Council repackage IoBY as an investment portfolio and use this to leverage as much private and public-sector contribution as possible to respond to housing need in the municipality.

To advance this action, Council would need to quantify the size and funding sources of its investment portfolio. Once agreed, Council could then use this to seek major, long term investment from the State Government and the Commonwealth, as well as partnerships with industry, the philanthropic and not for profit sectors.

As part of agreeing the size of the investment portfolio, it would also be appropriate for Council to set parameters for this portfolio and any projects funded through it going forward. For example, Council could resolve to set a contribution cap of up to 20%[[1]](#footnote-1). Council could then seek the remaining 80% of funding for the portfolio or indeed any projects progressed through it from other sources (primarily from the State and Federal Governments), however this investment portfolio could also be used to incentivise private sector investment. Importantly once agreed by Council, the portfolio approach and contributions would become the centrepiece of Council’s advocacy campaign.

This approach would not preclude CoPP from responding to future project and partnership opportunities as they arise.

Once the scale of the investment portfolio is clarified, the way this portfolio is to be invested also needs to be determined by Council. It is recommended that this is opened to as many participants as possible to obtain the most innovative and cost-effective responses from the market as possible.

**Milestones:**

* Develop high level scenarios around the quantum of the investment portfolio that could reasonably be entertained by the Council (December 2018)
* Provide Council with a detailed assessment of property opportunities to determine the quantum and timing of the program that could be entertained by the Council (June 2019)
* Seek Council endorsement on investment portfolio (cash / assets) that could be included in this program as well as parameters and the ways it would be deployed (July 2019)
* Use the outcome of actions 1 & 2 (program commitment and Housing Needs Policy in Council’s advocacy efforts (ongoing).

**2. Develop a City of Port Phillip (CoPP) Housing Needs Policy to support the effective delivery of In Our Backyard (IoBY) and other CoPP related strategies**

IoBY is a landmark strategy. Councillors were clear that in re-visiting this strategy, it was to look at effectiveness of delivery, not to re-write it. A CoPP Housing Needs Policy would be a high-level document (sitting above IoBY and the homelessness strategy) and would help to integrate Council’s response across the housing continuum. The purpose would be to provide detail to support Council officers and the community to understand housing need in the municipality and how the various strategies of the CoPP are to be delivered to address this need.

Importantly the policy would address the continuum of housing and other support services that need to be provided from homelessness to social / affordable housing.

**Milestones:**

* Commence development of a draft Housing Needs Policy by officers, check-in with Councillors for direction (December 2018 – May 2019)
* Engage on draft Housing Needs Policy with key stakeholders (and Council) (May 2019)
* Present to Council the final Housing Needs Policy for adoption and immediate implementation (July 2019)

**3. Develop an advocacy program**

The provision of housing services is predominantly a role for Federal and State Governments, as they have the bulk of levers available to them to fund the provision of this service. The CoPP is a unique local government authority, in that to achieve its vision of inclusion it has a long history of supporting the provision of social and affordable housing. Through the work of SGS Economics, CoPP has a clear picture of housing need across the municipality and is making an admirable effort to contribute to reducing this need. More needs to be done by State and Federal Government to reduce housing need across Victoria and the CoPP is willing and ready to partner with other tiers of Government to address this need. To date, CoPP advocacy efforts have not been as sophisticated as they could be. This action would seek to redress this.

**Milestones:**

* Develop an approach for advocating on affordable housing to Federal and State Government (March 2019)
* Implement Council’s advocacy approach and use the outcome of actions 1 & 2 as part of efforts (ongoing)

**4. Continue to deliver approved projects**

The development of 46-58 Marlborough Street, Balaclava into affordable housing, continues to proceed as intended. The IoBY review process has not affected progress. This action provides clarity to all involved that this project is continuing and importantly highlighting the key milestones to be progressed. Note: - further detail will be provided on key milestones once the outcome of the State Government funding application is known.

**Milestones:**

* Submit funding application to State Government in October 2018
* Continue to seek a funding commitment from political parties before the election (October / November 2018)
* Pending no further delays, development completed 2021.

**5. Investigate the application of planning controls to deliver affordable housing**

Through this action, Council would seek to develop a planning response which would look to include both:

* An ‘inclusionary zoning’ approach that requires the delivery of affordable housing as a component of new development / rezoning;
* An incentive based approach that facilitates the take up of voluntary affordable housing contributions, e.g. ‘opt-in’ floor area up-lift controls.

This action would also see Council, continue to advocate to State Government, both directly and through regional partnerships (IMAP / Inner Metro Partnership), to progress the delivery of affordable housing through the planning system.

In addition to the above, through this action Council would also seek to review its planning processes with a view to removing any delays that may be experienced by those seeking to progress developments that all or in part respond to housing need in the municipality.

**Milestones:**

* Conduct engagement with the private development sector to identify incentives to increase the take up rate of voluntary affordable housing contributions (February 2019)
* Incorporate new local policy within the Port Phillip Planning Scheme to support delivery of affordable housing, aligned with the CoPP Housing Needs Policy (via Planning Policy Framework Review - 2019) and identify opportunities to establish supporting planning controls in appropriate locations (on-going)
* Define the opportunity post-election to collaborate with IMAP Councils to progress an inclusionary zoning mechanism and/or regional approach to facilitating the take-up of voluntary affordable housing mechanisms (March 2019)
* Work with the Inner Metro Partnership to advocate for an affordable housing overlay for the inner region (ongoing)

**6. Investigate alternate governance options to advance Council’s Housing Needs Policy**

The objective of this action would be supporting Council to establish a mechanism that strikes a balance between protecting housing in perpetuity, while ensuring appropriate oversight of the use of significant public funds.

Mechanisms that would be explored through this action would include trusts, legal instruments, a proprietary company or a Section 86 Committee which could involve industry leaders across the housing spectrum to guide the implementation of Council’s Housing Needs Policy and associated investment.

In addition to this independent governance mechanism, officers would also consider the internal arrangements that would need to be put in place to support external governance arrangements.

**Milestones:**

* Present alternative governance options investigated to Council to consider (March 2019)
* Progress preferred option for alternative governance arrangements (April – June 2019)
* Implement preferred option for governance arrangement (1 July 2019 onwards).

**7. Ensure the organisation has** **the skills, resources and capability to deliver on Council’s housing agenda**

Council’s housing need agenda ranges from homelessness to social and affordable housing. Successful execution of this agenda, requires a range of skills including investment and portfolio management, understanding of the affordable / social housing sector and policy settings, as well as liaison with people who are homeless and those who provide support services. The SGS report has indicated that it would be timely to ensure the organisation has the skills, resources and capability it needs to successfully deliver on the Council’s housing need agenda.

**Milestones:**

* Engage with key staff to understand the current skills, resources and capability available to deliver on Council’s housing need agenda and explore any potential gaps that may exist (November – January 2019)
* Present a proposal for further discussion and engagement with key staff and stakeholders (February 2019)
* Implement any agreed changes (March 2019 onwards).

**8. Regular engagement and communication** **with housing associations and providers**

Through this review process Council has regularly engaged with Housing First, St. Kilda Community Housing and South Port Community Housing Group, and the Community Alliance of Port Phillip (CAPP). It is recommended that regular engagement continues to ensure that Council and the local housing sector and community remain aligned in their objectives and actions.

Going forward it is recommended that two regular housing forums are established. The first being a forum for housing associations and the second being for interested members of the community interested in Council’s housing activities. From time to time these two groups could also come together for joint forums. The rationale for two separate forums is that while there will be some items of mutual interest, there will be other items that are less relevant to certain interest groups.

To ensure that all providers and community members interested in participating have an opportunity to do so it is recommended that terms of reference for these forums are developed and providers and community members are given an opportunity to express their interest in participating.

**Milestones:**

* Develop terms of reference and promote this to organisations/community members seeking to participate in these meetings (November 2018)
* Host first meeting with housing associations and providers, and a separate meeting with interested community members, and agree to an ongoing meeting schedule (February 2019)
* Continue to meet with housing associations, providers, and community members (on-going)

**Timeline of Milestones:**

**October 2018**

* Seek endorsement of draft Plan and undertake targeted engagement with housing providers and the community
* (Action 4) Submit funding application for Marlborough Street Project to State Government.
* (Action 4) Continue to seek a funding commitment from political parties before the election for Marlborough Street Project.

**November 2018**

* Undertake targeted engagement with housing providers and the community on the draft plan and consolidate this feedback
* Seek endorsement of the final Plan and commence delivery of key actions
* (Action 7) Engage with key staff to understand the current skills, resources and capability available to deliver on Council’s housing need agenda and explore any potential gaps that may exist (November – January 2019).
* Develop terms of reference and promote this to organisations/community members seeking to participate in these meetings (November 2018)

**December 2018**

* (Action 1) Develop high level scenarios around the quantum of the program that could reasonably be entertained by the Council.
* (Action 2) Commence development of a draft Housing Needs Policy by officers, check-in with Councillors for direction (December 2018 – June 2019).

**February 2019**

* (Action 5) Conduct engagement with the private development sector to identify incentives to increase the take up rate of voluntary affordable housing contributions.
* (Action 7) Present a proposal for further discussion and engagement with key staff and stakeholders.
* (Action 8) Host first meeting with housing associations, providers, and community members, and agree to an ongoing meeting schedule.

**March 2019**

* (Action 3) Develop an approach for advocating on affordable housing to Federal and State Government.
* (Action 5) Define the opportunity post-election to collaborate with IMAP Councils to progress an inclusionary zoning mechanism and/or regional approach to facilitating the take-up of voluntary affordable housing mechanisms.
* (Action 6) Present alternative governance options investigated to Council to consider.
* (Action 7) Implement any agreed changes

**April 2019**

* (Action 6) Progress preferred option for alternative governance arrangements (April – June).

**May 2019**

* (Action 2) Engage on draft Housing Needs Policy with key stakeholders (and Council)

**June 2019**

* (Action 1) Provide Council with a detailed assessment of property opportunities to determine the quantum and timing of the program that could be entertained by the Council.

**July 2019**

* Seek Council endorsement on investment portfolio (cash / assets) that could be included in this program as well as parameters and the ways it would be deployed (July 2019)
* (Action 2) Present to Council the final Housing Needs Policy for adoption and immediate implementation.
* (Action 6) Implement preferred option for governance arrangement (1 July 2019 onwards).

**On-going**

* (Action 1, 2 & 3) Implement Council’s advocacy approach and use the outcome of actions 1 & 2 as part of efforts
* (Action 5) Work with the Inner Metro Partnership to advocate for an affordable housing overlay for the inner region
* (Action 5) Incorporate new local policy within the Port Phillip Planning Scheme to support delivery of affordable housing, aligned with the CoPP Housing Needs Policy (via Planning Policy Framework Review - 2019) and identify opportunities to establish supporting planning controls in appropriate locations (on-going)
* (Action 8) Continue to meet with housing associations and providers, and community members
1. A 20% contribution to the investment portfolio / projects is recommended as the role of providing social housing is primarily that of the State and Federal Government. However, given social housing is essential community infrastructure and through IoBY Council are keen to retain social housing levels at 2015 levels, a contribution of up to 20% would help advance this aim (Council’s current IoBY target of 920 units would contribute to 14% of the social housing gap in the municipality). [↑](#footnote-ref-1)